

**TOWN OF  
GLOCESTER, RHODE ISLAND**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

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**THOMAS P. MAINVILLE, CPA  
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PREPARED BY: FINANCE DEPARTMENT**

TOWN OF GLOCESTER, RHODE ISLAND

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FOR THE YEAR ENDED JUNE 30, 2009**

TABLE OF CONTENTS

	<u>Schedule</u>	<u>Page(s)</u>
<b>INTRODUCTORY SECTION:</b>		
Letter of Transmittal .....		i-xiv
List of Town Officials .....		xv
Organization Chart .....		xvi
Certificate of Achievement for Excellence in Financial Reporting .....		xvii
<b>FINANCIAL SECTION:</b>		
Independent Auditor's Report .....		1-2
<b>Required Supplementary Information:</b>		
Management's Discussion and Analysis .....		3-16
<b>Basic Financial Statements:</b>		
<b>Government-Wide Financial Statements:</b>		
Statement of Net Assets .....	A-1	17-18
Statement of Activities .....	A-2	19
<b>Fund Financial Statements:</b>		
<b>Governmental Funds:</b>		
Balance Sheet .....	B-1	20-21
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets .....	B-1	22
Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balances .....	B-2	23-24
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balances (B-2) to the Government- Wide Statement of Activities (A-2) .....	B-3	25
<b>Proprietary Funds:</b>		
Statement of Net Assets .....	C-1	26
Statement of Revenues, Expenses and Changes in Net Assets .....	C-2	27
Statement of Cash Flows .....	C-3	28
<b>Notes to Basic Financial Statements</b> .....		29-61
<b>Required Supplementary Information:</b>		
Schedule of Funding Progress for Pension and OPEB Plans .....	D-1	62-63
Schedule of Revenues, Expenditures, Other Financing Sources (Uses), and Changes in Fund Balance (Non-GAAP Budgetary Basis) Budget and Actual – General Fund .....	D-2	64
Schedule of Revenues, Expenditures, Other Financing Sources (Uses), and Changes in Fund Balance (Non-GAAP Budgetary Basis) Budget and Actual – Gloucester School General Fund .....	D-3	65
Notes to Required Supplementary Information .....		66

(CONTINUED)

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

**TABLE OF CONTENTS**

	<u>Schedule</u>	<u>Page(s)</u>
<b>FINANCIAL SECTION (Continued):</b>		
<b>Other Supplementary Information:</b>		
<b>Non-Major Governmental Funds:</b>		
Nonmajor Governmental Funds – Combining Balance Sheet.....	E-1	67
Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures, Other Financing Sources (Uses), and Changes in Fund Balances .....	E-2	68
Town Special Revenue Funds – Combining Balance Sheet .....	E-3	69-74
Town Special Revenue Funds – Combining Statement of Revenues, Expenditures, Other Financing Sources (Uses), and Changes in Fund Balances .....	E-4	75-80
School Special Revenue Funds – Combining Balance Sheet .....	E-5	81-83
School Special Revenue Funds – Combining Statement of Revenues, Expenditures, Other Financing Sources and Changes in Fund Balances.....	E-6	84-86
Capital Project Funds – Combining Balance Sheet.....	E-7	87-88
Capital Project Funds – Combining Statement of Revenues, Expenditures, Other Financing Sources, and Changes in Fund Balances .....	E-8	89-90
Tax Collector's Annual Report.....	E-9	91
<b>Budgetary Schedules:</b>		
Schedule of Revenues and Expenditures – Budget and Actual – Budgetary Basis – General Fund .....	F-1	92-105
Schedule of Revenues and Expenditures – Budget and Actual-Budgetary Basis- Glocester School General Fund .....	F-2	106-109
<b>STATISTICAL SECTION:</b>		
Net Assets by Component – Last Ten Fiscal Years - Unaudited .....		110
Changes in Net Assets – Last Ten Fiscal Years - Unaudited .....		111-112
Fund Balance - Governmental Funds – Last Ten Fiscal Years - Unaudited.....		113
Changes in Fund Balances - Governmental Funds – Last Ten Fiscal Years - Unaudited.....		114
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years - Unaudited .....		115
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years - Unaudited .....		116
Principal Property Tax Payers - Current Year and Nine Years Ago - Unaudited .....		117
Property Tax Levies and Collections - Last Ten Fiscal Years - Unaudited .....		118
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years - Unaudited.....		119
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years - Unaudited .....		120
Direct and Overlapping Governmental Activities Debt - Unaudited.....		121
Legal Debt Margin Information - Last Ten Fiscal Years - Unaudited .....		122
Pledged Revenue Coverage - Last Ten Fiscal Years - Unaudited.....		123
Demographic and Economic Statistics - Last Ten Fiscal Years - Unaudited .....		124
Principal Employers - Current Year and Nine Years Ago - Unaudited .....		125
Full-Time Equivalent Town Government Employees by Function/Program - Last Ten Fiscal Years - Unaudited .....		126
Operating Indicators by Function/Program - Last Ten Fiscal Years - Unaudited .....		127
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years - Unaudited.....		128
<b>REPORT IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS:</b>		
Report on the 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 .....		129-130

(CONCLUDED)

# **TOWN OF GLOCESTER**

## **INTRODUCTORY SECTION**

*This section contains the following:*

*Letter of Transmittal*

*Certificate of Achievement for Excellence in Financial Reporting*

*List of Town Officials*

*Town of Gloucester Organizational Chart*





**TOWN OF GLOCESTER**  
*DEPARTMENT OF FINANCE*  
*DEPARTMENT OF HUMAN RESOURCES*  
*GLOCESTER SCHOOL DISTRICT BUSINESS OFFICE*  
1145 Putnam Pike, P.O. Box B  
Chepachet, Rhode Island 02814-0702  
(401) 568-6206, Ext. 5 - Fax (401) 568-5850  
TTY (Relay RI) 1-800-745-5555

Thomas P. Mainville, CPA  
*Director*  
*Director*  
*Business Manager*

December 21, 2009

To the Honorable President and Members of the Town Council and Citizens of the Town of Gloucester:

We hereby submit the Comprehensive Annual Financial Report for the Town of Gloucester (Town), for the fiscal year ended June 30, 2009. The report has been prepared in accordance with generally accepted accounting principles (GAAP), adhering to the format promulgated through the Governmental Accounting Board's Statement 34. Responsibility for the accuracy of the data presented, as well the fairness of the representations contained within the report, rests with the Town's management. To provide a reasonable basis for making these representations, the Town has established a comprehensive internal control framework that is designed to protect the Town's assets from theft, loss or misuse, and to promote the compilation of reliable financial information for reporting and forecasting purposes. Since the cost of the internal control system should not outweigh its benefits, the Town's internal control system has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge, and in all material respects, this report is fair, complete, and summarizes the Town's financial position in a comprehensive manner.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section contains this letter of transmittal, a listing of Town Officials and an organizational chart. The Financial Section contains the independent auditor's report, the Management Discussion and Analysis (which should be read in conjunction with this transmittal letter to provide the reader with a greater understanding of the Town's net assets and fund activity), the government-wide financial statements, the basic financial statements of major and non-major funds, notes to the financial statements, and other supplementary information. The Statistical Section provides selected financial and demographic information presented on a multi-year basis.

In conformity with the Single Audit Act of 1996 and the United States Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," the Town is required to submit to an annual audit of all federal grant awards. The Single Audit contains the schedule of expenditures of federal grant awards. The Single Audit was filed in a separate report.

## **Government Profile**

The Town of Glocester was founded in 1639, incorporated as a Town in 1731, and is a rural community in northwest Rhode Island located approximately 15 miles northwest from Providence. It is connected to the southeast corridor by a network of highways, including Interstate 295 and Interstate 95. The land area of the Town of Glocester is 54.6 square miles, which includes 2.3 square miles of inland water, and is mainly composed of residential, farm, orchard and woodland areas. The Town attracts many tourists and vacationers to its lake areas and to the village of Chepachet which is listed as a Historic District on the National Register of Historic Places. The businesses in the Town are primarily service or agricultural.

The Town operates under a Home Rule Charter adopted in 1991 providing for a Town Council form of government with a five-member Town Council, elected at-large for terms of two years, and headed by a Council President. All legislative powers of the Town are vested in the Town Council by the Charter including all powers to enact, amend or repeal ordinances relating to the Town's property, affairs and government (which include the power to create offices, departments or agencies of the Town, preserving the public peace, health and safety, and establishing personnel policies) except such powers as are reserved by State Law to the annual Financial Town Meeting (which include the ordering of any tax, making appropriations, giving effect to any vote of the Financial Town Meeting authorizing the issuance of bonds, providing for an annual audit of the Town's accounts and transacting any other business pertaining to the financial affairs of the Town).

The Town Council is supported and advised by various Boards and Commissions (members of which are volunteers and are appointed by the Town Council at various intervals) some of which are: Planning Board, Zoning Board, Economic Development Commission, Budget Board, Personnel Board, Board of Contracts & Purchases, Wastewater Management District Board, Board of Canvassers, Recreation Commission, July 4<sup>th</sup> Ancients & Horribles Parade Committee, and the Juvenile Hearing Board.

## **Component Unit**

The Glocester Land Trust (Land Trust) has been presented as a component unit of the Town in the accompanying government-wide financial statements. Further information regarding the purpose of the Land Trust and the definition of component unit is provided in Note 1 of the financial statements.

## **Public Education**

The public school system of the Town consists of two elementary schools, grades kindergarten through 5, and is served by the Glocester School Department. Grades 6 through 12 are served by the Foster-Glocester Regional School District of which the Town of Glocester and the Town of Foster are member communities. The Foster-Glocester Regional School District was incorporated and its fiscal authority established by Acts of the General Assembly in 1958 and 1959.

The general administration of the Glocester School Department is directed by a six-member School Committee whose members are elected at-large with three members being elected at each regular biennial election. These six members of the Glocester School Committee along with the three School Committee members from the Town of Foster are ex-officio members of the Foster-Glocester School Committee.

The School Committees determine and control all policies affecting the administration, maintenance and operation of the public schools in the Town. The School Committees appoint a Superintendent as their chief administrative agent and such other administrative officers as are considered necessary, and submit detailed budgets of expenditures and revenues to the voters at annual Financial Town Meetings. The Foster-Glocester Regional School District Financial Town Meeting is held on the third Tuesday in March of each year and its budget is adopted at that meeting. The Town of Glocester Financial Town Meeting is held on the first Saturday after the first Friday in May of each year and the budget for the Glocester elementary schools is adopted at that meeting. Once the school budgets have been approved, the School Committees determine the allocations of the amounts appropriated.

The Town Charter provides that, based on budget estimates submitted by the Glocester School Committee, the Town Council establishes the Glocester School Department's appropriation in total only, and that the School Committee determines the allocation of the amounts appropriated.

The Town of Glocester's school system (grades kindergarten through 5) consists of 2 elementary schools (Fogarty Memorial and West Glocester).

Grades 6 through 8 attend the Ponaganset Middle School and grades 9 through 12 attend Ponaganset High School. Both the middle and high schools are physically located in the Town of Glocester near the border joining the Towns of Glocester and Foster.

The cost of operation of the Town's elementary school system (excluding the Foster-Glocester Regional School District) for fiscal year 2009 was \$10,033,827. In fiscal year ending June 30, 2009, the Town paid \$9,344,763 to the Foster-Glocester Regional School District. The Town will pay \$9,328,376 to the Foster-Glocester Regional School District for fiscal year 2010, a .2% decrease.

The Fogarty Memorial and West Glocester elementary schools were constructed in 1975 and 1991 respectively. There is presently a staff of 95 in both schools, 63 of whom are teachers and professional staff and 23 are teachers' aides. Per 2009 statistics, the average per pupil expenditure amounts to \$16,316.

A new Ponaganset Middle School building was completed in August 2007. The Ponaganset High School South building was constructed in 1960 and the Ponaganset High School North building was constructed in 1965. Both the North and South buildings are presently being renovated. There is presently a staff of 175 in both schools, 117 of whom are teachers, and 14 are teachers' aides. Per 2009 statistics, the average per pupil expenditure amounts to \$12,263. In the graduating class of 2009, approximately 85% of all high school graduates continued their education by attending two- and four-year colleges, technical institutes or other forms of post secondary education.



The following is a summary of the actual school population trends in the Town.

<u>Year</u>	<u>Grades kindergarten through 5 Gloucester</u>	<u>Grades 6 through 12 Gloucester</u>	<u>Total student population Gloucester</u>	<u>Grades 6 through 12 Foster</u>	<u>Total population grades 6 thru 12 F-G Region</u>
<b>Actual enrollment</b>					
<b>1994-95</b>	<b>879</b>	<b>987</b>	<b>1,866</b>	[397	1,384]
<b>1995-96</b>	<b>892</b>	<b>1,009</b>	<b>1,901</b>	[403	1,412]
<b>1996-97</b>	<b>890</b>	<b>1,044</b>	<b>1,934</b>	[417	1,461]
<b>1997-98</b>	<b>886</b>	<b>1,060</b>	<b>1,946</b>	[442	1,502]
<b>1998-99</b>	<b>876</b>	<b>1,130</b>	<b>2,006</b>	[434	1,564]
<b>1999-00</b>	<b>890</b>	<b>1,108</b>	<b>1,998</b>	[478	1,586]
<b>2000-01</b>	<b>893</b>	<b>1,117</b>	<b>2,010</b>	[481	1,598]
<b>2001-02</b>	<b>802</b>	<b>1,134</b>	<b>1,936</b>	[496	1,630]
<b>2002-03</b>	<b>794</b>	<b>1,157</b>	<b>1,951</b>	[542	1,699]
<b>2003-04</b>	<b>813</b>	<b>1,134</b>	<b>1,947</b>	[552	1,686]
<b>2004-05</b>	<b>754</b>	<b>1,140</b>	<b>1,894</b>	[548	1,688]
<b>2005-06</b>	<b>689</b>	<b>980</b>	<b>1,669</b>	[654	1,634]
<b>2006-07</b>	<b>826</b>	<b>1,038</b>	<b>1,864</b>	[559	1,597]
<b>2007-08</b>	<b>639</b>	<b>1,097</b>	<b>1,736</b>	[425	1,522]
<b>2008-09</b>	<b>638</b>	<b>976</b>	<b>1,614</b>	[435	1,411]
<b>Projected enrollment</b>					
<b>2009-10</b>	<b>596</b>	<b>961</b>	<b>1,557</b>	[424	1,385]
<b>2010-11</b>	<b>594</b>	<b>923</b>	<b>1,517</b>	[399	1,322]
<b>2011-12</b>	<b>599</b>	<b>878</b>	<b>1,477</b>	[373	1,251]
<b>2012-13</b>	<b>553</b>	<b>843</b>	<b>1,396</b>	[355	1,198]
<b>2013-14</b>	<b>497</b>	<b>805</b>	<b>1,302</b>	[336	1,141]

During fiscal year 2009, the Gloucester School Department expended \$10,033,827. This included \$306,790 for unbudgeted expenditures in several Special Revenue Funds. Their fiscal 2010 expense appropriation for operations is \$10,082,101. The fiscal 2010 State Aid for school operations has been budgeted at \$2,571,398. \$180,413 was received in fiscal 2009 from the American Recovery and Reinvestment Act (ARRA) funding. \$158,102 has been budgeted to be received from ARRA funding in 2010.

## Town Services

In addition to its schools, the Town provides major public services, certain of which are described below:

### *Executive and Administration*

The Town Council, with the assistance of the Office of the Town Clerk, the Department of Finance (includes Human Resources), and the Town Solicitor, exercises general oversight of the Town. The Town Clerk's Office is responsible for all record maintenance and also supervision of the probate court. During fiscal 2009, the Central Administration and Financial Administration groups expended \$1,448,581. This amount includes \$830,011 in Central Administration expense [page 95], transfers for Central Administration of \$2,500 for Comprehensive Plan 5-year update [page 105]; \$596,070 in Financial Administration expense [page 96] and transfers for Financial Administration of \$20,000, [page 105] to a revaluation reserve account. The fiscal 2010 budget has been set at \$1,468,344.

### *Public Safety*

**Police:** The Town Police Department is responsible for Public Safety and has a force of 13 full-time sworn officers, including the Chief, Captain, Lieutenant, 2 Sergeants and 8 police officers. The department also has 5 full- and 1 part-time Dispatchers. The Chief of Police is the Town's Public Safety Officer. The Dispatchers dispatch for both the police and fire departments. The police station, built in 1990, provides facilities for public safety issues. During fiscal 2009, the Police Department expended \$1,705,110. This includes department expense of \$1,689,937 [page 97], and transfers of \$15,173 [\$8,214 for grants-matching funds and \$6,959 to police equipment maintenance fund], [page 105]. For fiscal 2010, \$1,787,220 has been designated for operations.

**Office of Animal Control:** The Police Department is also responsible for the Office of Animal Control which has 1 full- and 3 part-time Animal Control Officers. They are responsible for the care of animals in their control, encouraging their adoption, and protection of the public against stray and wild animals. During fiscal 2009, the Office of Animal Control expended \$92,250. For fiscal 2010, \$91,621 has been designated for operations.

**Fire and Rescue:** Fire protection and rescue services in the Town of Gloucester are provided by three separate political entities created by State statute: the Harmony Fire District, the Chepachet Fire District and the West Gloucester Fire District. The three fire districts are responsible for the acquisition and maintenance of fire equipment, facilities and stations in the respective areas served by the districts. There is one station in each of the Harmony and Chepachet districts. There are two stations in the West Gloucester district. The districts are independent of the Town of Gloucester and the Town is not directly responsible for their expenditures nor does the Town derive any income from their operations. By statute, the fire districts have separate ad valorem taxing powers on the real property situated in the area served by each district. The fire companies are staffed with 92 volunteers, 32 per diem EMT's, and 1 full-time employee.

### *Building/Zoning Office*

The Building/Zoning Officer and 4 part-time inspectors are responsible for insuring compliance with state and local building code ordinances and laws. The budget for the Building/Zoning Office is included in the Central Administration total budget. Fiscal 2009 expenditures totaled \$181,154 for this department and \$165,743 is budgeted for fiscal 2010.

### *Social Services*

**Parks and Recreation:** The Town employs a part-time Recreation Director who oversees activities at 2 Town beaches, 3 parks and various other locations. Within the parks are 2 little league fields, 2 softball fields, 4 tennis courts, 4 basketball courts, 3 playgrounds, and walking trails. The Town also uses the facilities at the schools for basketball, tennis and baseball programs. A major event in the Town is the 4<sup>th</sup> of July 'Ancients & Horribles' parade, held in the village of Chepachet, which has been an annual event for 82 years (as of July 4, 2008) and is the second longest running Independence Day parade in Rhode Island. Attendance is estimated to be 10,000 each year.

**Libraries:** There are two libraries (Glocester Manton Free Public Library and Harmony Library in the villages of Chepachet and Harmony, respectively) which operate independently from Town government. Each library is governed by a Board of Trustees. The Glocester Manton Free Public Library offers a collection of over 32,000 items and the Harmony Library offers over 44,500 items. As members of Ocean State Libraries, they both provide and promote open access to a broad range of informational, educational, cultural, and recreational materials and services (including wireless access to the internet) to the residents and the business community in Glocester. To further their mission, the libraries maintain membership in the Ponaganset Regional Libraries Network which was established to promote an awareness of library resources and services available to the residents of the towns of Foster and Glocester through resource sharing and inter-library cooperation among the school and public libraries. Total library related expenditures for fiscal 2009 were \$179,479 for Manton Free Public Library and \$235,423 for Harmony Library. The Town contributed \$126,556 to the Manton Free Public Library and \$181,577 to the Harmony Library in 2009. These funds supported the acquisition of books and materials as well as an authorized staff of 5 librarians (3 full and 2 part-time) holding masters degrees in Library and Information Services and support staffs of 9 part-time employees. Both libraries serve a total of 60,000 visitors per year. Budgeted Town aid for fiscal 2010 is \$126,556 for the Manton Free Public Library and \$181,577 for the Harmony Library. Together, both libraries circulate over 90,000 items per year, a per capita circulation of 9.0. In addition, Glocester Manton Free Library offered 144 programs that were attended by 1,700 people. Harmony Library offered 296 programs that were attended by 3,322 people. The Glocester Manton Free Public Library has 9 public-use computers and the Harmony Library has 10.

**Human Services:** The Human Services department provides transportation for Town residents to doctor offices, medical facilities, and for shopping trips for senior citizens and citizens with disabilities. It also operates a food bank. It also provides information assistance and emergency energy funds for residents in need. Fiscal 2009 expenditures totaled \$57,312. This includes department expense of \$45,812 (page 102) and transfers of \$6,500 and \$5,000 (page 105) to the Food Bank and Emergency Energy Fund, respectively. \$61,846 is budgeted for fiscal 2010.

Senior Center and Senior Meal-site: Social services (including a meal-site and various daily programs) are provided to the Town's seniors at our new senior center building (completed in January 2007). Fiscal 2009 expenditures totaled \$136,878. \$144,956 is budgeted for fiscal 2010.

*Physical Resources*

Planning and Community Development: The Town Planner provides guidance on the physical and social development of the Town. The budget for the Town Planner is included in the Central Administration total budget. Fiscal 2009 expenditures for the Town Planner's Office totaled \$160,198. This included department expense of \$157,698 (page 93) and a transfer of \$2,500 for Comprehensive Plan 5-year update (page 105). \$154,347 is budgeted for fiscal 2010. The Federal Community Development Block Grant (CDBG) program, which provided \$216,600 to the Town in 2009, is administered by the Western Rhode Island Home Repair Program, a quasi-governmental body and consortium of the Towns of Glocester, Foster and Scituate. The Town has been granted \$215,725 for the CDBG program in fiscal 2010.

Public Works: An authorized staff of 16 full-time and 1 part-time employees maintains 97.6 the Town's 148.8 miles of roads [38.3 miles of the 148.8 miles are state roads] and 3 bridges, monitors the disposal operations of 3,376 tons of trash and 920 tons of recyclables per year, maintains the Town's vehicles and equipment, and maintains 10 buildings. During fiscal 2009, the Department expended \$1,877,391. This amount includes \$1,597,540, [page 100] in department expense, a budgeted transfer of \$247,408, [page 105] to the Storm/snow related services reserve account and unbudgeted transfers, [page 105] of \$21,116 for the landfill closure and \$11,327 for the road fund. \$1,972,906 has been allocated for fiscal 2010.

Water and Sewer: There are no Town water or sewer systems. Homes and businesses are served by, and the Town intends to continue to rely on, private wells and septic systems.

**Economic Conditions and Outlook**

**Population**

The table below (source: U.S. Census Bureau) shows the Town's population trends:

<u>Year</u>	<u>Population</u>	<u>Year</u>	<u>Population</u>
1920	1,404	2001	10,109
1930	1,693	2002	10,257
1940	2,099	2003	10,445
1950	2,682	2004	10,551
1960	3,397	2005	10,603
1970	5,160	2006	10,597
1980	7,550	2007	10,536
1990	9,227	2008	10,499
2000	9,948	2009	10,499

## Employment

In calendar year 2008, the Town had 210 private business and industrial firms and government entities subject to the payment of employment security taxes. During that period, the payrolls for those entities totaled \$53,311,300 and the average number of persons employed was 1,588. The following is a listing of the various types of industry in the Town covered by the Department of Labor and Training for that period.

<u>Industry</u>	<u>Number Of Units</u>	<u>Average No. of Employees</u>	<u>Total Wages</u>
Construction	59	139	\$ 5,446,115
Wholesale trade	8	6	276,695
Retail trade	22	188	3,641,526
Transportation & warehousing	6	66	2,188,408
Information	4	18	390,960
Finance & insurance	7	21	938,980
Professional & technical services	16	80	4,838,578
Administrative support and waste management	14	24	768,150
Health care & social assistance	13	339	9,951,381
Arts, entertainment, & recreation	4	24	692,554
Accommodation & food services	15	158	1,855,079
Other services	24	46	1,275,782
Government	<u>18</u>	<u>479</u>	<u>21,047,092</u>
Total	<u>210</u>	<u>1,588</u>	<u>\$ 53,311,300</u>

## Income Levels

According to the Rhode Island Public Expenditure Council, the 2000 median family income of the Town of Glocester was \$62,679 compared with \$52,781 for the State of Rhode Island. Median family income in the Town increased by \$19,612 or 45.5% from \$43,067 in 1990. Median family income in the State of Rhode Island increased by \$24,439 or 86.2% from \$28,342 in 1990.

## Housing

According to the 2000 U.S. Census, there were 3,786 dwelling units in the Town compared to 3,460 dwelling units in 1990. The additional 326 dwelling units represent an increase of 9.4%.

## Economic Development

*General:* The Town's Economic Development Commission and the Glocester Business Association meet monthly and are engaged in an on-going effort to promote and assist new, existing and expanding businesses.

Net values for all property in the Town decreased to \$1,100,786,329 (assessment date December 31, 2007) for fiscal year 2009 from \$1,108,794,468 (a decrease of \$8,008,139 or .7%) in 2008. The last full Town-wide revaluation was performed as of December 31, 2001. The Town's first statistical revaluation was completed as of December 31, 2004 and the second as of December 31, 2007. Net values for fiscal year 2010 have been assessed at \$1,093,431,623. The next full Town-wide revaluation is scheduled to be completed as of December 31, 2010.

*Factory Mutual Insurance Co.:* The Town's largest taxpayer, Factory Mutual Insurance Co. (FMIC), headquartered in Norwood, Massachusetts, is an engineering and research (testing facility) company for insurance companies and businesses. FMIC occupies a 2,500 acre site in the village of West Gloucester.

In 2003, the company spent approximately \$89 million in refurbishing and replacement of their facilities and expanded their operations. The number of employees at the site increased from 40 to 88 with that expansion. At that time, they entered into a 20 year payment-in-lieu-of-taxes (PILOT) agreement with the Town. Total payments from that original agreement will amount to \$27,937,500. They paid \$1,120,000 in fiscal 2009, and will pay \$1,150,000 in fiscal 2010. Included in the agreement was the transfer to the Town of 98 acres of land valued (at that time) at \$466,884 to be used for public purposes.

The company is expanding their facilities again, expecting to spend another \$45 million with scheduled completion in the summer of 2009. The project includes a new "natural hazard" testing facility (75,000 sq. ft.) which includes a 10' by 10' earthquake simulation table and other natural disaster testing equipment. A new water treatment plant will be constructed which will allow reuse of the water used during the testing procedures. A 17,000 sq. ft. warehouse is also under construction. The number of employees will increase to 96. With that expansion, the PILOT agreement has been amended. FMIC will pay an additional amount of \$435,825 in fiscal 2010. An additional \$6,718,626 will be paid over the remaining thirteen years of the agreement and total payments from the PILOT will amount to \$34,656,126.

### **Major Initiatives**

In a report dated January 26, 2009, Standard & Poor's Ratings Services raised its rating on the Town's general obligation debt from 'AA-' to 'AA' with a stable outlook. The report stated that the rating upgrade reflected the Town's continued strong financial position above policy levels, and above-average income levels. Cited as an additional strength is Gloucester's access to employment in Providence and along the I-495 technology corridor.

The administration is committed to preserving the Town's unrestricted fund balance. At the November 2, 2004 general election, the taxpayers approved a change to the town charter to include a policy of maintaining an unreserved, undesignated general fund balance at 12% (minimum) of proposed operating expenditures. The unreserved, undesignated fund balance at June 30, 2009 was \$3,826,715, a decrease of \$19,284 or 0.5% from the prior year. The undesignated, unreserved fund balance is 13.7% of general fund expenses budgeted for fiscal year 2010.

Annually, the Town develops a Capital Improvement Plan. This plan serves as a blueprint for major capital projects to be undertaken over a six year period.

The Town remains committed to preserving recreational and open space areas. The Gloucester Land Trust (which, as noted above is presented in the government-wide financial statements as a component unit) purchased 101 acres and an easement in fiscal 2009 with a value of \$669,515. The Land Trust owns a total of 2,057 acres with an estimated value of \$6,356,600 as of June 30, 2009.

The Town is developing 17.6 acres of land along the Chepachet River in the central part of Chepachet Village. When completed, this area will be transformed into an interpretive historic park named "Chepachet River Park." The work is estimated to cost \$450,000, about \$300,000 of which is expected to be paid for from grants. The park will feature a gravel walking trail of approximately 0.5 miles that will begin and end on Chepachet's main street. The trail will follow the Chepachet River and will encircle the mill ruins. By installing two bridges and utilizing the existing dam, the trail will cross the river downstream of the mill ruins and then return to Main Street via Oil Mill Lane.

Combined with this project is the cleanup of hazardous materials at the site from its former use as a textile mill. The Town has applied for and received a \$200,000+ grant from Rhode Island Department of Environmental Management (RIDEM) Office of Waste Management. This grant paid for the site assessment and cleanup plan. The Town has also received an additional \$200,000 Brownfields Cleanup Grant from US Environmental Protection Agency. This money will be used to remove contaminants from the site.

The Town received a \$671,000 grant from the United States Environmental Protection Agency (USEPA) in January 2007. This funding is being used to demonstrate the application of innovative, decentralized, on-site septic disposal systems and innovative stormwater management. This project began in 2007 and focuses on these issues to improve water quality and encourage sustainable redevelopment in the village of Chepachet. This project will result in the installation of an innovative stormwater demonstration system to be located on a portion of Chepachet River Park near Oil Mill Lane which will encourage in-fill development and business expansion. It is expected to be completed By December 31, 2010.

The Town has received an additional grant from USEPA to study and design stormwater and wastewater treatment systems for the village of Chepachet. The stormwater portion of this project will result in the construction of a wetlands on some of the Chepachet River Park property. This portion of the project is worth approximately \$250,000 and will be incorporated in the cleanup plan of the Park property.

Construction on the above will occur in phases as funding is available. It is expected that the cleanup and drainage system installation will be completed by September 2010.

The Town remains committed to maintaining the high quality of public education, allocating approximately 69.3% of the operating budget to education. Also, at the November 2, 2004 general election, the voters of the Towns of Foster and Glocester approved a \$45,720,000 bond to finance the acquisition of land for and the construction of a new middle school and for the renovation of the Ponaganset High School and Ponaganset Middle School. The work is scheduled to be completed in fiscal year 2010.

At the November 2, 2004 general election the voters approved a \$2,215,000 bond to finance the acquisition of land for and the design, construction, furnishing and equipping of a Senior Center. The Town budgeted \$270,000 for the project and received an additional \$275,000+ in grants and donations to help cover the cost. The 8,000 square foot Senior Center opened in January 2007 and serves as an activity center for the Town's 1,800 senior citizens. Final cost on the project was \$2,711,710.

The CVS Corporation estimates that \$4,500,000 has been spent to construct a state-of-the-art retail store on the intersection of Routes 102 and 44. This store has been designed to mimic the architectural features of the historic structures in Glocester. 26 people were employed at the store when it opened in July 2007.

In a collaborative effort with the Town, the Rhode Island Department of Transportation began construction in 2008 of over \$3,000,000 in infrastructure improvement to Chepachet village. These improvements include drainage reconstruction, new brick treatment sidewalks, benches, period lighting, street trees, road reconstruction and intersection reconfiguration. These improvements will make the village safer, more pedestrian friendly and move traffic safely through the village. It is anticipated that these improvements will spur further investment into the businesses and residences in Chepachet by improving the business climate of the village. The first phase of this project was completed in November 2008 with the installation of a detention pond, landscaping, new sidewalks and curbing. The remaining improvements are scheduled for 2010.

The Town commissioned an actuarial study as required by the Governmental Accounting Standards Board Statement # 45 [Other Post Employment Benefits (GASB 45)]. The study was completed by USI Consulting Group and a report was issued on November 7, 2008. Further information regarding Other Post Employment Benefits is provided in Note 12 on pages 55 through 58 of the financial statements.



## **Financial Information**

The Town's Comprehensive Annual Financial Report provides detailed information on the Town's current financial position. Our Management Discussion and Analysis will provide additional analysis.

### **Budgetary Control**

The legal level of budgetary control is at the fund level. The Town observes the following charter procedures in establishing the General Fund budgeting data reflected in the required supplementary information:

- The Town Council appoints a Budget Board of seven members from the qualified electors of the Town.
- Each Department, Commission, Office and Agency submits a written detailed budget to the Budget Board no later than January 2nd in each year.
- The Budget Board holds budget hearings at which the various Departments, Commissions, Offices and Agencies justify their requests.
- The Budget Board submits to the Town Council, no later than the third Thursday in March, its recommendations regarding all requests for appropriations together with revenue estimates and the projected tax levy required to support the budget recommendation.
- The Town Council reviews recommendations of Budget Board and makes such changes as it deems appropriate.
- The Town Council holds a Public Hearing (at which taxpayers are given an opportunity to comment on the budget) on its preliminary recommended budget at least 21 days prior to the Annual Financial Town Meeting. The Council has the authority to increase or decrease budget line items.
- The Town Council, by affirmative vote of the majority, adopts a recommended budget for presentation to the Financial Town Meeting no later than 15 days preceding its date.
- The final Budget is approved and a Tax Levy set by resolution at the Financial Town Meeting.

Progress against both the expense and revenue operating budgets is tracked using budget-vs.-actual comparison reports. The general ledger tracks expenditures and encumbrances, and revenues, and compares them to budgeted amounts. The comparison report calculates the amount of appropriation and revenues remaining. The Treasurer's Office monitors both spending and revenues and issues monthly reports to departments to assist them in budget management. The Town's Budget Board reviews the progress against the budget quarterly and sends a report regarding its findings to the Town Council.

### **Cash Management**

Cash requirements are strictly monitored, and excess cash is invested in appropriate short term instruments. These investments are intended to maximize investment earnings, while maintaining an appropriate level of security and liquidity.

## **Risk Management**

The Town is a member of the Rhode Island Interlocal Risk Management Trust. This organization was established as a joint venture to provide insurance coverage to local municipalities. The Town of Glocester maintains insurance coverage for property, general liability, public officials' liability, auto liability, and workers compensation. General liability and public officials' liability coverage is \$5,000,000.

## **Debt Administration**

The ratios of net bonded debt to total assessed (property) valuation and net bonded debt per capita provide useful information when evaluating the Town's financial position. These indicators were as follows on June 30, 2009:

<u>Net Direct Bonded Debt</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt Per Capita</u>
\$5,415,000	0.49%	\$515.76

(Please see statistical schedules 5, 9 and 14 for additional information)

## **Independent Audit**

Per the Town of Glocester Charter, and the General Laws of the State of Rhode Island, an independent audit of the Town's financial statements and operations has been completed by the firm of Cayer Caccia, LLP. Their opinion is included within this document.

## **Reporting Achievement**

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 Glocester for its comprehensive annual financial reports for the fiscal year ended June 30, 2008. This was the fourth consecutive year that the Town has achieved this prestigious award. 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.

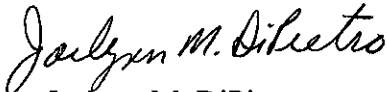
**Acknowledgment**

The preparation of this Comprehensive Annual Financial Report would not have been possible without the efficient and dedicated efforts of the staff of the Department of Finance and all of the employees of the Town of Gloucester. Their initiative, enthusiasm and proficiency are greatly appreciated. Special thanks to Council President Kevin P. Walsh, and the members of the Town Council for their support in maintaining the highest standards of professionalism in the management of the finances of the Town of Gloucester.

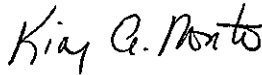
Respectfully submitted,



Thomas P. Mainville, CPA  
Director of Finance



Jaclynn M. DiPietro  
Administrative Aide



Kim A. Montie  
Financial Clerk



Denise J. Cadoret  
Clerk I

**TOWN OF GLOCESTER, RHODE ISLAND**

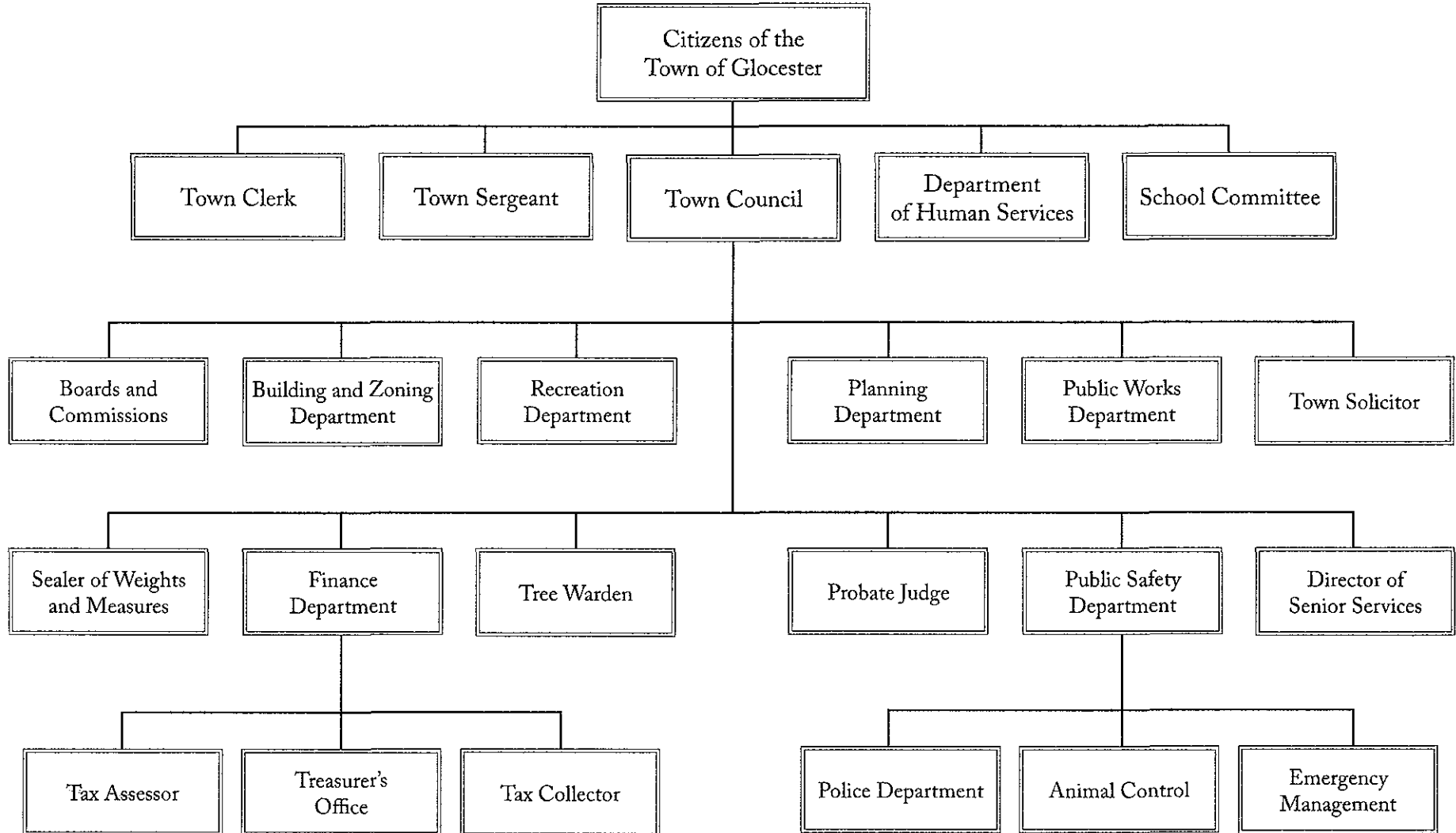
**TOWN COUNCIL**

*Kevin P. Walsh, President*  
*Walter M.O. Steere III, Vice-President*  
*George O. Steere, Jr.*  
*Edward C. Burlingame*  
*Patrick J. Carroll*

**DIRECTOR OF FINANCE**

*Thomas P. Mainville, CPA*

# Town of Glocester, Rhode Island Organization Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Town of Gloucester Rhode Island

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

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



President

Executive Director

# **TOWN OF GLOCESTER**

## **FINANCIAL SECTION**

*This section contains the following:*

*Independent Auditor's Report  
Management's Discussion and Analysis  
Basic Financial Statements  
Required Supplementary Information  
Other Supplementary Information*

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

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

**Donna T. Caccia**  
CPA, MST, CFP™

## ***INDEPENDENT AUDITOR'S REPORT***

To the Honorable Town Council  
Glocester, Rhode Island

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2009, on our consideration of the Town of Glocester, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



The management's discussion and analysis, historical pension and other post-employment benefit information and budgetary comparison information on pages 3 through 16 and 62 through 66, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Glocester, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, detailed budgetary comparison information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and detailed budgetary comparison information, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Cayer Caccia, LLP*

December 21, 2009

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

Our discussion and analysis of the Town of Glocester, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2009. Please read it in conjunction with the letter of transmittal and the Town's financial statements that follow this section.

**Financial Highlights**

- The Town's net assets increased as a result of this year's operation. On a government-wide basis the assets of the governmental activities of the Town of Glocester exceeded its liabilities at June 30, 2009 by \$19,204,497, an increase of \$305,491, or 1.6% from 2008. Net assets of the Town's component unit increased by \$485,384, or 7.9%, to \$6,642,834. Net assets for the Town's business type activities increased by \$1,104, or 4.9%, to \$23,468.
- The Town's Government-wide operating expenses were \$27,487,379, a 4.9% increase from the prior year due mainly to increases in costs of education and long-term closure costs for the landfill. Revenues collected were \$27,792,870, a .9 % increase due mainly to an increase in the tax levy and taxes collected which were offset by a reduction in aid from the State.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,998,640. 98% [\$7,838,747] of this amount is unreserved. Within the unreserved amount, \$7,648,747, or 97.6% is undesignated.
- In the Town's general fund, at the end of 2009, the unreserved, undesignated fund balance was \$3,826,715, or 16.4% of the total general fund expenditures and other uses of funds for the fiscal year. The current fiscal year's expenditures and other uses of funds exceeded revenues and other sources of funds by \$309,439. On a budgetary basis, revenues and other sources of funds exceeded expenditures and other uses of funds by \$70,561.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. These basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

In addition to the basic financial statements, this report also contains other supplementary information.

The Town's basic financial statements and other supplementary financial information provide information about all of the Town's activities. They provide both a short-term and a long-term view of the Town's financial health as well as information about activities for which the Town acts solely as a trustee for the benefit of those outside of the Town's government.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

**Government-wide financial statements** - are designed to provide readers with a broad overview of the Town's finances in a manner similar to that of private-sector businesses. They are presented on the accrual basis of accounting where revenues and expenditures are recognized in the period they occur as opposed to the period in which they are collected or paid.

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

The *Statement of Activities* presents information which shows how the Town's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods. Examples are uncollected taxes and earned but unused compensated absences.

The *Statement of Activities* distinguishes functions of the Town which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government and administration, public safety, public works, education, social services and recreational services. The Town's one component unit is the Gloucester Land Trust. The Gloucester Schools lunch program is a business type activity.

The government-wide financial statements are reported on pages 17 through 19.

**Fund financial statements** – A *fund* is a grouping and self-balancing set of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. With the exception of the School Lunch Fund, which is a proprietary fund, all of the funds of the Town are governmental funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the government-wide financial statements and the fund financial statements: governmental funds.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

In addition to the 16 funds exhibited here for the School Department, the Town maintains 49 active individual governmental funds and 41 funds within the component unit. Information is presented separately in the *Governmental Fund Balance Sheet* and in the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for the General Fund, the School Unrestricted Special Revenue Fund, and the Capital Reserve Capital Project Fund which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 67 through 90 in this report. The individual funds within the component unit have been summarized into the data presented.

**Proprietary Funds** – The Town charges customers for services it provides, whether to outside customers or to other units within the Town. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The Town uses proprietary funds to account for the School Lunch Fund.

**Notes to 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 are presented on pages 29 through 61.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary information is presented on pages 62 through 66.

### **Government-wide Financial Analysis**

The Town adopted the provisions of Governmental Accounting Standards Board Statement No. 34 – *Basic financial statements and management's discussion and analysis for State and Local Governments* as of July 1, 2001, one year ahead of the required deadline and four years ahead of the deadline for reporting major general infrastructure assets. The decision to choose early implementation also included financial information regarding our component unit (Glocester Land Trust). Comparative data for the current and prior years is presented on the following pages.

### **Analysis of the Town of Glocester's Net Assets**

As noted earlier, net assets may serve, over time, as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. On a government-wide basis, the assets of the Town exceeded its liabilities at June 30, 2009 by \$19,204,497, an increase of \$305,491, or 1.6% from 2008.

*Current assets* increased by \$217,321, or 2.4%, from 2008. This is due primarily to an increase in *Other assets* of \$157,093 which consists of prepayments of heating oil [\$34k] and the July 2009 medical premiums for the schools [\$100k]. Also, amounts *Due from other governments* (federal and state) increased by \$355,129 but were somewhat offset by a reduction in *Cash and cash equivalents* of \$253,314. *Noncurrent assets* decreased by \$358,414 primarily due to depreciation expense [\$910k] for 2009 which was somewhat offset by an increase in construction in progress [\$209k] and infrastructure [\$193k].

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

Current liabilities decreased by \$146,925 due to a reduction in Accrued payables and Accrued payroll [\$181k] and Unearned revenue pertaining to 2008 property taxes [\$58k] offset by the settlement of a dispute (pertaining to valuations assessed on property) with the Providence Water Board of \$123,369 (taxes and interest).

Noncurrent liabilities decreased by \$299,659 due primarily to debt service payments of \$670,000 offset by the accrual of long-term landfill closure costs [\$290k] and OPEB costs [\$105k].

Listed below is a comparison of the current and prior fiscal years.

Town of Gloucester  
Statement of Net Assets

	<u>Governmental activities</u>		
	<u>6-30-09</u>	<u>6-30-08</u> (As Restated)	Increase <u>Decrease</u>
Current assets	\$ 9,253,733	\$ 9,036,412	\$ 217,321
Noncurrent assets	<u>17,828,395</u>	<u>18,186,809</u>	<u>( 358,414)</u>
Total assets	<u>\$27,082,128</u>	<u>\$27,223,221</u>	<u>\$ ( 141,093)</u>
Current liabilities	\$ 1,736,084	\$ 1,883,009	\$( 146,925)
Noncurrent liabilities	<u>6,141,547</u>	<u>6,441,206</u>	<u>( 299,659)</u>
Total liabilities	<u>\$ 7,877,631</u>	<u>\$ 8,324,215</u>	<u>\$ ( 466,584)</u>
Net Assets:			
Invested in capital assets, net of related debt	\$12,366,231	\$12,183,517	\$ 182,714
Restricted	571,210	1,255,618	(684,408)
Unrestricted	<u>6,267,056</u>	<u>5,459,871</u>	<u>807,185</u>
Total net assets	<u>\$19,204,497</u>	<u>\$18,899,006</u>	<u>\$ 305,491</u>

The school lunch fund is the Town's sole Business-type activity.

	<u>Business-type activities</u>		
	<u>6-30-09</u>	<u>6-30-08</u> (As Restated)	Increase <u>(decrease)</u>
Current assets	\$ 35,297	\$ 33,388	\$ 1,909
Noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 35,297</u>	<u>\$ 33,388</u>	<u>\$ 1,909</u>
Current liabilities	\$ 11,829	\$ 11,024	\$ 805
Noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 11,829</u>	<u>\$ 11,024</u>	<u>\$ 805</u>
Net Assets:			
Unrestricted	\$ 23,468	\$ 22,364	\$ 1,104
Total net assets	<u>\$ 23,468</u>	<u>\$ 22,364</u>	<u>\$ 1,104</u>

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

Town of Gloucester  
Statement of Net Assets

The changes in the Component unit were primarily due to the acquisition of two properties [52.1 and 48.9 acres] and an easement valued at a total of \$669,515. The Town paid \$220,292 and received grants of \$449,223.

	Component unit		Increase (decrease)
	6-30-09	6-30-08	
Current assets	\$ 322,030	\$ 480,612	\$(158,582)
Noncurrent assets	<u>6,366,049</u>	<u>5,697,286</u>	<u>668,763</u>
Total assets	<u>\$6,688,079</u>	<u>\$6,177,898</u>	<u>\$ 510,181</u>
Current liabilities	\$ 45,245	\$ 20,448	\$ 24,797
Noncurrent liabilities	-	-	-
Total liabilities	<u>\$ 45,245</u>	<u>\$ 20,448</u>	<u>\$ 24,797</u>
Net Assets:			
Invested in capital assets, net of related debt	\$6,366,049	\$5,697,286	\$ 668,763
Restricted	-	-	-
Unrestricted	<u>276,785</u>	<u>460,164</u>	<u>(183,379)</u>
Total net assets	<u>\$6,642,834</u>	<u>\$6,157,450</u>	<u>\$ 485,384</u>

The largest portion [\$12,366,231] of the Town's net assets consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its 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 are unlikely to be used to liquidate these liabilities.

An additional portion [\$571,210] of the Town's net assets represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets may be used to meet the government's ongoing obligations to its citizens and creditors.

As of June 30, 2009, the Town of Gloucester reports positive balances in all three categories of Net Assets for the government as a whole.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

**Analysis of the Town of Gloucester's Operations**

The following analysis provides a summary of the Town's operations for the year ended June 30, 2009. Governmental activities increased the Town's net assets by \$305,491 for the current period. A prior period adjustment of \$1,017,239 increased total net assets presented in the 2008 financial statements from \$17,881,767 to the restated amount of \$18,899,006. The restatement was due primarily to the addition of roads in four sub-divisions valued at \$1,200,700 that were not previously included in infrastructure amounts but had been turned over to the Town in prior years, offset by depreciation of \$113,579. Component unit activities increased its net assets by \$485,384, or 7.9%, from 2008.

*Total revenues* increased by \$315,672, or 1.1%, from 2008.

*Charges for services* increased by \$113,003 due primarily to an increase in charges for tuitions for out-of-town students attending the Town's schools, increased receipts for recycling, an increase in the number of police citations issued and the rental of police cruisers for police details.

*Operating grants and contributions* decreased by \$168,695 from 2008 due primarily to a change in presentation of receipts for state housing aid from *Operating grants and contributions* to *Capital grants and contributions* and a decrease in state aid for education [\$212k] somewhat offset by an increase in the Community Development Block Grants.

*Capital grants and contributions* increased by \$388,396, or 1,029.2%, from 2008 due primarily to the change in presenting state housing aid noted above and the receipt of a grant for a stormwater project [\$109k].

*Property taxes* increased by \$1,520,667, or 8.0% from 2008. State aid decreased by \$412,568 due to a loss in State aid stemming from the fiscal problems with the State's budget. Interest and investment income decreased due to a steep decline in interest rates. Miscellaneous income decreased due to a restatement of the Statement of Activities for 2008. As noted above, several roads not previously included in infrastructure amounts, but turned over to the Town, were added in 2008. This did not reoccur in 2009.

*Total expenses* increased by \$1,277,361, or 4.9% from 2008. Significant increases included: *Education* expense which increased by \$486,174 or 2.6% from 2008; *Public Safety* which increased by \$184,112 or 9.7%, due primarily to Other Post Employment Benefits liability [\$94k], a Homeland Security grant [\$42k] for radios and non-capitalized equipment [\$15k]; *Public Works* which increased by \$516,555, or 21.9% primarily due to long term post-closure costs for the landfill [\$291k], a Town contribution [\$125k] to a major drainage project at the intersection of Route 44 and Tourtellot Hill Road constructed by the State, an increase in snow removal and storm related services due to a severe winter [\$45k], and an increase in annual depreciation [\$98k]; *Social Services* which increased by \$147,970 due primarily to a change in loans receivable [\$117k] in the Community Septic System Loan Program; and *Overhead* which increased by \$110,860 due primarily to a settlement of a dispute with the Providence Water Board (pertaining to valuations assessed on property) of \$123,369, which consists of a refund of taxes and interest paid [\$123k].

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

Business-type activities net assets increased by \$1,104. The School Lunch program is the sole business-type activity in the Town.

Component unit net assets increased by \$485,384, or 7.9%, and Capital grants and Contributions increased by \$365,697, or 83.8%. The Land Trust received \$449,223 in grants towards the purchase of 101 acres of land in 2009 which did not occur in 2008.

Town of Gloucester  
Statement of Activities

	<u>Governmental activities</u>		
	<u>6-30-09</u>	<u>6-30-08</u>	Increase (decrease)
		(As Restated)	
<i>Revenues</i>			
Program revenues			
Charges for services	\$ 765,323	\$ 652,320	\$ 113,003
Operating grants	4,438,968	4,607,663	( 168,695)
Capital grants	426,134	37,738	388,396
General revenues			
Property taxes	20,634,864	19,114,197	1,520,667
State aid	1,436,958	1,849,526	( 412,568)
Interest & investment income	154,478	279,633	( 125,155)
Transfers	( 63,855)	-	( 63,855)
Miscellaneous	<u>                    </u>	<u>936,121</u>	<u>( 936,121)</u>
Total revenues	<u>27,792,870</u>	<u>27,477,198</u>	315,672
<i>Expenses</i>			
Administration	827,540	962,851	( 135,311)
Finance	614,551	564,677	49,874
Public safety	2,084,153	1,900,041	184,112
Public works	2,871,973	2,355,418	516,555
Recreation	328,676	285,306	43,370
Social services	534,967	386,997	147,970
Overhead	417,912	307,052	110,860
Aid requests	333,083	344,868	( 11,785)
Education	19,212,152	18,725,978	486,174
Interest on long-term debt	260,885	295,357	( 34,472)
Gloucester Land Trust	<u>1,487</u>	<u>81,473</u>	<u>( 79,986)</u>
Total expenses	<u>27,487,379</u>	<u>26,210,018</u>	1,277,361
Change in net assets	305,491	1,267,180	( 961,689)
Net assets July 1, restated	<u>18,899,006</u>	<u>17,631,826</u>	<u>1,267,180</u>
Net assets June 30	<u>\$19,204,497</u>	<u>\$18,899,006</u>	<u>\$ 305,491</u>



**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

Town of Gloucester  
Statement of Activities

	<u>Business-type activities</u>		
	<u>6-30-09</u>	<u>6-30-08</u> (As Restated)	Increase (decrease)
<i>Revenues</i>			
Program revenues			
Charges for services	\$ 80,130	\$ 84,370	\$( 4,240)
Operating grants	74,584	73,176	1,408
Capital grants	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	154,714	157,546	( 2,832)
<i>Expenses</i>			
School lunch program	<u>153,610</u>	<u>155,788</u>	( 2,178)
Total expenses	153,610	155,788	( 2,178)
Change in net assets	1,104	1,758	( 654)
Net assets July 1, restated	<u>22,364</u>	<u>20,606</u>	<u>1,758</u>
Net assets June 30	\$ <u>23,468</u>	\$ <u>22,364</u>	\$ <u>1,104</u>
	<u>Component unit</u>		
	<u>6-30-09</u>	<u>6-30-08</u>	Increase (decrease)
<i>Revenues</i>			
Program revenues			
Charges for services	\$ -	\$ -	\$ -
Operating grants	-	2,053	( 2,053)
Capital grants	447,170	81,473	365,697
General revenues			
Interest & investment income	2,545	10,426	( 7,881)
Transfers	<u>63,855</u>	<u>-</u>	<u>63,855</u>
Total revenues	513,570	93,952	419,618
<i>Expenses</i>			
Gloucester Land Trust	<u>28,186</u>	<u>12,098</u>	<u>16,088</u>
Total expenses	28,186	12,098	16,088
Change in net assets	485,384	81,854	403,530
Net assets July 1, restated	<u>6,157,450</u>	<u>6,075,596</u>	<u>81,854</u>
Net assets June 30	\$ <u>6,642,834</u>	\$ <u>6,157,450</u>	\$ <u>485,384</u>

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

**Financial Analysis of the Town of Gloucester's Funds**

**Governmental Funds** - The focus of the Town of Gloucester'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 unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,998,640. Approximately 98.0% of the total amount, or \$7,838,747 constituted unreserved fund balances. Included in the unreserved balance is \$190,000 designated (appropriated) for fiscal year 2010, a decrease of \$290,000 from 2008.

Significant variances include a \$140,398 increase in *Reserved for prepaid expenditures* due to the payment in June for the July 2009 health care premium for the school [\$100k] and a deposit for heating oil [\$34k].

The \$19,284 decrease in the unreserved, undesignated portion of the fund balance coupled with a \$290,000 decrease in *Designated for subsequent year budget* was due primarily to the loss in State aid stemming from the fiscal problems with the State's budget. The increase in the *Unreserved, reported in: Special Revenue Funds* was due primarily to increases in Community Development Block Grant [\$54k], Revaluation Reserve [\$22k], Accrued Compensated Absences [\$59k], and Other Post Employment Benefits [\$96k].

Town of Gloucester  
Governmental Funds  
Fund Balances

	<u>June 30, 2009</u>	<u>June 30, 2008</u> (As Restated)	
	Total Governmental Funds	Total Governmental Funds	Increase (Decrease)
Reserved:			
Reserved for prepaid expenditures	\$ 156,793	\$ 16,395	\$ 140,398
Reserved for perpetual care	3,100	3,100	
Unreserved:			
Designated for subsequent year budget	190,000	480,000	( 290,000)
Undesignated	3,826,715	3,845,999	( 19,284)
Unreserved, reported in:			
Special Revenue Funds	2,430,974	1,810,371	620,603
Capital Projects Funds	1,381,811	1,418,198	( 36,387)
Permanent Funds	9,247	9,238	9
Total fund balances	<u>\$ 7,998,640</u>	<u>\$ 7,583,301</u>	<u>\$ 415,339</u>

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

**General Fund Budgetary Highlights**

**Revenues.**

Actual *Total revenues and other financing sources* reported in 2009 were less than budgeted amounts by \$262,291 or 1.1%.

Actual *General Property Taxes* collected exceeded budget by \$10,148 or 0.0%. Included in taxes collected was \$1,120,000 from Factory Mutual Insurance Company from a payment-in-lieu-of-taxes (PILOT) agreement which commenced in 2003.

*General State Aid* received was less than budget by \$317,215 or 16.7%. The Town budgeted \$495,177 in General Revenue Sharing, but, due to fiscal problems at the State level, received only \$218,095. The Town also received \$33,645 and \$9,492 less than budgeted for Vehicle Excise Taxes and Public Service Corporation Tax, respectively, for the same reason

Revenues from *Licenses, fees and fines* were \$57,835, or 12.8% greater than budget primarily due to permits received from Factory Mutual Insurance Co., the Town's largest taxpayer [\$63k].

*Interest and investment income* was less than budget by \$11,746, or 8.7% primarily due to lower interest rates.

**Expenses.**

*Total expenditures and other financing uses* in the Town's General Fund were less than the amount budgeted by \$332,852, or 1.4%. Significant positive variances were: \$42,409 for *Vacation and illness coverage* and \$59,726 for *Payroll taxes and benefits* in the Police Department, \$32,410 for *Gasoline and Diesel* due to lower than anticipated fuel prices; \$73,564 in *Salary negotiations and step increases* due to unsettled union contracts; and \$33,122 in *Insurance – property/liability/other* due to less than anticipated deductibles being paid.

Positive variances realized were somewhat offset by expenses that exceeded budget, primarily due to: a transfer of \$34,547 to the *Storm/snow related services* fund due to severity of the 2008-09 winter season; and a transfer of \$93,863 to the *Other post employment benefits* fund.

**The Town of Glocester's Capital Assets**

The Town of Glocester's investment in capital assets for its governmental activities amounts to \$17,794,632, net of accumulated depreciation at June 30, 2009. Included are land, buildings and improvements, construction in progress, motor vehicles, furniture, machinery and equipment, and infrastructure.

Additional information on the Town of Glocester's capital assets is located in note 7 on pages 45 through 46 of the notes to the financial statements.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**

Town of Gloucester						
Capital Assets (net of Accumulated Depreciation)						
	Governmental activities			Component unit		
	June 30, 2009	June 30, 2008	Increase (decrease)	June 30, 2009	June 30, 2008	Increase (decrease)
	(As Restated)					
Land	\$ 1,697,814	\$ 1,697,814	\$ -	\$ 6,212,973	\$ 5,541,060	\$ 671,913
Historical Building	-	-	-	143,626	143,626	-
Construction in Progress	471,290	262,839	208,451	-	-	-
Land Improvements	425,099	450,058	( 24,959)	-	-	-
Buildings & Improvements	11,049,092	11,252,371	( 203,279)	-	-	-
Motor Vehicles	772,890	856,410	( 83,520)	-	-	-
Office Furniture/Equipment	87,125	76,600	10,525	-	-	-
Machinery & Equipment	648,021	716,182	( 68,161)	9,450	12,600	( 3,150)
Infrastructure-roads/bridges	2,643,301	2,835,066	( 191,765)	-	-	-
<b>Total</b>	<b>\$ 17,794,632</b>	<b>\$ 18,147,340</b>	<b>\$( 352,708)</b>	<b>\$ 6,366,049</b>	<b>\$ 5,697,286</b>	<b>\$ 668,763</b>

The \$208,451 increase in Construction in Progress was due to engineering work [\$113k] done on a wastewater/stormwater project in the village of Chepachet and costs incurred for the closure of our landfill [\$96k]. The \$24,959 decrease in Land Improvements was primarily due to annual depreciation. The \$203,279 decrease in Buildings & Improvements was due to the addition of a new boiler in the Town Hall [\$21k] and two heating units in the Police station [\$19k] offset by annual depreciation. The \$83,520 decrease in *Motor Vehicles* was due to the addition of one new 2008 police cruiser [\$29k], a 2008 9' Everest side dump body [\$28k] and a 2008 service body [\$7k] for Public Works, offset by annual depreciation. One Police cruiser was retired. The \$68,161 decrease in machinery & Equipment was due to the purchase of a conversation recorder system for the Police [\$8k] and a plate compactor [\$5k] for Public works offset by annual depreciation. The \$191,765 decrease in *Infrastructure-roads/bridges* was due to the addition of road paving costs for approximately two miles of roads [\$194k] offset by annual depreciation.

The increase in the component unit was due primarily to the acquisition of two properties valued at \$649,104 [101 acres] and an easement valued at \$20,411.

**The Town of Gloucester's Debt Administration**

The Town did not issue any new debt in 2009 and made payments on debt principal of \$670,000. The outstanding bonded (General Obligation Bond) debt decreased to a total of \$5,415,000 at June 30, 2009. 100% of this outstanding debt is backed by the full faith and credit of the government, including the Town's power to levy additional taxes to ensure repayment of the debt. Accordingly, all general obligation debt currently outstanding was approved by a vote of the citizens.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2008**  
**(Un-audited)**

The following is a summary of the Town's long-term General Obligation Bond debt.

Town of Glocester Outstanding Debt General Obligation Debt			
	<u>June 30, 2009</u>	<u>June 30, 2008</u>	Increase
	<u>Governmental</u>	<u>Governmental</u>	<u>(decrease)</u>
	<u>activities</u>	<u>activities</u>	
Road improvements	\$ 1,625,000	\$ 1,820,000	\$( 195,000)
West Glocester Elementary School	900,000	1,210,000	( 310,000)
Open Space (Land Trust)	150,000	200,000	( 50,000)
Senior Center	2,070,000	2,145,000	( 75,000)
Fogarty Elementary School roof	<u>670,000</u>	<u>710,000</u>	<u>( 40,000)</u>
Total	<u>\$ 5,415,000</u>	<u>\$ 6,085,000</u>	<u>\$( 670,000)</u>

In January 2009, Standard & Poor's Ratings Services raised its rating on the Town's general obligation debt from 'AA-' to 'AA' with a stable outlook.

Except as provided below, under Section 45-12-2 of the General Laws of Rhode Island, the Town may not, without special statutory authorization, incur any debt which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the taxable property of the Town. Deducted from the computation of aggregated indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any sinking funds maintained by the Town. The 3% debt limit of the Town for 2009 was \$33,023,590 [based on the net assessed valuation at December 31, 2007 of \$1,100,786,329]. As of June 30, 2009, the Town had \$670,000 in outstanding bonds and notes issued within the 3% debt limit leaving a borrowing capacity of \$32,353,590.

The State legislature may by special act permit the Town to incur indebtedness outside the limitations imposed by the 3% debt limit. Special legislation adopted by the Legislature authorizing the Town to incur debt is subject to referendum by the electors of the Town. On June 30, 2009, the total outstanding debt of the Town issued outside the 3% debt limit was \$4,745,000.

In addition to debt authorized within the 3% debt limit and debt authorized by special act of the Legislature, Rhode Island General Law 45-12-11 authorizes the Rhode Island State Director of Administration, upon petition by a municipality, to authorize such municipality to incur indebtedness in excess of the 3% debt limit whenever the Director shall determine that the sums appropriated by the municipality or its funds available are insufficient to pay the necessary expenses of the municipality. The Town has never requested the State Director of Administration to authorize indebtedness of the Town under section 45-12-11.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2008**  
**(Un-audited)**

Under Rhode Island law, the Town may borrow in each fiscal year in anticipation of the receipt of the proceeds of the property tax due in such fiscal year, an amount which shall not exceed the total tax levy of the then current fiscal year. Tax Anticipation Notes must be payable not later than one year from the date of issuance. The Town has not issued Tax Anticipation Notes since fiscal year 1999.

Additional information on the Town of Gloucester's long-term debt can be found in footnote 8 of the financial statements on pages 46 through 49.

**Economic Factors and Next Year's Budgets and Rates**

- Unemployment rates as of June 30, 2008 and June 30, 2009.

<u>6/30/2008</u>	<u>6/30/2009</u>	
5.7%	13.5%	Providence County (includes Town of Gloucester)
7.5%	12.2%	State of Rhode Island
5.5%	9.7%	United States

- Rates of inflation (12 months percent change taken from the Consumer Price Index) as of June 30, 2008 and June 30, 2009.

<u>6/30/2008</u>	<u>6/30/2009</u>	
5.0%	-1.2%	Northeast Urban area
5.0%	-1.4%	United States

- Median income for a family for the census year 2000 in Gloucester was \$62,679 compared to the State's median income of \$52,781.

- For the year ended June 30, 2009, existing single-family home median sale prices were approximately \$228,000 in Gloucester (information obtained from the Town Tax Assessor), 26.7% higher than the state median of \$180,000 (information obtained from The Warren Group).

- Gloucester ranks 30th in population [9,948 per 2000 census] among Rhode Island's 39 cities and towns.

- The Town's total general fund budget for fiscal year 2010 amounts to \$27,019,777 [\$19,581,665, or 72.5%, for education and \$7,438,112, or 27.5%, for other purposes], which reflects a decrease of \$316,163 or 1.2% from 2009. This is composed of decreases of \$197,102 in education costs and \$119,061 in Town government costs. \$70,000 was appropriated from the Town's fund balance to provide additional funding for the fiscal 2010 budget and help contain the tax increase.

- The unreserved, undesignated fund balance in the general fund decreased by \$19,284, or .5%, to \$3,826,715 in 2009. The fund balance is 14.2% of proposed expenditures for 2010, which is above the 12% minimum required by the Town Charter.

**TOWN OF GLOCESTER, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2008**  
**(Un-audited)**

• Since December 2000, per Rhode Island General Law 44-5-11.6, municipalities in Rhode Island are required to perform full revaluations on all "ratable" property every nine years and statistical revaluations every three years for the year's in-between. The Town's last full revaluation was completed as of December 31, 2001. The Town's first statistical revaluation was completed as of December 31, 2004. The second revaluation was completed as of December 31, 2007 and was the basis for fiscal 2009 tax rates. The next full revaluation is scheduled to be completed as of December 31, 2010. While the Town experienced a modest increase in the valuations of Real Property, the Town's overall net values decreased by \$7,354,706 or .7% to \$1,093,431,623 from \$1,100,786,329 from 2009 to 2010 due primarily to a 20% reduction in motor vehicle valuations from \$44,719,995 in fiscal 2009 to \$35,773,129 in fiscal 2010. The reduction was not unique to the Town of Glocester but repeated itself throughout the other municipalities in the state at approximately the same percentage. The Town's tax rates for 2009 and 2010 with their differences are listed below. The tax on *Motor vehicles* has been frozen at \$24.37. The tax on *Inventory* was phased out after fiscal 2008. Rates are per \$1,000 of valuation.

	<u>Tax Rates</u>		
	<u>Fiscal</u> <u>2008-09</u>	<u>Fiscal</u> <u>2009-10</u>	<u>Increase</u> <u>(Decrease)</u>
Residential	\$ 17.03	\$ 17.98	\$ .95
Commercial/ mixed use	19.37	20.43	1.06
Motor vehicle	24.37	24.37	-
Tangible	33.92	35.80	1.88
Inventory	-	-	-

**Request for Information**

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Finance Office, Town of Glocester, 1145 Putnam Pike, PO Drawer B, Glocester, RI 02814, Telephone number (401) 568-6206, extension 5.

Thomas P. Mainville, CPA  
 Director of Finance

# **TOWN OF GLOCESTER**

## **BASIC FINANCIAL STATEMENTS**

*The Basic Financial Statements include:*

*Government-wide Financial Statements*

*Fund Financial Statements:*

*Governmental Funds*

*Proprietary Fund*

*In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.*

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Glocester Land Trust
<b>ASSETS:</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 7,509,281	\$ 14,645	\$ 7,523,926	\$ 305,868
Receivables:				
Taxes, net	512,602		512,602	
Interest	243		243	39
Loans	227,499		227,499	
Other	115,088	216	115,304	
Due from:				
Other governments	694,737	13,415	708,152	9,523
Component unit	44,211		44,211	
Internal balances	(7,021)	7,021		
Other assets	157,093		157,093	
Deposit on land				6,600
<b>Total current assets</b>	<b>9,253,733</b>	<b>35,297</b>	<b>9,289,030</b>	<b>322,030</b>
<b>Noncurrent assets:</b>				
Capital assets:				
Non-depreciable	2,169,104		2,169,104	6,356,599
Depreciable, net	15,625,528		15,625,528	9,450
Bond issuance costs, net	33,763		33,763	
<b>Total noncurrent assets</b>	<b>17,828,395</b>	<b>0</b>	<b>17,828,395</b>	<b>6,366,049</b>
<b>TOTAL ASSETS</b>	<b>27,082,128</b>	<b>35,297</b>	<b>27,117,425</b>	<b>6,688,079</b>
<b>LIABILITIES:</b>				
<b>Current liabilities:</b>				
Accounts payable	330,731	11,829	342,560	1,034
Accrued payroll	379,739		379,739	
Accrued interest	50,705		50,705	
Accrued claims and judgments	123,369		123,369	
Due to:				
Primary government				44,211
Other governments	41,450		41,450	
Current portion of long-term debt	772,158		772,158	
Unearned revenue	2,402		2,402	
Other liabilities	35,530		35,530	
<b>Total current liabilities</b>	<b>1,736,084</b>	<b>11,829</b>	<b>1,747,913</b>	<b>45,245</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Gloicester Land Trust
<b>Noncurrent liabilities:</b>				
Long-term debt, net	6,141,547		6,141,547	
<b>Total noncurrent liabilities</b>	6,141,547	0	6,141,547	0
<b>TOTAL LIABILITIES</b>	7,877,631	11,829	7,889,460	45,245
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt	12,366,231		12,366,231	6,366,049
Restricted for other purposes	571,210		571,210	
Unrestricted	6,267,056	23,468	6,290,524	276,785
<b>TOTAL NET ASSETS</b>	<b>\$ 19,204,497</b>	<b>\$ 23,468</b>	<b>\$ 19,227,965</b>	<b>\$ 6,642,834</b>

(CONCLUDED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

## TOWN OF GLOCESTER, RHODE ISLAND

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2009

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Glocester Land Trust
<b>Primary Government:</b>								
<b>Governmental activities:</b>								
Administration	\$ 827,540	\$ 352,433	\$ 146,712		\$ (328,395)		\$ (328,395)	
Finance	614,551	26,214			(588,337)		(588,337)	
Public safety	2,084,153	129,937	13,668	\$ 61,597	(1,878,951)		(1,878,951)	
Public works	2,871,973	42,477		108,705	(2,720,791)		(2,720,791)	
Recreation	328,676	6,662	20,726		(301,288)		(301,288)	
Social services	534,967	23,107	474,412		(37,448)		(37,448)	
Overhead	417,912				(417,912)		(417,912)	
Aid requests	333,083				(333,083)		(333,083)	
Education	19,212,152	184,493	3,783,450	255,832	(14,988,377)		(14,988,377)	
Glocester Land Trust	1,487				(1,487)		(1,487)	
Interest on long-term debt	260,885				(260,885)		(260,885)	
<b>Total governmental activities</b>	<b>27,487,379</b>	<b>765,323</b>	<b>4,438,968</b>	<b>426,134</b>	<b>(21,856,954)</b>		<b>(21,856,954)</b>	
<b>Business-type activities:</b>								
School Lunch	153,610	80,130	74,584			\$ 1,104	1,104	
<b>Total business-type activities</b>	<b>153,610</b>	<b>80,130</b>	<b>74,584</b>	<b>0</b>	<b>0</b>	<b>1,104</b>	<b>1,104</b>	
<b>Total primary government</b>	<b>\$ 27,640,989</b>	<b>\$ 845,453</b>	<b>\$ 4,513,552</b>	<b>\$ 426,134</b>	<b>(21,856,954)</b>	<b>1,104</b>	<b>(21,855,850)</b>	
<b>Component Unit:</b>								
Glocester Land Trust	\$ 28,186	\$ 0	\$ 0	\$ 447,170				\$ 418,984
<b>General revenues:</b>								
Property taxes					20,634,864		20,634,864	
State revenue sharing					1,436,958		1,436,958	
Unrestricted investment earnings					154,478		154,478	2,545
<b>Transfers</b>					(63,855)		(63,855)	63,855
<b>Total general revenues and transfers</b>					<b>22,162,445</b>	<b>0</b>	<b>22,162,445</b>	<b>66,400</b>
<b>Change in net assets</b>					<b>305,491</b>	<b>1,104</b>	<b>306,595</b>	<b>485,384</b>
<b>Net Assets - beginning of year, as restated</b>					<b>18,899,006</b>	<b>22,364</b>	<b>18,921,370</b>	<b>6,157,450</b>
<b>Net Assets - end of year</b>					<b>\$ 19,204,497</b>	<b>\$ 23,468</b>	<b>\$ 19,227,965</b>	<b>\$ 6,642,834</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

***TOWN OF GLOCESTER***

**FUND FINANCIAL  
STATEMENTS**



TOWN OF GLOCESTER, RHODE ISLAND

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2009**

	General Fund	School Unrestricted	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 4,442,416	\$ 992,075	\$ 1,024,229	\$ 1,050,561	\$ 7,509,281
Receivables:					
Taxes, net	512,602				512,602
Loans				227,499	227,499
Interest	175			68	243
Other	42,402	72,686			115,088
Prepaid expenditures	33,805	122,988		300	157,093
Due from:					
Other funds	131,580	410,156		1,716,291	2,258,027
Component unit	43,923			288	44,211
Other governments	322,503	90,206		282,028	694,737
<b>TOTAL ASSETS</b>	<b>\$ 5,529,406</b>	<b>\$ 1,688,111</b>	<b>\$ 1,024,229</b>	<b>\$ 3,277,035</b>	<b>\$ 11,518,781</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 167,942	\$ 90,834	\$ 934	\$ 71,021	\$ 330,731
Accrued payroll and benefits	213,329	155,564		10,846	379,739
Due to:					
Other funds	902,893	708,757	477,635	175,763	2,265,048
Other governments	41,450				41,450
Deferred revenues	237,742	2,402		227,499	467,643
Other liabilities	35,530				35,530
<b>TOTAL LIABILITIES</b>	<b>1,598,886</b>	<b>957,557</b>	<b>478,569</b>	<b>485,129</b>	<b>3,520,141</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2009**

	General Fund	School Unrestricted	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<b>LIABILITIES AND FUND BALANCES (Continued):</b>					
<b>FUND BALANCES:</b>					
Reserved for prepaid expenditures	33,805	122,988			156,793
Reserved for perpetual care				3,100	3,100
Unreserved: designated for subsequent year	70,000	120,000			190,000
Unreserved, reported in:					
General fund	3,826,715				3,826,715
Special revenue funds		487,566		1,943,408	2,430,974
Capital project funds			545,660	836,151	1,381,811
Permanent funds				9,247	9,247
<b>TOTAL FUND BALANCES</b>	<b>3,930,520</b>	<b>730,554</b>	<b>545,660</b>	<b>2,791,906</b>	<b>7,998,640</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,529,406</b>	<b>\$ 1,688,111</b>	<b>\$ 1,024,229</b>	<b>\$ 3,277,035</b>	<b>\$ 11,518,781</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

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

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

<b>Total Fund Balances (B-1)</b>	\$ 7,998,640
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	17,794,632
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(6,913,705)
Deferred revenues (net of an allowance for uncollectibles) are recorded in the funds, but are not deferred under the measurement focus employed in the Statement of Net Assets.	465,241
Accrued interest payable is recorded in governmental activities, but is not recorded in the funds.	(50,705)
Claims and judgments that are not due and payable in the current period are not reported in the funds.	(123,369)
Bond issuance costs are reported as expenditures in the Governmental Funds financial statements. The cost and related accumulated amortization is reflected as an other asset on the government-wide financial statements.	<u>33,763</u>
<b>Total Net Assets (A-1)</b>	<b><u>\$ 19,204,497</u></b>

(CONCLUDED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES),  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009**

	General Fund	School Unrestricted	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
General property taxes	\$ 20,575,766				\$ 20,575,766
Intergovernmental	1,824,161	\$ 2,697,983		\$ 1,475,925	5,998,069
Licenses, fees, and fines	510,253				510,253
Investment income	123,954	11,494	\$ 7,380	11,650	154,478
Other	30,722	184,493		93,232	308,447
Intergovernmental - pension contribution		246,586			246,586
<b>TOTAL REVENUES</b>	<b>23,064,856</b>	<b>3,140,556</b>	<b>7,380</b>	<b>1,580,807</b>	<b>27,793,599</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Administration	762,669			22,896	785,565
Finance	596,070				596,070
Public safety	1,784,952			19,817	1,804,769
Public works	1,597,540			273,488	1,871,028
Recreation and senior center	173,987			56,444	230,431
Social services	99,621			431,006	530,627
Operational expenses	294,543				294,543
Aid requests	333,083				333,083
Education	9,340,823	8,650,163		859,618	18,850,604
Glocester Land Trust	65,342				65,342
Intergovernmental - pension contribution		246,586			246,586
<b>Debt Service:</b>					
Principal	670,000			19,658	689,658
Interest and other costs	256,180			5,615	261,795
<b>Capital:</b>					
Capital outlay			165,498	652,661	818,159
<b>TOTAL EXPENDITURES</b>	<b>15,974,810</b>	<b>8,896,749</b>	<b>165,498</b>	<b>2,341,203</b>	<b>27,378,260</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>7,090,046</b>	<b>(5,756,193)</b>	<b>(158,118)</b>	<b>(760,396)</b>	<b>415,339</b>

(CONTINUED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.



TOWN OF GLOCESTER, RHODE ISLAND

**STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES),  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009**

	General Fund	School Unrestricted	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	2,000	6,372,035	485,826	1,306,756	8,166,617
Transfers out	(7,401,485)	(262,118)	(498,014)	(5,000)	(8,166,617)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>(7,399,485)</b>	<b>6,109,917</b>	<b>(12,188)</b>	<b>1,301,756</b>	<b>0</b>
 <b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	 <b>(309,439)</b>	 <b>353,724</b>	 <b>(170,306)</b>	 <b>541,360</b>	 <b>415,339</b>
 <b>FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED</b>	 <b>4,239,959</b>	 <b>376,830</b>	 <b>715,966</b>	 <b>2,250,546</b>	 <b>7,583,301</b>
 <b>FUND BALANCE AT END OF YEAR</b>	 <b>\$ 3,930,520</b>	 <b>\$ 730,554</b>	 <b>\$ 545,660</b>	 <b>\$ 2,791,906</b>	 <b>\$ 7,998,640</b>

(CONCLUDED)

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

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

<b>Net Change in Fund Balances - Total Governmental Funds (B-2):</b>	\$	415,339
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.		(352,708)
Governmental funds report new loans made by the Town as expenditures and principal payments as revenues. However, in the Government-Wide financial statements new loans made are reported as receivables and principal repayments reduce the receivables.		4,222
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences.		690,795
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.		58,904
Other long-term obligation expenses, including landfill postclosure care costs, other post-employment benefit costs, and accrued compensated absences in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(387,465)
Claims and judgments reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(123,369)
Adjustment to accrued interest payable related to general obligation bonds which is required to be recorded for government-wide financial statement presentation.		5,479
Bond issuance costs are reported as expenditures in the Governmental Funds financial statements. The cost and related accumulated amortization is reflected as an other asset on the Government-Wide financial statements.		<u>(5,706)</u>
<b>Change in Net Assets of Governmental Activities (A-2)</b>	\$	<u>305,491</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

STATEMENT OF NET ASSETS  
 PROPRIETARY FUND  
 JUNE 30, 2009

	School Lunch
<b>ASSETS:</b>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 14,645
Receivables, net	216
Due from:	
Other funds	7,021
Other governments	13,415
<b>Total current assets</b>	<b>35,297</b>
<b>TOTAL ASSETS</b>	<b>35,297</b>
<b>LIABILITIES:</b>	
<b>Current liabilities:</b>	
Accounts payable	11,829
<b>Total current liabilities</b>	<b>11,829</b>
<b>TOTAL LIABILITIES</b>	<b>11,829</b>
<b>NET ASSETS:</b>	
Unrestricted	23,468
<b>TOTAL NET ASSETS</b>	<b>\$ 23,468</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

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

	<u>School Lunch</u>
<b>OPERATING REVENUES:</b>	
Charges for usage and service	\$ 80,130
<b>Total operating revenues</b>	<u>80,130</u>
<b>OPERATING EXPENSES:</b>	
Operations	153,610
<b>Total operating expenses</b>	<u>153,610</u>
<b>OPERATING LOSS</b>	<u>(73,480)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>	
Intergovernmental	74,584
<b>Net nonoperating revenues</b>	<u>74,584</u>
<b>CHANGE IN NET ASSETS</b>	1,104
<b>TOTAL NET ASSETS - BEGINNING, AS RESTATED</b>	<u>22,364</u>
<b>TOTAL NET ASSETS - ENDING</b>	<u>\$ 23,468</u>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

TOWN OF GLOCESTER, RHODE ISLAND

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

	School Lunch
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from customers	\$ 79,914
Cash paid to suppliers	(152,805)
<b>Net cash used for operating activities</b>	<b>(72,891)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Nonoperating grants received	76,640
Decrease in due from other funds	5,862
<b>Net cash provided by noncapital financing activities</b>	<b>82,502</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	9,611
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>5,034</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 14,645</b>
<b>Reconciliation of operating loss to net cash used for operating activities:</b>	
Operating loss	\$ (73,480)
Adjustments to reconcile:	
Increase in receivables	(216)
Increase in accounts payable	805
<b>Net cash used for operating activities</b>	<b>\$ (72,891)</b>

SEE NOTES TO THE BASIC FINANCIAL STATEMENTS.

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

***Reporting Entity***

The Town of Glocester was incorporated in 1731. The Town is governed under a Home Rule Charter adopted in November 1991. The Town operates under a Town Council form of government with a five-member Town Council headed by a Council President.

A six-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 education to Town residents.

The accompanying financial statements present the government and its component unit. In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town's discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Town. Through the application of GASB Statement No. 39 and No. 14 criteria, the Glocester Land Trust (the Land Trust) has been presented as a component unit of the Town, hereinafter referred to as a "component unit", in the accompanying government-wide financial statements. The Land Trust is included in the Town's reporting entity because of the significance of its operational and financial relationships with the Town.

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2009

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

**Reporting Entity (Continued)**

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

Glocester Land Trust (the Land Trust) - The purpose of the Land Trust is to acquire, hold and manage real property and interests in real property situated in the Town of Glocester, consisting of open space and agricultural property. Upon termination or dissolution of the Land Trust, title to all remaining funds, land and land rights will vest with the Town. The Land Trust does not issue separate financial statements and has a June 30 fiscal year.

**Recently Issued Accounting Standards**

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

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

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

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

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

The impact of these pronouncements on the Town's financial statements has not been determined.

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

***Basis of Presentation***

***Government-Wide Financial Statements***

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

***Fund Financial Statements***

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

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

The funds of the financial reporting entity are described below:

***Governmental Funds***

**General Fund**

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

**Special Revenue Funds**

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

**Capital Project Funds**

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

(CONTINUED)



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

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

**Permanent Funds**

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

**Proprietary Funds**

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

***Fiduciary Funds (Not included in government-wide statements)***

**Agency Funds**

Agency Funds account for assets held by the Town in a purely custodial capacity. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. For the year ended June 30, 2009, the Town had no agency 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:	School Unrestricted – This fund accounts for the operation and maintenance of the West Glocester and Fogarty Memorial Elementary Schools.
Capital Project:	Capital Reserve – This fund accounts for monies utilized for capital improvements set forth in the Capital Program approved at the Financial Town Meeting.
Proprietary:	School Lunch – This fund is used to account for the activities of the lunch programs at the West Glocester and Fogarty Memorial Elementary Schools.

(CONTINUED)

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

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

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

**Non-Major:**

Special Revenue:	Bramley Bill, Law Enforcement Block Grant, Community Development Block Grant, FEMA Grant, Revaluation Reserve, Public Library Grant, Comprehensive Planning, July 4 <sup>th</sup> Parade, MHRH Grant, Accrued Compensated Absences Reserve, RI Neighborhood Crime Prevention, JAG Grant #05-112-JAG, Mealsite Program, Central Police Legislative Grant, GASB 45 Actuarial Study, Historic Records Trust, Tree Planting, Food Bank, Livescan, DARE, Bullet Proof Vest, Emergency Energy, Matching State Grant Funds, Storm Related Services, Homeland Security Grant 13-90-FY07, Other Post Employment Benefits, Blue Rip Tide Grant, Pollard Legislation, Senior Center Dues, Senior Center Donations, Police Equipment Maintenance, Animal Shelter Amy Angilly Fund, Community Septic System Loan Program, Radio Contract, Computer Systems Maintenance, Student Equity, Early Childhood, Technology, Professional Development, Literacy, Title I, Title II, Title IV, Title V, IDEA Preschool, IDEA Part B, Medicaid, CAST Mini Grant, Other Post Employment Benefits and UCOA Implementation.
Capital Projects:	Chepachet River Park, Roads, Bridge Replacement, Landfill Closure, Chepachet Wastewater/Stormwater Project, Drainage Improvements, School Bond, School Capital Improvement, Public Safety Radio, Senior Center Fund and Gloucester Memorial Park.
Permanent:	Perpetual Care Fund.

**Measurement Focus**

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

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

- (a) All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. The Town considers property taxes, franchise taxes, licenses, and interest as available if they are collected within 60 days after year-end. Substantially all other revenue of the governmental funds is recognized utilizing the modified accrual method of accounting, and as such, it is recognized as earned.
- (b) The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

***Measurement Focus (Continued)***

- (c) Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

***Basis of Accounting***

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

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

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

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

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

***Accounts Receivable***

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based on historical trends and the periodic aging of accounts receivable. The allowance for uncollectible accounts totaled \$289,750 for property taxes. Business-type activities report usage fees as its major receivables.

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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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 but 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 or collateralized government investment pools, which are available on a daily basis.

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

***Prepaid Items***

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

***Property, Plant, and Equipment***

**Property, Plant and Equipment**

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

**Government-Wide Statements**

In the government-wide financial statements, long-lived assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. The capitalization threshold is any individual item with a total cost of greater than \$5,000.

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**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

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

**Government-Wide Statements (Continued)**

Infrastructure assets include primarily roads and bridges. All known infrastructure assets are included in this report and there are no infrastructure assets reported using the modified approach.

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

<u>Classes</u>	<u>Useful Life</u>
Land improvements.....	5 - 30 years
Buildings and improvements .....	5 - 100 years
Motor vehicles .....	4 - 20 years
Machinery and equipment.....	5 - 30 years
Office furniture and equipment.....	3 - 20 years
Infrastructure (roads and bridges).....	3 - 40 years

**Fund Financial Statements**

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

***Accrued Compensated Absences***

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

***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.

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

***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.

***Bond Issuance Costs***

In the governmental fund financial statements, bond issuance costs are treated as period costs in the year of issue and shown as an "expenditure". In the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds and are recorded as other assets.

***Equity Classifications***

**Government-Wide Statements**

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

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

**Fund Financial Statements**

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

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

**Reconciliation of Government-Wide and Fund Financial Statements**

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$352,708 difference are as follows:

Capital outlay.....	\$ 557,746
Depreciation expense.....	<u>(910,454)</u>
Net adjustment to decrease <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net assets</i> <i>of governmental activities</i> .....	<u>\$(352,708)</u>

Another element of that reconciliation states that "Governmental funds report new loans made by the Town as expenditures and principal payments as revenues. However, in the Government-Wide financial statements new loans made are reported as receivables and principal repayments reduce the receivables." Because the focus of governmental funds is on short term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by deferred revenue in the governmental funds and thus are not included in the fund balance. However, in the statement of net assets receivable are recognized when levied or earned.

Adjustment of deferred revenue for:	
Echo Lake Water District loan receivable .....	\$ (3,849)
CDBG loans receivable.....	21,698
Community septic system loans receivable .....	<u>(13,627)</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net assets</i> <i>of governmental activities</i> .....	<u>\$ 4,222</u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$690,795 difference are as follows:

Principal repayments – general obligation debt .....	\$670,000
Principal repayments – capital leases .....	7,168
Principal repayments – loan payable.....	<u>13,627</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds</i> to arrive at <i>change in net assets-</i> <i>of governmental activities</i> .....	<u>\$690,795</u>

(CONTINUED)

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

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

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

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

Another element of that reconciliation states that, "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 \$58,904 difference are as follows:

Deferred revenue – beginning .....	\$(178,838)
Deferred revenue – ending.....	<u>237,742</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds to arrive at net change in net</i> <i>assets of governmental activities.</i> .....	<u>\$ 58,904</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 \$387,465 difference are as follows:

Decrease in liability for compensated absences .....	\$ 8,850
Increase in liability for landfill closure .....	(291,000)
Increase in other postemployment benefit obligation .....	<u>(105,315)</u>
Net adjustment to increase <i>net change in fund balances -</i> <i>total governmental funds to arrive at change in net assets</i> <i>of governmental activities.</i> .....	<u>\$(387,465)</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 \$5,479 difference are as follows:

Accrued interest – beginning .....	\$ 56,184
Accrued interest – ending.....	<u>(50,705)</u>
Net adjustment to increase <i>net change in fund balances-</i> <i>total governmental funds to arrive at change in net assets-</i> <i>of governmental activities.</i> .....	<u>\$ 5,479</u>

(CONTINUED)



TOWN OF GLOCESTER, RHODE ISLAND

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

**2. BUDGETARY PROCESS**

**(a) Adoption**

The Town has formally established budgetary accounting control for its General Fund and the School Unrestricted Fund, which is a Special Revenue Fund. It is the responsibility of the Town Budget Board to: a) Receive and examine all requests for capital and operating expenditures submitted by the Departments, Commissions, Offices and Agencies of Town government, including the School Department; b) Hold such hearings as may be necessary to provide the opportunity for all Department Heads, Town Officials and Agencies submitting estimates to appear before the Board to explain and justify their requests. The Board shall provide opportunity for any citizen who desires to do so to address the Board on any pertinent matter consistent with the procedural rules established by the Board; and c) Submit to the Council no later than the third Thursday in March its recommendations regarding all requests for appropriations which have been submitted for its review together with revenue estimates and the projected tax levy required to support the budget recommendation. The Council shall review the recommendations of the Budget Board and make such changes in the various expenditure requests as it sees fit, provided, however, that the Council shall not have the authority to change any item in the School Department expenditure request except the overall total amount. The Council shall hold a Public Hearing on its preliminary recommended budget prior to its adoption, which hearing must be at least 21 days prior to the Annual Financial Town Meeting. The Council shall adopt a recommended budget for presentation to the Financial Town meeting, not later than 15 days preceding its date. The recommended budget is approved or amended by the voters at the Annual Financial Town Meeting.

The General Fund and School Unrestricted Fund annual operating budget amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The legal level of control for the General Fund is at the fund level and the School Unrestricted Fund is at the fund level. Amendments that would change the total appropriation must be approved by the voters at a Financial Town Meeting. There were no supplemental budgetary appropriations in fiscal year 2009. Appropriations which are not expended or encumbered lapse at year end.

**(b) Reconciliation - Budgetary to GAAP**

The Town Charter requires annual budgets for the General Fund and Special Revenue - General School Activities. The practices used in the preparation of the 2009 budget differ in certain respects from the presentation of the actual results of operations prepared in accordance with GAAP. The actual results of operations, for purposes of the Statement of Revenues, Expenditures, Other Financing Sources (Uses) - Budget and Actual on a Budgetary Basis - General Fund, and Special Revenue Fund - School Unrestricted Fund, have been adjusted to a basis consistent with the Town's budget for 2009.

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) (D-2) .....</b>	\$23,446,856	\$23,376,295
Less: Appropriated fund balance.....	(380,000)	
<b>Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance (B-2).....</b>	<u>\$23,066,856</u>	<u>\$23,376,295</u>

(CONTINUED)

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

**2. BUDGETARY PROCESS (Continued)**

**(b) Reconciliation - Budgetary to GAAP (Continued)**

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

	<u>Revenues and Transfers</u>	<u>Expenditures and Transfers</u>
<b>Statement of Revenues, Expenditures and Other Financing Sources (Non-GAAP Budgetary Basis) Budget and Actual (D-3) .....</b>	\$9,366,005	\$8,912,281
Less: Appropriation of unrestricted fund balance .....	(100,000)	
Adjustment for pension contribution made by State of Rhode Island on behalf of employees .....	<u>246,586</u>	<u>246,586</u>
<b>Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balances – Governmental Funds (B-2)</b>	<u>\$9,512,591</u>	<u>\$9,158,867</u>

**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 \$7,677,795 while the bank balance was \$8,166,672, of which \$500,000 was covered by federal depository insurance and \$7,666,672 was uninsured and collateralized by securities held by the pledging financial institution's trust department in the Town's name.

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

Cash and investments - primary government:

Governmental and business-type (Schedule A-1).....	\$7,523,926	
Cash and investments - Gloucester Land Trust (Schedule A-1).....	<u>305,868</u>	
<b>Total cash and cash equivalents .....</b>	<u>\$7,829,794</u>	

**(b) Investments**

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

(CONTINUED)

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

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

**(b) Investments (Continued)**

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

Custodial Credit Risk, Investments – The Town does not have a formal custodial credit risk policy. Custodial credit risk is the risk that in the event of financial institution failure, the Town's investments may not be returned or the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of June 30, 2009, the Town had \$140,652 of uncollateralized institutional money market funds which invest in U.S. government obligations.

Concentration of Credit Risk - At June 30, 2009, the Town had 3% of its investments concentrated in collateralized local government investment pools, and 97% concentrated in uncollateralized institutional money market funds. The Collateralized Local Government Investment Pool (LGIP) invests public-sector funds only in U.S. Treasury and other U.S. Government securities permitted under Rhode Island law. The LGIP's provides collateral at a 102% minimum. The LGIP is fully compliant with all Rhode Island laws, investment guidelines and collateral requirements, and is managed within the guidelines of a registered SEC 2-a7-type fund. The fair value of the Town's position in the LGIP is the same as the value of the pool shares. At June 30, 2009, the Town did not have any investments in common stock or other equity investments.

The Town's investments are stated at fair value. The Town does not have a formal investment policy or any other legally contracted agreement that limits the type of investments that may be made. However, the Town takes a conservative approach when making investments.

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

<u>Description</u>	<u>Fair Value</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Rating</u>
Institutional Money Market Funds-				
U.S. Treasury .....	\$ 140,652	Varies (2)	Daily	Aaa/AAAm
Collateralized Local Government Investment Pool .....	<u>4,263</u>	Varies (1)	Daily	not rated
Total investments .....	144,915			
Deposits .....	7,677,795			
Petty cash and cash on hand .....	<u>7,084</u>			
Total cash and investments .....	<u>\$7,829,794</u>			

(1) Average daily rate of .25% on June 30, 2009.

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

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

**Reconciliation to Government-wide Statement of Net Assets:**

Investments .....	\$ 144,915
Less: investments classified as cash equivalents .....	<u>(144,915)</u>
<b>Total investments (A-1)</b> .....	<u>\$ 0</u>

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

**4. TAXES RECEIVABLE AND DEFERRED REVENUE**

The Town's property tax is levied each July 1, for its next fiscal year on the assessed values listed as of the prior December 31 (lien date), for all real property, tangible property, and motor vehicles located in the Town. Assessed values of real property and tangible personal property were established by the Town Assessor's office at 100% of appraised market value as of December 31, 2007. The assessed value of motor vehicles is determined annually at 100% as established by the State Vehicle Value Commission.

An automatic lien is placed on the taxpayer's property if payment has not been received by the due date. Interest is charged on past due accounts at a rate of 8% 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 the first working day of August, November, February, and May following the levy date.

Net property taxes levied for the fiscal year 2009 were based on an net assessed value of approximately \$1,100,786,329 at December 31, 2007 and amounted to \$19,541,335.

The Town recognizes property tax revenues in accordance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards. Unpaid property taxes as of June 30, 2009 (\$802,352) are recorded as a receivable, net of an allowance for uncollectible property taxes of \$289,750. Those net property taxes receivable which were not collected within the 60 days immediately following June 30, 2009 are recorded as deferred revenue and amounted to \$237,742 at June 30, 2009. Property taxes recognized as revenue for the fiscal year ended June 30, 2009 (due to their collection within the 60 days immediately following June 30, 2009) amounted to \$274,860.

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

**5. INTERGOVERNMENTAL RECEIVABLES AND PAYABLES**

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

	<u>Due From</u>	<u>Due To</u>
<b>Governmental activities:</b>		
<b>State of Rhode Island:</b>		
<b>Major funds:</b>		
General Fund.....	\$ 322,503	\$ 41,450
<b>Non-major funds</b> .....	6,537	
<b>Total</b> .....	<u>329,040</u>	<u>41,450</u>
<b>Federal government:</b>		
<b>Non-major funds</b> .....	315,190	
<b>Other Governments:</b> .....		
<b>Non-major funds</b> .....	<u>50,507</u>	
<b>Total governmental activities</b> .....	<u>\$ 694,737</u>	<u>\$ 41,450</u>
<b>Business-type activities:</b>		
<b>Federal government:</b>		
School Lunch.....	\$ 13,415	\$ 0
<b>Total business-type activities</b> .....	<u>\$ 13,415</u>	<u>\$ 0</u>

(CONTINUED)

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

**6. INTERFUND BALANCES**

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

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Interfund Balances</b>		
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund.....	\$ 131,580	\$ 902,893
School Unrestricted .....	410,156	708,757
Capital Reserve Fund.....		477,635
<b>Non-major funds</b> .....	<u>1,716,291</u>	<u>175,763</u>
<b>Total governmental activities</b> .....	<u>2,258,027</u>	<u>2,265,048</u>
<b>Business-type activities:</b>		
School Lunch .....	<u>7,021</u>	
<b>Total business type activities</b> .....	<u>7,021</u>	<u>0</u>
<b>Balances at June 30, 2009</b> .....	<u>\$2,265,048</u>	<u>\$2,265,048</u>
	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Discretely Presented Component Unit Balances:</b>		
<b>Primary government:</b>		
General fund .....	\$43,923	
<b>Non-major funds</b> .....	<u>288</u>	
<b>Total primary government</b> .....	<u>44,211</u>	<u>\$ 0</u>
<b>Discretely presented component unit:</b>		
Glocester Land Trust .....	<u>0</u>	<u>44,211</u>
<b>Balances at June 30, 2009</b> .....	<u>\$44,211</u>	<u>\$44,211</u>

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

**7. CAPITAL ASSETS**

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

	Beginning Balance <u>As Restated</u>	<u>Increases</u>	<u>Decreases</u>	Ending Balance
<b>Primary Government:</b>				
<b>Governmental activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land .....	\$ 1,697,814			\$ 1,697,814
Construction in progress .....	262,839	\$ 209,641	\$ (1,190)	471,290
<b>Total capital assets not being depreciated .....</b>	<b>1,960,653</b>	<b>209,641</b>	<b>(1,190)</b>	<b>2,169,104</b>
<b>Other capital assets:</b>				
Land improvements .....	590,191	7,915		598,106
Buildings and improvements .....	14,393,828	39,295		14,433,123
Motor vehicles .....	1,935,130	63,974	(17,920)	1,981,184
Office furniture and equipment .....	262,967	32,190	(10,600)	284,557
Machinery and equipment .....	1,331,622	13,496		1,345,118
Infrastructure - roads and bridges .....	5,441,372	193,750		5,635,122
<b>Total other capital assets .....</b>	<b>23,955,110</b>	<b>350,620</b>	<b>(28,520)</b>	<b>24,277,210</b>
Less: accumulated depreciation for:				
Land improvements .....	(140,133)	(32,874)		(173,007)
Buildings and improvements .....	(3,141,457)	(242,574)		(3,384,031)
Motor vehicles .....	(1,078,720)	(147,494)	17,920	(1,208,294)
Office furniture and equipment .....	(186,367)	(20,340)	9,275	(197,432)
Machinery and equipment .....	(615,440)	(81,657)		(697,097)
Infrastructure - roads and bridges .....	(2,606,306)	(385,515)		(2,991,821)
<b>Total accumulated depreciation .....</b>	<b>(7,768,423)</b>	<b>(910,454)</b>	<b>27,195</b>	<b>(8,651,682)</b>
<b>Other capital assets, net .....</b>	<b>16,186,687</b>	<b>(559,834)</b>	<b>(1,325)</b>	<b>15,625,528</b>
<b>Governmental activities capital assets, net .....</b>	<b>\$18,147,340</b>	<b>\$(350,193)</b>	<b>\$(2,515)</b>	<b>\$17,794,632</b>
<b>Discretely Presented Component Unit:</b>				
<b>Capital assets not being depreciated:</b>				
Land .....	\$5,541,060	\$671,913		\$6,212,973
Historical building .....	143,626			143,626
<b>Total capital assets not being depreciated .....</b>	<b>5,684,686</b>	<b>671,913</b>	<b>\$0</b>	<b>6,356,599</b>
<b>Other capital assets:</b>				
Machinery and equipment .....	31,500			31,500
<b>Total other capital assets .....</b>	<b>31,500</b>	<b>0</b>	<b>0</b>	<b>31,500</b>
Less: accumulated depreciation for:				
Machinery and equipment .....	(18,900)	(3,150)		(22,050)
<b>Total accumulated depreciation .....</b>	<b>(18,900)</b>	<b>(3,150)</b>	<b>0</b>	<b>(22,050)</b>
<b>Other capital assets, net .....</b>	<b>12,600</b>	<b>(3,150)</b>	<b>0</b>	<b>9,450</b>
<b>Discretely presented component unit capital assets, net .....</b>	<b>\$5,697,286</b>	<b>\$668,763</b>	<b>\$0</b>	<b>\$6,366,049</b>

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

**7. CAPITAL ASSETS (Continued)**

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

<b>Governmental activities:</b>	
Administration .....	\$ 36,627
Finance .....	2,233
Public safety .....	115,009
Public works .....	517,435
Recreation .....	88,535
Social services .....	4,340
Education .....	<u>146,275</u>
<b>Total governmental activities depreciation expense .....</b>	<b><u>\$910,454</u></b>
 <b>Component Unit:</b>	
Land Trust .....	\$ 3,150
<b>Total component unit depreciation expense .....</b>	<b><u>\$ 3,150</u></b>

**8. LONG-TERM LIABILITIES**

**(a) Long-Term Liability Activity**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
<b>Long-term debt:</b>					
General obligation debt .....	\$6,085,000		\$(670,000)	\$5,415,000	\$ 675,000
Loan payable .....	166,472		(13,627)	152,845	
Capital leases payable .....	20,569		(7,168)	13,401	6,467
<b>Total long-term debt .....</b>	<b><u>6,272,041</u></b>	<b><u>\$ 0</u></b>	<b><u>(690,795)</u></b>	<b><u>5,581,246</u></b>	<b><u>681,467</u></b>
 <b>Other long-term liabilities:</b>					
Compensated absences .....	944,994	490,543	(499,393)	936,144	80,991
Landfill post-closure costs .....		291,000		291,000	9,700
Net OPEB obligation .....		105,315		105,315	
<b>Total other long-term liabilities .....</b>	<b><u>\$944,994</u></b>	<b><u>886,858</u></b>	<b><u>(499,393)</u></b>	<b><u>1,332,459</u></b>	<b><u>90,691</u></b>
 Governmental activities long-term liabilities .....	 <b><u>\$7,217,035</u></b>	 <b><u>\$886,858</u></b>	 <b><u>\$(1,190,188)</u></b>	 <b><u>\$6,913,705</u></b>	 <b><u>\$772,158</u></b>

Payments on bonds are made from the General Fund. Payments on the loan are made from the Community Septic System Loan Program Fund. Payments on the capital leases are made from the General Fund and the Livescan Fund. Accrued compensated absences are paid from the General Fund and the School Unrestricted Fund. Payments on the landfill post-closure care costs are made from the General Fund.

(CONTINUED)

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

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

**(b) Bonds Outstanding**

At June 30, 2009, the Town's bonds 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, 2008</u>	<u>Issued</u>	<u>Paid</u>	<u>Outstanding June 30, 2009</u>
General refunding:	9/15/97	\$4,565,000	11/1/11	3.85% - 5.15%	\$1,210,000		\$310,000	\$ 900,000
Road improvements:	4/15/01	3,200,000	4/15/16	4.0% - 5.5%	1,820,000		195,000	1,625,000
Open space:	6/1/02	500,000	6/1/12	2.85% - 4.75%	200,000		50,000	150,000
Senior center:	10/1/06	2,215,000	10/1/26	3.5% - 5.0%	2,145,000		75,000	2,070,000
School roof:	5/15/07	750,000	4/1/27	4.0% - 5.5%	710,000		40,000	670,000
<b>Total general obligation bonds.....</b>					<b>\$6,085,000</b>	<b>\$0</b>	<b>\$670,000</b>	<b>\$5,415,000</b>

(CONTINUED)



**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

**(b) Bonds Outstanding (Continued)**

The Town has issued the \$750,000 School roof bond issue under the Maximum Aggregate Indebtedness provision (3% Debt Limit) of the Rhode Island General Laws 45-12-2. All other Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum. The Town is not obligated in any manner for special assessment debt, nor is there any special assessment debt outstanding.

**(c) Loan Payable**

The Town entered into a loan agreement with RI Clean Water Finance Agency in the amount of \$250,000 on February 22, 2001. The loan is used to establish the Community Septic System Loan Program through which the Town provides subsequent loans to homeowners for the repair or replacement of failed septic systems. Loans are serviced on behalf of the Town by the RI Housing Mortgage Finance Corporation. The loans to the homeowners bear interest of 4% of which RI Clean Water Finance Agency and RI Housing Mortgage Finance Corporation both receive a 1.5% service fee. Payments of principal and service fees are made to RI Clean Water Finance Agency quarterly from the funds collected from the repayment of loans to homeowners less the service fee due to RI Housing Mortgage Finance Corporation. As a result, there is no debt service schedule and the debt service to maturity information has not been provided. The loan must be completely drawdown by April 1, 2011.

The loan is not a general obligation of the Town and is subject to and dependent upon appropriations being made by the Town for such purposes.

**(d) Debt Service Requirements**

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

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

Year ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010 .....	\$ 675,000	\$ 227,839	\$ 902,839
2011 .....	680,000	197,426	877,426
2012 .....	690,000	166,793	856,793
2013 .....	360,000	142,974	502,974
2014 .....	370,000	128,104	498,104
2015 .....	390,000	111,754	501,754
2016 .....	405,000	93,249	498,249
2017 .....	145,000	74,341	219,341
2018 .....	145,000	68,337	213,337
2019 .....	150,000	62,088	212,088
2020 .....	155,000	55,637	210,637
2021 .....	160,000	48,988	208,988
2022 .....	165,000	42,137	207,137
2023 .....	170,000	35,438	205,438
2024 .....	180,000	28,087	208,087
2025 .....	185,000	20,438	205,438
2026 .....	190,000	12,762	202,762
2027 .....	200,000	4,787	204,787
<b>Total</b> .....	<b>\$5,415,000</b>	<b>\$1,521,179</b>	<b>\$6,936,179</b>

(CONTINUED)

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

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

**(e) Capital Leases**

The Town has entered into capital lease agreements for a copier and livescan equipment.  
 The assets acquired through capital leases are as follows:

	<b><u>Governmental Activities</u></b>	
	<b><u>Administration</u></b>	<b><u>Public Safety</u></b>
<b>Assets:</b>		
Machinery and equipment.....		\$50,700
Office furniture and equipment.....	\$10,404	
Less: accumulated depreciation.....	<u>(8,323)</u>	<u>(33,800)</u>
<b>Net.....</b>	<b><u>\$ 2,081</u></b>	<b><u>\$16,900</u></b>

The following schedule summarizes the future minimum lease payments under those capital leases, and the present value of the net minimum lease payments at June 30, 2009:

<b>Fiscal year ending <u>June 30:</u></b>	<b>Governmental <u>Activities</u></b>
2010 .....	\$ 7,200
2011 .....	<u>7,200</u>
<b>Total minimum lease payments.....</b>	<b>14,400</b>
Less: amount representing interest.....	<u>(999)</u>
<b>Present value of future minimum lease payments</b>	<b><u>\$13,401</u></b>

**9. FUND EQUITY**

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

**(a) Fund Balances**

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

<b>General Fund:</b>	
Reserved for prepaid expenditures .....	\$ 33,805
Designated for subsequent year .....	<u>70,000</u>
<b>Total.....</b>	<b><u>\$103,805</u></b>
<b>Special Revenue Funds:</b>	
Reserved for prepaid expenditures .....	\$122,988
Designated for subsequent year .....	<u>120,000</u>
<b>Total.....</b>	<b><u>\$242,988</u></b>
<b>Permanent Funds:</b>	
Reserved for perpetual care.....	<u>\$ 3,100</u>

(CONTINUED)

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

**9. FUND EQUITY (Continued)**

**(b) Restatements:**

*Government-wide Financial Statements:*

Net assets at June 30, 2008 have been restated for the following:

Total net assets at June 30, 2008, (as originally reported) .....	\$17,881,767
Cost basis less accumulated depreciation for contributed roads not previously recorded.....	1,087,121
Overaccrual of accounts payable for School Unrestricted Fund at June 30, 2008 .....	28,482
Adjustment to deferred revenue for interest recorded on property taxes .....	<u>(76,000)</u>
<b>Net assets at June 30, 2008 (as restated) .....</b>	<b><u>\$18,921,370</u></b>

*Fund Financial Statements:*

Total fund balance at June 30, 2008 has been restated for the following:

Fund balance at June 30, 2008 (as originally reported).....	\$7,577,183
Overaccrual of accounts payable for School Unrestricted Fund at June 30, 2008 .....	28,482
Reclassification of the School Lunch Fund from a special revenue fund to a proprietary fund .....	<u>(22,364)</u>
<b>Fund balance at June 30, 2008 ( as restated) .....</b>	<b><u>\$7,583,301</u></b>

Net assets at June 30, 2008, have been restated for the following:

Net assets at June 30, 2008 (as originally reported).....	\$ 0
Reclassification of the School Lunch Fund from a special revenue fund to a proprietary fund.....	<u>22,364</u>
<b>Net assets at June 30, 2008 (as restated) .....</b>	<b><u>\$22,364</u></b>

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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**10. DEFINED BENEFIT PENSION PLANS**

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

***Plan Description***

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

The payroll for employees covered by the System for the year ended June 30, 2009 was approximately \$2,290,839 and the Town wide payroll (municipal, police, and school) was approximately \$8,526,106.

***Funding Policy***

MERS members are required to contribute 7.0% of their annual covered salary. The Town is required to contribute at an actuarially determined rate. The rate for 2009 is 10.33% of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by State Statute.

***Annual Pension Cost***

For 2009, the Town's annual pension cost of \$236,643 for MERS was equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2006 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included (a) a net investment return of 8.25 percent compounded annually, (b) projected salary increases at 4.5 percent–8.5 percent, (c) 3 percent per year cost-of-living adjustments, (d) mortality rates based on the 1994 Group Annuity Mortality Table and (e) the age of 65 or completion of service requirements. The actuarial value of MERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period. MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 25 year period.

**(b) Municipal Police Pension Plan**

***Plan Description***

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

The payroll for employees covered by the System for the year ended June 30, 2009 was approximately \$1,013,181.

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**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

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

***Funding Policy***

Covered police employees are required to contribute 9.0% of their annual covered salary. The Town is required to contribute at an actuarially determined rate. The rate for 2009 is 18.11% of annual covered payroll. The contribution requirements of plan members and the Town are established and may be amended by State Statute.

***Annual Pension Cost***

For 2009, the Town's annual pension cost of \$183,488 for the Police Pension System was equal to the Town's required and actual contributions. The required contribution was determined as part of the June 30, 2006 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included (a) net investment return of 8.25 percent compounded annually, (b) projected salary increases of 4.75% - 14.75%, (c) mortality rates based on the 1994 Uninsured Pensioner Mortality Table, and (d) the later of a retirement age of 60, or completion of service requirements. The actuarial value of MERS' assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. Any MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 25 year period.

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits. Trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the State of Rhode Island's Employee Retirement System's June 2008 Annual Financial Report, which may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island 02903. This report is the most recent report available from the State, who administers the Plan.

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

***Plan Description***

All full-time teachers including superintendents, principals, school nurses and certain other school officials ("certified employees") in the Gloucester School District participate in the Employees Retirement System of the State of Rhode Island (ERSRI), a cost-sharing multiple-employer public employee retirement system. In addition to certified employees, the System covers substantially all employees of the State of Rhode Island. The payroll for employees covered by the System for the year ended June 30, 2009, was \$3,859,006. The total payroll for all School employees was \$5,369,165.

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

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

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

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

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

**Plan Description (Continued)**

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

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

**Funding Policy**

Rhode Island general laws set the contribution rates for participating State employees at 9.5% of salary. Annual contributions by both employers and the State on behalf of those employees are determined by actuaries and assessed as percentage of participants' payroll. The School District was required to contribute 11.89%, 13.04%, and 11.62%, for all full-time employees for fiscal years 2009, 2008, and 2007 respectively. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of July 1, 1986 over 30 years; and (c) interest on the unfunded frozen actuarial liability. Normal cost is determined using the entry age normal cost method with frozen initial liability. Both employers and employees contribute 1% of the first \$9,600 of salary for survivor benefits. A variety of significant actuarial assumptions are used and these assumptions are summarized below:

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

As prescribed by Rhode Island general law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years plus 40% of contributions assessed to employers on payroll not reimbursable through Federal programs. This resulted in contribution rates paid by the State on behalf of the School District of 8.18% of non-federally reimbursable payrolls, totaling \$246,586 for fiscal year ended June 30, 2009. This amount was recognized in the School District fund as both a revenue and an expenditure.

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**TOWN OF GLOCESTER, RHODE ISLAND**

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

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

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

**Funding Policy (Continued)**

The amounts contributed to the plan are as follows:

<u>Years Ending June 30,</u>	<u>Employee</u>	<u>Employer</u>	<u>Percentage Contributed</u>
2009	\$366,606	\$458,682	100%
2008	\$398,413	\$556,162	100%
2007	\$400,622	\$490,024	100%

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

**11. CONTINGENT LIABILITIES**

**Grants**

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

**Self-Insurance**

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

**Litigation**

Subsequent to June 30, 2009, the Town and the Providence Water Supply Board tentatively reached an agreement whereby the Town will refund the sum the sum of \$123,369 to the Providence Water Supply Board in conjunction with a tax treaty to be effective for a ten-year period. The refund relates to fiscal years 2009 and prior and therefore has been accrued as a liability on the government-wide financial statements.

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

(CONTINUED)

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

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**12. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

***Plan Description***

The cost of postemployment health care benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in future years when it will be paid. In adopting the requirements of GASB No. 45 during the year ended June 30, 2009, the Town recognizes the cost of postemployment 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 offers a single-employer healthcare benefit plan that is administered by Blue Cross/Blue Shield of Rhode Island (BCBS). The Town provides postemployment healthcare benefits to eligible retirees in accordance with various labor contracts and personnel policies. As of June 30, 2008, 140 employees [123 active and 17 retirees] were eligible to participate. Inasmuch as the plan has no assets, reporting an Other Post Employment Benefit (OPEB) trust fund in the accompanying financial statements is not required. An actuarial consultant, USI Consulting Group, was hired to determine the Town's actuarial valuation of the post retirement benefits that are offered to current and future retirees as of July 1, 2008. This was the first actuarial valuation that the Town has had in regards to its OPEB obligation. The post-employment plan does not issue a stand-alone financial 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.

***Benefit Provisions and Contributions:***

The Town offers individual or family 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. These benefits are described by employee group:

**School ~ Teachers and Administrators**

Eligibility: If vested prior to July 1, 2005 with 28 years of service or at age 60 with 10 years of contributing service. If vested after July 1, 2005, at age 59 with 29 years of service or at age 62 (receiving Social Security) with 10 years of service. Benefits cease at age 65 or when the retiree is eligible for Medicare, whichever occurs first.

Plan Type: Medical - Blue Cross/Blue Shield Classic or Healthmate individual plans only.

Benefit/Cost Sharing: For employees that retired by June 30, 2006, the Town of Glocester School Department pays 100% of the cost of medical insurance for an individual plan. For those that retire after June 30, 2006, retirees contribute the same amount as they contributed during their final year of service.

(CONTINUED)



**TOWN OF GLOCESTER, RHODE ISLAND**

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

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**12. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

**School ~ Educational Support**

Eligibility: Employees with 10 years of service who have reached age 60. Benefits cease at age 65 or when the retiree is eligible for Medicare, whichever occurs first.

Plan type: Medical - Blue Cross/Blue Shield Classic or Healthmate individual plans only.  
Dental - Rhode Island Delta Dental III individual plan only.

Benefit/Cost Sharing: The Town of Glocester School Department pays 100% of the premium cost of individual coverage until the retiree reaches age 65 or is eligible for Medicare, whichever occurs first.

**Town ~ Clerks**

Eligibility: Employees with 10 years of service who have reached age 62. Benefits cease at age 65 or when the retiree becomes eligible for Medicare, whichever occurs first.

Plan type: Blue Cross/Blue Shield Classic or Healthmate individual plans only.

Benefit/Cost Sharing: The Town pays 100% of the premium cost of individual medical care coverage until the retiree reaches age 65 or is eligible for Medicare, whichever occurs first.

**Town ~ Police**

Eligibility: Members hired before July 1, 2001 must have at least 20 years of service. Members hired after July 1, 2001 must have 25 years of service. Benefits cease at age 65 or when the retiree becomes eligible for Medicare, whichever occurs first. If the spouse becomes eligible for Medicare or reaches age 65 before the retiree, the retiree continues to be eligible for coverage.

Plan type: Medical - Blue Cross/Blue Shield Classic or Healthmate individual plans only.  
Dental - Rhode Island Delta Dental III individual plan only.

Benefit/Cost Sharing: The Town pays 100% of the premium cost of individual medical care and dental coverage until the retiree reaches age 65 or is eligible for Medicare, whichever occurs first.

**Town ~ Non-contract**

Eligibility: Employees with 10 years of service who have reached age 62. Benefits cease at age 65 or when the retiree becomes eligible for Medicare, whichever occurs first.

Plan type: Blue Cross/Blue Shield Classic or Healthmate individual plans only.

Benefit/Cost Sharing: The Town pays 100% of the premium cost of individual medical care coverage until the retiree reaches age 65 or is eligible for Medicare, whichever occurs first.

**All Employee Groups**

Retirees can purchase health insurance for their spouses at their own expense. The Plan does not provide a "surviving spouse benefit" for any of its Plan members.

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

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

**12. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

**Classes of Employees Covered**

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

Active Employees	123
Retirees	<u>17</u>
Total Plan Members	<u>140</u>

**Annual OPEB Cost and Net OPEB Obligation**

The Town may contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* to a trust. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. For fiscal year ending June 30, 2009, the Town's initial reporting year, the Town made no contributions to a trust and instead elected to continue funding on a pay-as-you-go basis, which was determined to be \$111,265. 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) .....	\$192,932
Interest on net OPEB obligation .....	2,592
Adjustment to annual required contribution .....	<u>(2,384)</u>
Annual OPEB cost (expense) .....	193,140
Contributions made .....	<u>152,619</u>
Increase in net OPEB obligation .....	40,521
 Net OPEB obligation - July 1, 2008 .....	 <u>64,794</u>
 Net OPEB obligation - June 30, 2009 .....	 <u>\$105,315</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for fiscal years 2008 and 2009 are as follows:

Fiscal Year <u>Ending</u>	Annual OPEB <u>Cost</u>	Percentage of Annual <u>OPEB Cost Contributed</u>	Net OPEB <u>Obligation</u>
6/30/2008	\$184,000	64.8%	\$ 64,794
6/30/2009	193,140	79.0%	105,315

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

**12. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

**Funded Status and Funding Progress**

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

Actuarial Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability (AAL)	(B-A) Unfunded Actuarial Accrued Liability (UAAL)	(A/B) Funded Ratio	(C) Covered Payroll	[(A-B)/C] UAAL as a Percentage of Covered Payroll
July 1, 2008	\$0	\$2,199,146	\$2,199,146	0.0%	Not Available	N/A

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

**Actuarial Methods and Assumptions**

The accompanying schedules of employer contributions present trend information about the amounts contributed to the Plan by employers in comparison to the ARC, an amount that is actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The annual OPEB cost was determined as part of the actuarial valuation. Additional information and assumptions used as of the last actuarial valuation are summarized below:

Funding Interest Rate.....	4.00%
2008 Medical Trend Rate.....	9.00%
Ultimate Medical Trend Rate .....	5.00%
Year Ultimate Medical Trend Rate Reached .....	2012
Actuarial Cost Method.....	Entry Age Normal
The remaining amortization period at June 30, 2008.....	29 years
Valuation Type .....	Closed Group

(CONTINUED)

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

**13. MAJOR REVENUE SOURCE**

The Town has a tax treaty and agreement with Factory Mutual Insurance Company (FM), which requires FM to pay the Town annual fixed payments in lieu of taxes according to the following schedule:

<u>June 30:</u>	<u>Amount</u>
2010 .....	\$ 1,585,825
2011 .....	1,628,900
2012 .....	1,671,975
2013 .....	2,065,050
2014 .....	2,118,625
2015 .....	2,172,200
2016 .....	2,225,775
2017 .....	2,279,350
2018 .....	2,332,925
2019 .....	2,386,500
2020 .....	2,449,760
2021 .....	2,504,667
2022 .....	<u>2,559,574</u>
Total .....	<u>\$27,981,126</u>

During fiscal year ending June 30, 2009 the Town received \$1,120,000 in payments from FM.

**14. FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT**

The Foster-Glocester Regional School District (Regional School) was created to include the high school and middle schools for the Towns of Foster and Glocester (the Towns). The Regional School is a separate legal entity from the Town. The voters of the participating Towns elect their respective School Committee members who are also ex-officio School Committee members for the Regional School District. The Regional School cannot assess and levy property taxes. Revenues are derived principally from the participating Towns of the Regional School, which contribute funds according to a financial formula based upon each Town's enrollment and from the State of Rhode Island. The Town of Glocester's budgeted contribution for the fiscal year ended June 30, 2009 was \$9,344,763. Financial statements for the Regional School are issued separately and may be obtained from the Foster-Glocester Regional School District Business Office, 1145 Putnam Pike, P.O. Box D, Chepachet, Rhode Island 02814.

**15. RISK MANAGEMENT**

The Town of Glocester and Glocester School Department are 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 and School Department participate 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 and School Department signed a participation agreement which outlines the rights and responsibilities of both the Trust and the Town and School Department. The agreement states that for premiums paid by the Town or School Department, the Trust will assume financial responsibility for the losses up to the maximum amount of insurance purchased, minus the 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 and the School Department for a maximum of \$3,000,000 per occurrence. There have been no reductions in insurance coverage from coverage in the previous year. Settled claims resulting from these risks have not exceeded the Trust Coverage.

(CONTINUED)

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

**15. RISK MANAGEMENT (Continued)**

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

The Town insures the entire risk arising from employee related health issues through the purchase of standard health insurance policies for full-time and certain eligible part-time employees. Under the terms of these policies, the Town assumes no other risk than the premium cost of each health insurance policy.

**16. INTERFUND TRANSFERS**

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

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Governmental activities:</b>		
<b>Major funds:</b>		
General Fund .....	\$ 2,000	\$7,401,485
School Unrestricted .....	6,372,035	262,118
Capital Reserve Fund.....	485,826	498,014
<b>Non-major funds</b> .....	<u>1,306,756</u>	<u>5,000</u>
<b>Total governmental activities</b> .....	<u>\$8,166,617</u>	<u>\$8,166,617</u>
 <b>Discretely Presented Component Unit:</b>		
<b>Primary Government:</b>		
General Fund .....	\$ 0	\$ 63,855
 <b>Discretely presented component unit:</b>		
Glocester Land Trust.....	<u>63,855</u>	
<b>Balance at June 30, 2009</b> .....	<u>\$ 63,855</u>	<u>\$ 63,855</u>

**17. LANDFILL POSTCLOSURE CARE COSTS**

The Rhode Island Department of Environmental Management (RIDEM) has identified the Town's former landfill located off Chestnut Hill Road as a Site Remediation Program. The landfill was closed in 1979. The RIDEM performed a Site Investigation in April 2005 and issued their report in May 2005.

The Town complied with RIDEM's remediation requirements by capping the landfill with two feet of clean fill and subsequently stabilizing it by planting grass. A plastic membrane was not deemed necessary.

Cost to date is \$246,000. The work on the project is nearing completion. RIDEM is planning a site visit for January 2010. If the work is accepted, a Final Closure Report will be issued. It is estimated that it will cost \$30,000 to complete the project. This estimate is subject to change resulting from inflation, deflation, technology, or changes in applicable laws or regulations. The Town utilizes the General Fund to account for postclosure care costs.

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

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

**17. LANDFILL POSTCLOSURE CARE COSTS(Continued)**

RIDEM regulations require that post-closure monitoring be performed for a period of at least 30 years after the landfill is closed. Monitoring consists of analyzing groundwater samples and measuring landfill gas levels. Other tasks required are mowing the grass twice per year and field inspections to ascertain whether erosion is occurring and that no trees are growing. Annual monitoring is expected to cost \$9,700 per year. After the first year or two of monitoring, we will request that RIDEM relax these requirements if monitoring results are in substantial compliance with the regulations.

The Town has both 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>
Chestnut Hill Road	1979	\$30,000	\$9,700	30	\$291,000	\$9,700	\$281,300

(CONCLUDED)

# **TOWN OF GLOCESTER**

## **REQUIRED SUPPLEMENTARY INFORMATION**

*Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements.*

*Such information includes:*

*Schedule of Funding Progress*

*Budgetary Comparison Schedules - General Fund  
and Gloucester School General Fund*

*In addition, the notes to the required supplementary information are included to provide information that is essential to a user's understanding of the required supplementary information.*

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

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((a-b)/c)
<b><u>General Employees – Municipal Employees' Retirement System</u></b>						
6/30/06	\$4,432,516	\$5,963,603	\$(1,531,087)	74.3%	\$2,252,316	(68.0%)
6/30/07	\$5,177,807	\$6,727,948	\$(1,550,140)	77.0%	\$2,284,364	(67.9%)
6/30/08	\$5,888,673	\$7,125,561	\$(1,236,888)	82.6%	\$2,241,463	(55.2%)
<b><u>Police Units – Municipal Employees' Retirement System</u></b>						
6/30/06	\$3,198,691	\$4,041,685	\$(842,994)	79.1%	\$881,266	(95.7%)
6/30/07	\$3,732,717	\$4,610,411	\$(877,695)	81.0%	\$919,906	(95.4%)
6/30/08	\$4,261,420	\$4,841,450	\$(580,031)	88.0%	\$967,190	(60.0%)
<b><u>OPEB</u></b>						
7/01/08 (1)	\$ 0	\$2,199,146	\$(2,199,146)	0%	Not Available	N/A

**SCHEDULE OF CONTRIBUTIONS FROM THE TOWN**

Year Ended June 30.	Annual Required Contribution	Percentage Contributed
<b><u>General Employees – Municipal Employees' Retirement System</u></b>		
2007	\$206,371	100%
2008	\$224,786	100%
2009	\$236,643	100%
<b><u>Police Units – Municipal Employees' Retirement System</u></b>		
2007	\$168,680	100%
2008	\$198,803	100%
2009	\$183,488	100%
<b><u>OPEB</u></b>		
2008	\$184,000	64.8%
2009	\$193,140	79.0%

(1) First year actuarial valuation was performed.

(CONTINUED)



TOWN OF GLOCESTER, RHODE ISLAND**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)****MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM****NOTES TO SCHEDULES**

Additional information as of the latest actuarial valuation follows:

**Pension Plan – Municipal Employees' Retirement System**

Valuation date	June 30, 2007
Actuarial cost method	Entry Age Normal
Amortization method	Level percent of payroll - closed
Remaining amortization period	22 years
Asset valuation method	5 years smoothed market
Actuarial assumptions:	
Investment rate of return	8.25%
Projected salary increases	4.5% - 8.5% Town and 4.75% - 14.75% Police
Cost-of-living adjustments	3.0%, not compounded
Inflation	3.0%

**OPEB Plan**

Funding Interest Rate	4.00%
2008 Medical Trend Rate	9.00%
Ultimate Medical Trend Rate	5.00%
Year Ultimate Medical Trend Rate Reached	2012
Actuarial Cost Method	Entry Age Normal
The remaining amortization period at June 30, 2008	29 years
Valuation Type	Closed Group

(CONCLUDED)

TOWN OF GLOCESTER, RHODE ISLAND

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

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

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
<b>REVENUES:</b>				
General property taxes	\$ 20,565,618	\$ 20,565,618	\$ 20,575,766	\$ 10,148
General state aid	1,900,886	1,900,886	1,583,671	(317,215)
State housing aid	250,025	250,025	240,490	(9,535)
Licenses, fees and fines	452,418	452,418	510,253	57,835
Interest and investment income	135,700	135,700	123,954	(11,746)
Other revenues	24,500	24,500	30,722	6,222
<b>Total revenues</b>	<u>23,329,147</u>	<u>23,329,147</u>	<u>23,064,856</u>	<u>(264,291)</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Central administration	882,938	882,938	830,011	52,927
Financial administration	621,930	621,930	596,070	25,860
Public safety	1,918,989	1,918,989	1,784,952	134,037
Public works	1,726,382	1,726,382	1,597,540	128,842
Recreation and senior center	214,149	214,149	173,987	40,162
Social services	111,274	111,274	99,621	11,653
Other operational expenses	437,736	437,736	294,543	143,193
Aid requests	333,083	333,083	333,083	0
Education	9,344,763	9,344,763	9,340,823	3,940
<b>Debt service</b>	927,848	927,848	926,180	1,668
<b>Total expenditures</b>	<u>16,519,092</u>	<u>16,519,092</u>	<u>15,976,810</u>	<u>542,282</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>6,810,055</u>	<u>6,810,055</u>	<u>7,088,046</u>	<u>277,991</u>
<b>Other financing sources (uses):</b>				
Transfers from other funds	0	0	2,000	2,000
Appropriated fund balance	380,000	380,000	380,000	0
Transfers to other funds	(7,190,055)	(7,190,055)	(7,399,485)	(209,430)
<b>Net other financing uses</b>	<u>(6,810,055)</u>	<u>(6,810,055)</u>	<u>(7,017,485)</u>	<u>(207,430)</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>70,561</u>	<u>\$ 70,561</u>
Less: appropriated fund balance			(380,000)	
<b>Fund Balance, beginning of year</b>			<u>4,239,959</u>	
<b>Fund Balance, end of year</b>			<u>\$ 3,930,520</u>	

TOWN OF GLOCESTER, RHODE ISLAND

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

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

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
<b>REVENUES:</b>				
State aid	\$ 2,845,591	\$ 2,845,591	\$ 2,491,455	\$ (354,136)
Federal State Fiscal Stabilization Funds			180,413	180,413
Capital reimbursements	32,561	32,561	26,115	(6,446)
PK coordinator	30,924	30,924	25,304	(5,620)
Tuitions	77,708	77,708	142,120	64,412
Earnings on investments	12,000	12,000	11,494	(506)
Other			17,069	17,069
<b>Total revenues</b>	<u>2,998,784</u>	<u>2,998,784</u>	<u>2,893,970</u>	<u>(104,814)</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Fogarty Memorial	125,963	125,963	86,606	39,357
West Glocester	121,719	121,719	86,687	35,032
Central administration	111,795	111,795	105,069	6,726
System-wide	1,801,125	1,801,125	1,648,901	152,224
Salaries and fringes	7,228,917	7,228,917	6,722,900	506,017
<b>Total expenditures</b>	<u>9,389,519</u>	<u>9,389,519</u>	<u>8,650,163</u>	<u>739,356</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(6,390,735)</u>	<u>(6,390,735)</u>	<u>(5,756,193)</u>	<u>634,542</u>
<b>Other financing sources (uses):</b>				
Transfers from Town	6,372,035	6,372,035	6,372,035	0
Appropriated fund balance	100,000	100,000	100,000	0
Transfers to other funds	(81,300)	(81,300)	(262,118)	(180,818)
<b>Net other financing sources</b>	<u>6,390,735</u>	<u>6,390,735</u>	<u>6,209,917</u>	<u>(180,818)</u>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>\$ 0</u>	<u>\$ 0</u>	453,724	<u>\$ 453,724</u>
Less: appropriated fund balance			(100,000)	
<b>Fund Balance, beginning of year, as restated</b>			<u>376,830</u>	
<b>Fund Balance, end of year</b>			<u>\$ 730,554</u>	

**TOWN OF GLOCESTER, RHODE ISLAND**

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

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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, 2009:

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$ 70,561
Fund balance reappropriated .....	<u>(380,000)</u>
Deficiency of revenues and other sources over expenditures and other uses (GAAP).....	<u>\$(309,439)</u>

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

Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis).....	\$453,724
Fund balance reappropriated .....	<u>(100,000)</u>
Excess of revenues and other sources over expenditures and other uses (GAAP)	<u>\$353,724</u>

***TOWN OF GLOCESTER***

**OTHER SUPPLEMENTARY  
INFORMATION**

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**COMBINING FUND FINANCIAL STATEMENTS  
FOR NON-MAJOR GOVERNMENTAL FUNDS**

**OTHER SUPPLEMENTARY INFORMATION**

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TOWN OF GLOCESTER, RHODE ISLAND

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

	Town Special Revenue Funds	School Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Non-major Governmental Funds
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 897,562		\$ 140,652	\$ 12,347	\$ 1,050,561
Interest receivable	68				68
Loans receivable	227,499				227,499
Prepaid expenditures		\$ 300			300
Due from:					
Other funds	399,407	561,742	755,142		1,716,291
Component unit			288		288
Other governments	127,188	104,216	50,624		282,028
<b>TOTAL ASSETS</b>	<b>\$ 1,651,724</b>	<b>\$ 666,258</b>	<b>\$ 946,706</b>	<b>\$ 12,347</b>	<b>\$ 3,277,035</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 10,754	\$ 41,788	\$ 18,479		\$ 71,021
Accrued payroll and benefits	974	9,872			10,846
Due to:					
Other funds	9,378	74,309	92,076		175,763
Deferred revenues	227,499				227,499
<b>TOTAL LIABILITIES</b>	<b>248,605</b>	<b>125,969</b>	<b>110,555</b>	<b>\$ 0</b>	<b>485,129</b>
<b>FUND BALANCES:</b>					
Reserved for perpetual care				3,100	3,100
Unreserved, reported in:					
Special revenue funds	1,403,119	540,289			1,943,408
Capital project funds			836,151		836,151
Permanent funds				9,247	9,247
<b>TOTAL FUND BALANCES</b>	<b>1,403,119</b>	<b>540,289</b>	<b>836,151</b>	<b>12,347</b>	<b>2,791,906</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,651,724</b>	<b>\$ 666,258</b>	<b>\$ 946,706</b>	<b>\$ 12,347</b>	<b>\$ 3,277,035</b>

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2009**

	Town Special Revenue Funds	School Special Revenue Funds	Capital Project Funds	Permanent Funds	Total Non-major Governmental Funds
<b>REVENUES:</b>					
Intergovernmental	\$ 512,998	\$ 854,222	\$ 108,705		\$ 1,475,925
Investment income	10,951		690	\$ 9	11,650
Other	81,786		11,446		93,232
<b>TOTAL REVENUES</b>	<b>605,735</b>	<b>854,222</b>	<b>120,841</b>	<b>9</b>	<b>1,580,807</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Administration	22,896				22,896
Public safety	19,817				19,817
Public works	273,488				273,488
Recreation	27,736		28,708		56,444
Social services	431,006				431,006
Education		857,952	1,666		859,618
<b>Debt service:</b>					
Principal	19,658				19,658
Interest	5,615				5,615
<b>Capital outlay</b>	<b>64,735</b>	<b>15,342</b>	<b>572,584</b>		<b>652,661</b>
<b>TOTAL EXPENDITURES</b>	<b>864,951</b>	<b>873,294</b>	<b>602,958</b>	<b>0</b>	<b>2,341,203</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>(259,216)</b>	<b>(19,072)</b>	<b>(482,117)</b>	<b>9</b>	<b>(760,396)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	509,902	180,818	616,036		1,306,756
Transfers out	(5,000)				(5,000)
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>504,902</b>	<b>180,818</b>	<b>616,036</b>	<b>0</b>	<b>1,301,756</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>245,686</b>	<b>161,746</b>	<b>133,919</b>	<b>9</b>	<b>541,360</b>
<b>FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED</b>	<b>1,157,433</b>	<b>378,543</b>	<b>702,232</b>	<b>12,338</b>	<b>2,250,546</b>
<b>FUND BALANCE AT END OF YEAR</b>	<b>\$ 1,403,119</b>	<b>\$ 540,289</b>	<b>\$ 836,151</b>	<b>\$ 12,347</b>	<b>\$ 2,791,906</b>

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
TOWN SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	Bramley Bill	Law Enforcement Block Grant	Community Development Block Grant	FEMA Grant	Revaluation Reserve	Public Library Grant
<b>ASSETS:</b>						
Cash and cash equivalents			\$ 130,569		\$ 358,262	
Interest receivable					45	
Loans receivable			125,161			
Due from:						
Other funds	\$ 44,081	\$ 5,562				
Other governments	3,391		66,600	\$ 4,558		
<b>TOTAL ASSETS</b>	<b>\$ 47,472</b>	<b>\$ 5,562</b>	<b>\$ 322,330</b>	<b>\$ 4,558</b>	<b>\$ 358,307</b>	<b>\$ 0</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 7,098					
Accrued payroll and benefits	662			\$ 312		
Due to:						
Other funds			\$ 3,000	4,246		
Deferred revenues			125,161			
<b>TOTAL LIABILITIES</b>	<b>7,760</b>	<b>\$ 0</b>	<b>128,161</b>	<b>4,558</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	39,712	5,562	194,169		358,307	
<b>TOTAL FUND BALANCES</b>	<b>39,712</b>	<b>5,562</b>	<b>194,169</b>	<b>0</b>	<b>358,307</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 47,472</b>	<b>\$ 5,562</b>	<b>\$ 322,330</b>	<b>\$ 4,558</b>	<b>\$ 358,307</b>	<b>\$ 0</b>

(CONTINUED)



TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
TOWN SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	Comprehensive Planning	July 4th Parade	MHRH Grant	Accrued Compensated Absences Reserve	RI Neighborhood Crime Prevention	JAG Grant #05-112-JAG
<b>ASSETS:</b>						
Cash and cash equivalents		\$ 65		\$ 179,108		
Interest receivable				23		
Loans receivable						
Due from:						
Other funds	\$ 8,280	22,809				
Other governments			\$ 389			
<b>TOTAL ASSETS</b>	<b>\$ 8,280</b>	<b>\$ 22,874</b>	<b>\$ 389</b>	<b>\$ 179,131</b>	<b>\$0</b>	<b>\$0</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable		\$ 388				
Accrued payroll and benefits						
Due to:						
Other funds			\$ 389			
Deferred revenues						
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>388</b>	<b>389</b>	<b>\$ 0</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	8,280	22,486		179,131		
<b>TOTAL FUND BALANCES</b>	<b>8,280</b>	<b>22,486</b>	<b>0</b>	<b>179,131</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 8,280</b>	<b>\$ 22,874</b>	<b>\$ 389</b>	<b>\$ 179,131</b>	<b>\$0</b>	<b>\$0</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
TOWN SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	<u>Mealsite Program</u>	<u>Central Police Legislative Grant</u>	<u>GASB 45 Actuarial Study</u>	<u>Historic Records Trust</u>	<u>Tree Planting</u>	<u>Food Bank</u>
<b>ASSETS:</b>						
Cash and cash equivalents				\$ 136		
Interest receivable						
Loans receivable						
Due from:						
Other funds		\$ 508	\$ 6,500	20,372	\$ 1,508	\$ 23,578
Other governments						
<b>TOTAL ASSETS</b>	<b>\$0</b>	<b>\$ 508</b>	<b>\$ 6,500</b>	<b>\$ 20,508</b>	<b>\$ 1,508</b>	<b>\$ 23,578</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable				\$ 946		\$ 2,269
Accrued payroll and benefits						
Due to:						
Other funds						
Deferred revenues						
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>946</b>	<b>\$ 0</b>	<b>2,269</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated		508	6,500	19,562	1,508	21,309
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>508</b>	<b>6,500</b>	<b>19,562</b>	<b>1,508</b>	<b>21,309</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$0</b>	<b>\$ 508</b>	<b>\$ 6,500</b>	<b>\$ 20,508</b>	<b>\$ 1,508</b>	<b>\$ 23,578</b>

(CONTINUED)

**TOWN OF GLOCESTER, RHODE ISLAND**

**COMBINING BALANCE SHEET  
TOWN SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	<u>Livescan</u>	<u>DARE</u>	<u>Bullet Proof Vest</u>	<u>Emergency Energy</u>	<u>Matching State Grant Funds</u>	<u>Storm Related Services</u>
<b>ASSETS:</b>						
Cash and cash equivalents						
Interest receivable						
Loans receivable						
Due from:						
Other funds	\$ 13,018	\$ 618		\$ 7,726	\$ 50,000	
Other governments						
<b>TOTAL ASSETS</b>	<b>\$ 13,018</b>	<b>\$ 618</b>	<b>\$0</b>	<b>\$ 7,726</b>	<b>\$ 50,000</b>	<b>\$0</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						
Accrued payroll and benefits						
Due to:						
Other funds						
Deferred revenues						
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$0</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	13,018	618		7,726	50,000	
<b>TOTAL FUND BALANCES</b>	<b>13,018</b>	<b>618</b>	<b>0</b>	<b>7,726</b>	<b>50,000</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 13,018</b>	<b>\$ 618</b>	<b>\$0</b>	<b>\$ 7,726</b>	<b>\$ 50,000</b>	<b>\$0</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
TOWN SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	Homeland Security Grant 13-90-FY07	Other Post Employment Benefits	Blue Rip Tide Grant	Pollard Legislation	Senior Center Dues	Senior Center Donations
<b>ASSETS:</b>						
Cash and cash equivalents		\$ 229,422				
Interest receivable						
Loans receivable						
Due from:						
Other funds		93,863		\$ 1,000	\$ 11,369	\$ 22,380
Other governments			\$ 1,743			
<b>TOTAL ASSETS</b>	<b>\$0</b>	<b>\$ 323,285</b>	<b>\$ 1,743</b>	<b>\$ 1,000</b>	<b>\$ 11,369</b>	<b>\$ 22,380</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						\$ 53
Accrued payroll and benefits						
Due to:						
Other funds			\$ 1,743			
Deferred revenues						
<b>TOTAL LIABILITIES</b>	<b>\$0</b>	<b>\$ 0</b>	<b>1,743</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>53</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated		323,285		1,000	11,369	22,327
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>323,285</b>	<b>0</b>	<b>1,000</b>	<b>11,369</b>	<b>22,327</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$0</b>	<b>\$ 323,285</b>	<b>\$ 1,743</b>	<b>\$ 1,000</b>	<b>\$ 11,369</b>	<b>\$ 22,380</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
TOWN SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	Police Equipment Maintenance	Animal Shelter Amy Angilly Fund	Community Septic System Loan Program	Radio Contract	Computer Systems Maintenance	Total Town Special Revenue Funds
<b>ASSETS:</b>						
Cash and cash equivalents						\$ 897,562
Interest receivable						68
Loans receivable			\$ 102,338			227,499
Due from:						
Other funds	\$ 19,530	\$ 20,673		\$ 15,782	\$ 10,250	399,407
Other governments			50,507			127,188
<b>TOTAL ASSETS</b>	<b>\$ 19,530</b>	<b>\$ 20,673</b>	<b>\$ 152,845</b>	<b>\$ 15,782</b>	<b>\$ 10,250</b>	<b>\$ 1,651,724</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						\$ 10,754
Accrued payroll and benefits						974
Due to:						
Other funds						9,378
Deferred revenues			\$ 102,338			227,499
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 102,338</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>248,605</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	19,530	20,673	50,507	15,782	10,250	1,403,119
<b>TOTAL FUND BALANCES</b>	<b>19,530</b>	<b>20,673</b>	<b>50,507</b>	<b>15,782</b>	<b>10,250</b>	<b>1,403,119</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 19,530</b>	<b>\$ 20,673</b>	<b>\$ 152,845</b>	<b>\$ 15,782</b>	<b>\$ 10,250</b>	<b>\$ 1,651,724</b>

(CONCLUDED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
TOWN SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	Bramley Bill	Law Enforcement Block Grant	Community Development Block Grant	FEMA Grant	Revaluation Reserve	Public Library Grant
<b>REVENUES:</b>						
Intergovernmental	\$ 40,698		\$ 336,559	\$ 3,393		\$ 65,133
Investment income			1,838		\$ 1,946	
Other			9,480			
<b>TOTAL REVENUES</b>	<u>40,698</u>	<u>\$ 0</u>	<u>347,877</u>	<u>3,393</u>	<u>1,946</u>	<u>65,133</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Administration						
Public safety				6,786		
Public works						
Recreation						
Social services	44,554		292,439			65,133
<b>Debt service:</b>						
Principal						
Interest						
<b>Capital outlay</b>						
<b>TOTAL EXPENDITURES</b>	<u>44,554</u>	<u>0</u>	<u>292,439</u>	<u>6,786</u>	<u>0</u>	<u>65,133</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(3,856)</u>	<u>0</u>	<u>55,438</u>	<u>(3,393)</u>	<u>1,946</u>	<u>0</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	6,253		2,000	3,393	20,000	
Transfers out	(2,000)		(3,000)			
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>4,253</u>	<u>0</u>	<u>(1,000)</u>	<u>3,393</u>	<u>20,000</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	397	0	54,438	0	21,946	0
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	39,315	5,562	139,731	0	336,361	0
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 39,712</u>	<u>\$ 5,562</u>	<u>\$ 194,169</u>	<u>\$ 0</u>	<u>\$ 358,307</u>	<u>\$ 0</u>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
TOWN SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	Comprehensive Planning	July 4th Parade	MHRH Grant	Accrued Compensated Absences Reserve	RI Neighborhood Crime Prevention	JAG Grant #05-112-JAG
<b>REVENUES:</b>						
Intergovernmental		\$ 2,700	\$ 389			\$ 9,918
Investment income				\$ 938		
Other		13,459				
<b>TOTAL REVENUES</b>	<b>\$ 0</b>	<b>16,159</b>	<b>389</b>	<b>938</b>	<b>\$ 0</b>	<b>9,918</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Administration						
Public safety					425	
Public works				929		
Recreation		24,877				
Social services			389			
<b>Debt service:</b>						
Principal						11,030
Interest						
<b>Capital outlay</b>						
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>24,877</b>	<b>389</b>	<b>929</b>	<b>425</b>	<b>11,030</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>0</b>	<b>(8,718)</b>	<b>0</b>	<b>9</b>	<b>(425)</b>	<b>(1,112)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	2,500	19,780		59,000	194	1,112
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>2,500</b>	<b>19,780</b>	<b>0</b>	<b>59,000</b>	<b>194</b>	<b>1,112</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>2,500</b>	<b>11,062</b>	<b>0</b>	<b>59,009</b>	<b>(231)</b>	<b>0</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>5,780</b>	<b>11,424</b>	<b>0</b>	<b>120,122</b>	<b>231</b>	<b>0</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 8,280</b>	<b>\$ 22,486</b>	<b>\$ 0</b>	<b>\$ 179,131</b>	<b>\$ 0</b>	<b>\$ 0</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
TOWN SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	Mealsite Program	Central Police Legislative Grant	GASB 45 Actuarial Study	Historic Records Trust	Tree Planting	Food Bank
<b>REVENUES:</b>						
Intergovernmental	\$ 1,800					\$ 900
Investment income						
Other				\$ 12,212		16,201
<b>TOTAL REVENUES</b>	<u>1,800</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>12,212</u>	<u>\$ 0</u>	<u>17,101</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Administration			6,500	16,396		
Public safety						
Public works						
Recreation						
Social services	1,800					17,452
<b>Debt service:</b>						
Principal						
Interest						
<b>Capital outlay</b>				6,260		
<b>TOTAL EXPENDITURES</b>	<u>1,800</u>	<u>0</u>	<u>6,500</u>	<u>22,656</u>	<u>0</u>	<u>17,452</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>(6,500)</u>	<u>(10,444)</u>	<u>0</u>	<u>(351)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in						9,500
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,500</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>0</u>	<u>0</u>	<u>(6,500)</u>	<u>(10,444)</u>	<u>0</u>	<u>9,149</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<u>0</u>	<u>508</u>	<u>13,000</u>	<u>30,006</u>	<u>1,508</u>	<u>12,160</u>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ 508</u>	<u>\$ 6,500</u>	<u>\$ 19,562</u>	<u>\$ 1,508</u>	<u>\$ 21,309</u>

(CONTINUED)



TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
TOWN SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	<u>Livescan</u>	<u>DARE</u>	<u>Bullet Proof Vest</u>	<u>Emergency Energy</u>	<u>Matching State Grant Funds</u>	<u>Storm Related Services</u>
<b>REVENUES:</b>						
Intergovernmental			\$ 1,450			
Investment income						
Other				\$ 8,510		
<b>TOTAL REVENUES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>1,450</b>	<b>8,510</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Administration						
Public safety			2,900			
Public works						272,559
Recreation						
Social services				9,239		
<b>Debt service:</b>						
Principal	6,031					
Interest	1,169					
<b>Capital outlay</b>						
<b>TOTAL EXPENDITURES</b>	<b>7,200</b>	<b>0</b>	<b>2,900</b>	<b>9,239</b>	<b>0</b>	<b>272,559</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>(7,200)</b>	<b>0</b>	<b>(1,450)</b>	<b>(729)</b>	<b>0</b>	<b>(272,559)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	3,192		1,450	5,000		247,408
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>3,192</b>	<b>0</b>	<b>1,450</b>	<b>5,000</b>	<b>0</b>	<b>247,408</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(4,008)</b>	<b>0</b>	<b>0</b>	<b>4,271</b>	<b>0</b>	<b>(25,151)</b>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	<b>17,026</b>	<b>618</b>	<b>0</b>	<b>3,455</b>	<b>50,000</b>	<b>25,151</b>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<b>\$ 13,018</b>	<b>\$ 618</b>	<b>\$ 0</b>	<b>\$ 7,726</b>	<b>\$ 50,000</b>	<b>\$ 0</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
TOWN SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	<u>Homeland Security Grant 13-90-FY07</u>	<u>Other Post Employment Benefits</u>	<u>Blue Rip Tide Grant</u>	<u>Pollard Legislation</u>	<u>Senior Center Dues</u>	<u>Senior Center Donations</u>
<b>REVENUES:</b>						
Intergovernmental	\$ 40,233		\$ 8,825	\$ 1,000		
Investment income		\$ 1,783				
Other					\$ 4,730	\$ 3,567
<b>TOTAL REVENUES</b>	<u>40,233</u>	<u>1,783</u>	<u>8,825</u>	<u>1,000</u>	<u>4,730</u>	<u>3,567</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Administration						
Public safety			9,706			
Public works						
Recreation					382	2,477
Social services						
<b>Debt service:</b>						
Principal						
Interest						
<b>Capital outlay</b>	41,618					1,500
<b>TOTAL EXPENDITURES</b>	<u>41,618</u>	<u>0</u>	<u>9,706</u>	<u>0</u>	<u>382</u>	<u>3,977</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(1,385)</u>	<u>1,783</u>	<u>(881)</u>	<u>1,000</u>	<u>4,348</u>	<u>(410)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	1,385	93,863	881			
Transfers out						
<b>NET OTHER FINANCING SOURCES (USES)</b>	<u>1,385</u>	<u>93,863</u>	<u>881</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	0	95,646	0	1,000	4,348	(410)
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	0	227,639	0	0	7,021	22,737
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ 323,285</u>	<u>\$ 0</u>	<u>\$ 1,000</u>	<u>\$ 11,369</u>	<u>\$ 22,327</u>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE  
TOWN SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	<u>Police Equipment Maintenance</u>	<u>Animal Shelter Amy Angilly Fund</u>	<u>Community Septic System Loan Program</u>	<u>Radio Contract</u>	<u>Computer Systems Maintenance</u>	<u>Total Town Special Revenue Funds</u>
<b>REVENUES:</b>						
Intergovernmental						\$ 512,998
Investment income			\$ 4,446			10,951
Other			13,627			81,786
<b>TOTAL REVENUES</b>	\$ 0	\$ 0	18,073	\$ 0	\$ 0	605,735
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Administration						22,896
Public safety						19,817
Public works						273,488
Recreation						27,736
Social services						431,006
<b>Debt service:</b>						
Principal			13,627			19,658
Interest			4,446			5,615
<b>Capital outlay</b>		4,327				64,735
<b>TOTAL EXPENDITURES</b>	0	4,327	18,073	0	0	864,951
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	0	(4,327)	0	0	0	(259,216)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	6,959			15,782	10,250	509,902
Transfers out						(5,000)
<b>NET OTHER FINANCING SOURCES (USES)</b>	6,959	0	0	15,782	10,250	504,902
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	6,959	(4,327)	0	15,782	10,250	245,686
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	12,571	25,000	50,507	0	0	1,157,433
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	\$ 19,530	\$ 20,673	\$ 50,507	\$ 15,782	\$ 10,250	\$ 1,403,119

(CONCLUDED)

**TOWN OF GLOCESTER, RHODE ISLAND****COMBINING BALANCE SHEET  
SCHOOL SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	<u>Student Equity</u>	<u>Early Childhood</u>	<u>Technology</u>	<u>Professional Development</u>	<u>Literacy</u>	<u>Title I</u>
<b>ASSETS:</b>						
Prepaid expenditures						
Due from:						
Other funds	\$ 30,297	\$ 6,776	\$ 1,609	\$ 66,404	\$ 8,417	
Other governments						\$ 46,299
<b>TOTAL ASSETS</b>	<b>\$ 30,297</b>	<b>\$ 6,776</b>	<b>\$ 1,609</b>	<b>\$ 66,404</b>	<b>\$ 8,417</b>	<b>\$ 46,299</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable						
Accrued payroll and benefits		\$ 765				\$ 5,604
Due to:						
Other funds		3,767	\$ 1,609		\$ 4,640	40,695
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>4,532</b>	<b>1,609</b>	<b>\$ 0</b>	<b>4,640</b>	<b>46,299</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	30,297	2,244		66,404	3,777	
<b>TOTAL FUND BALANCES</b>	<b>30,297</b>	<b>2,244</b>	<b>0</b>	<b>66,404</b>	<b>3,777</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 30,297</b>	<b>\$ 6,776</b>	<b>\$ 1,609</b>	<b>\$ 66,404</b>	<b>\$ 8,417</b>	<b>\$ 46,299</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
SCHOOL SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	Title II	Title IV	Title V	IDEA Preschool	IDEA Part B
<b>ASSETS:</b>					
Prepaid expenditures					
Due from:					
Other funds					
Other governments	\$ 18,729	\$ 3,238	\$ 889		
<b>TOTAL ASSETS</b>	<b>\$ 18,729</b>	<b>\$ 3,238</b>	<b>\$ 889</b>	<b>\$0</b>	<b>\$0</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable					
Accrued payroll and benefits	\$ 3,503				
Due to:					
Other funds	15,226	\$ 3,238	\$ 889		
<b>TOTAL LIABILITIES</b>	<b>18,729</b>	<b>3,238</b>	<b>889</b>	<b>\$0</b>	<b>\$0</b>
<b>FUND BALANCES:</b>					
Unreserved, undesignated					
<b>TOTAL FUND BALANCES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 18,729</b>	<b>\$ 3,238</b>	<b>\$ 889</b>	<b>\$0</b>	<b>\$0</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
SCHOOL SPECIAL REVENUE FUNDS  
JUNE 30, 2009**

	Medicaid	CAST Mini Grant	Other Post Employment Benefits	UCOA Implementation	Total School Special Revenue Funds
<b>ASSETS:</b>					
Prepaid expenditures	\$ 300				\$ 300
Due from:					
Other funds	265,402	\$ 2,563	\$ 180,274		561,742
Other governments	30,656			\$ 4,405	104,216
<b>TOTAL ASSETS</b>	<b>\$ 296,358</b>	<b>\$ 2,563</b>	<b>\$ 180,274</b>	<b>\$ 4,405</b>	<b>\$ 666,258</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>LIABILITIES:</b>					
Accounts payable	\$ 41,628			\$ 160	\$ 41,788
Accrued payroll and benefits					9,872
Due to:					
Other funds				4,245	74,309
<b>TOTAL LIABILITIES</b>	<b>41,628</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>4,405</b>	<b>125,969</b>
<b>FUND BALANCES:</b>					
Unreserved, undesignated	254,730	2,563	180,274		540,289
<b>TOTAL FUND BALANCES</b>	<b>254,730</b>	<b>2,563</b>	<b>180,274</b>	<b>0</b>	<b>540,289</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 296,358</b>	<b>\$ 2,563</b>	<b>\$ 180,274</b>	<b>\$ 4,405</b>	<b>\$ 666,258</b>

(CONCLUDED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND CHANGES IN FUND BALANCE  
SCHOOL SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	Student Equity	Early Childhood	Technology	Professional Development	Literacy	Title I
<b>REVENUES:</b>						
Intergovernmental	\$ 162,222	\$ 71,346	\$ 16,985		\$ 88,582	\$ 143,507
<b>TOTAL REVENUES</b>	<u>162,222</u>	<u>71,346</u>	<u>16,985</u>	<u>\$ 0</u>	<u>88,582</u>	<u>143,507</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Education	168,972	74,565	11,205	2,000	87,233	143,507
<b>Capital outlay</b>			15,342			
<b>TOTAL EXPENDITURES</b>	<u>168,972</u>	<u>74,565</u>	<u>26,547</u>	<u>2,000</u>	<u>87,233</u>	<u>143,507</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(6,750)</u>	<u>(3,219)</u>	<u>(9,562)</u>	<u>(2,000)</u>	<u>1,349</u>	<u>0</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in						
<b>NET OTHER FINANCING SOURCES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(6,750)</u>	<u>(3,219)</u>	<u>(9,562)</u>	<u>(2,000)</u>	<u>1,349</u>	<u>0</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR, AS RESTATED</b>	37,047	5,463	9,562	68,404	2,428	0
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 30,297</u>	<u>\$ 2,244</u>	<u>\$ 0</u>	<u>\$ 66,404</u>	<u>\$ 3,777</u>	<u>\$ 0</u>

(CONTINUED)

TOWN OF GLOUCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND CHANGES IN FUND BALANCE  
SCHOOL SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	Title II	Title IV	Title V	IDEA Preschool	IDEA Part B
<b>REVENUES:</b>					
Intergovernmental	\$ 57,293	\$ 5,446	\$ 889	\$ 13,322	\$ 159,575
<b>TOTAL REVENUES</b>	<u>57,293</u>	<u>5,446</u>	<u>889</u>	<u>13,322</u>	<u>159,575</u>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Education	57,293	5,446	941	13,322	159,575
<b>Capital outlay</b>					
<b>TOTAL EXPENDITURES</b>	<u>57,293</u>	<u>5,446</u>	<u>941</u>	<u>13,322</u>	<u>159,575</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>(52)</u>	<u>0</u>	<u>0</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfers in			52		
<b>NET OTHER FINANCING SOURCES</b>	<u>0</u>	<u>0</u>	<u>52</u>	<u>0</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR, AS RESTATED</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(CONTINUED)



TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND CHANGES IN FUND BALANCE  
SCHOOL SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2009**

	<u>Medicaid</u>	<u>CAST Mini Grant</u>	<u>Other Post Employment Benefits</u>	<u>UCOA Implementation</u>	<u>Total School Special Revenue Funds</u>
<b>REVENUES:</b>					
Intergovernmental	\$ 130,650			\$ 4,405	\$ 854,222
<b>TOTAL REVENUES</b>	<u>130,650</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>4,405</u>	<u>854,222</u>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Education	126,559	2,437		4,897	857,952
<b>Capital outlay</b>					15,342
<b>TOTAL EXPENDITURES</b>	<u>126,559</u>	<u>2,437</u>	<u>0</u>	<u>4,897</u>	<u>873,294</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>4,091</u>	<u>(2,437)</u>	<u>0</u>	<u>(492)</u>	<u>(19,072)</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfers in			180,274	492	180,818
<b>NET OTHER FINANCING SOURCES</b>	<u>0</u>	<u>0</u>	<u>180,274</u>	<u>492</u>	<u>180,818</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>4,091</u>	<u>(2,437)</u>	<u>180,274</u>	<u>0</u>	<u>161,746</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR, AS RESTATED</b>	250,639	5,000	0	0	378,543
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 254,730</u>	<u>\$ 2,563</u>	<u>\$ 180,274</u>	<u>\$ 0</u>	<u>\$ 540,289</u>

(CONCLUDED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
CAPITAL PROJECT FUNDS  
JUNE 30, 2009**

	Chepachet River Park	Roads	Bridge Replacement	Landfill Closure	Chepachet Wastewater/ Stormwater Project	Drainage Improvement
<b>ASSETS:</b>						
Cash and cash equivalents						
Due from:						
Other funds	\$ 16,397	\$ 253,328	\$ 166,597	\$ 141,876		
Component unit		288				
Other governments					\$ 50,624	
<b>TOTAL ASSETS</b>	<b>\$ 16,397</b>	<b>\$ 253,616</b>	<b>\$ 166,597</b>	<b>\$ 141,876</b>	<b>\$ 50,624</b>	<b>\$ 0</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable		\$ 1,542		\$ 9,898		
Due to:						
Other funds		41,452			\$ 50,624	
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>42,994</b>	<b>\$ 0</b>	<b>9,898</b>	<b>50,624</b>	<b>\$ 0</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	16,397	210,622	166,597	131,978		
<b>TOTAL FUND BALANCES</b>	<b>16,397</b>	<b>210,622</b>	<b>166,597</b>	<b>131,978</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 16,397</b>	<b>\$ 253,616</b>	<b>\$ 166,597</b>	<b>\$ 141,876</b>	<b>\$ 50,624</b>	<b>\$ 0</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING BALANCE SHEET  
CAPITAL PROJECT FUNDS  
JUNE 30, 2009**

	School Bond	School Capital Improvement	Public Safety Radio	Senior Center Fund	Glocester Memorial Park	Total Capital Project Funds
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 140,652					\$ 140,652
Due from:						
Other funds		\$ 108,148		\$ 65,402	\$ 3,394	755,142
Component unit						288
Other governments						50,624
<b>TOTAL ASSETS</b>	<b>\$ 140,652</b>	<b>\$ 108,148</b>	<b>\$0</b>	<b>\$ 65,402</b>	<b>\$ 3,394</b>	<b>\$ 946,706</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Accounts payable		\$ 7,039				\$ 18,479
Due to:						
Other funds						92,076
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>7,039</b>	<b>\$0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>110,555</b>
<b>FUND BALANCES:</b>						
Unreserved, undesignated	140,652	101,109		65,402	3,394	836,151
<b>TOTAL FUND BALANCES</b>	<b>140,652</b>	<b>101,109</b>	<b>0</b>	<b>65,402</b>	<b>3,394</b>	<b>836,151</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 140,652</b>	<b>\$ 108,148</b>	<b>\$0</b>	<b>\$ 65,402</b>	<b>\$ 3,394</b>	<b>\$ 946,706</b>

(CONCLUDED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND CHANGES IN FUND BALANCE  
CAPITAL PROJECT FUNDS  
YEAR ENDED JUNE 30, 2009**

	Chepachet River Park	Roads	Bridge Replacement	Landfill Closure	Chepachet Wastewater/ Stormwater Project	Drainage Improvement
<b>REVENUES:</b>						
Intergovernmental					\$ 108,705	
Investment income	\$ 118					
Other						
<b>TOTAL REVENUES</b>	<u>118</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>108,705</u>	<u>\$ 0</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Recreation	27,599					
Education						
<b>Capital outlay</b>		213,719		96,041	109,169	125,000
<b>TOTAL EXPENDITURES</b>	<u>27,599</u>	<u>213,719</u>	<u>0</u>	<u>96,041</u>	<u>109,169</u>	<u>125,000</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(27,481)</u>	<u>(213,719)</u>	<u>0</u>	<u>(96,041)</u>	<u>(464)</u>	<u>(125,000)</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in		424,341		106,116	464	
<b>NET OTHER FINANCING SOURCES</b>	<u>0</u>	<u>424,341</u>	<u>0</u>	<u>106,116</u>	<u>464</u>	<u>0</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(27,481)</u>	<u>210,622</u>	<u>0</u>	<u>10,075</u>	<u>0</u>	<u>(125,000)</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	43,878	0	166,597	121,903	0	125,000
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 16,397</u>	<u>\$ 210,622</u>	<u>\$ 166,597</u>	<u>\$ 131,978</u>	<u>\$ 0</u>	<u>\$ 0</u>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLAND

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES AND CHANGES IN FUND BALANCE  
CAPITAL PROJECT FUNDS  
YEAR ENDED JUNE 30, 2009**

	<u>School Bond</u>	<u>School Capital Improvement</u>	<u>Public Safety Radio</u>	<u>Senior Center Fund</u>	<u>Glocester Memorial Park</u>	<u>Total Capital Project Funds</u>
<b>REVENUES:</b>						
Intergovernmental						\$ 108,705
Investment income	\$ 572					690
Other			\$ 11,446			11,446
<b>TOTAL REVENUES</b>	<u>572</u>	<u>\$ 0</u>	<u>11,446</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>120,841</u>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
Recreation				1,109		28,708
Education	1,666					1,666
<b>Capital outlay</b>		9,669	15,261	3,725		572,584
<b>TOTAL EXPENDITURES</b>	<u>1,666</u>	<u>9,669</u>	<u>15,261</u>	<u>4,834</u>	<u>0</u>	<u>602,958</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(1,094)</u>	<u>(9,669)</u>	<u>(3,815)</u>	<u>(4,834)</u>	<u>0</u>	<u>(482,117)</u>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in		81,300	3,815			616,036
<b>NET OTHER FINANCING SOURCES</b>	<u>0</u>	<u>81,300</u>	<u>3,815</u>	<u>0</u>	<u>0</u>	<u>616,036</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(1,094)</u>	<u>71,631</u>	<u>0</u>	<u>(4,834)</u>	<u>0</u>	<u>133,919</u>
<b>FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR</b>	141,746	29,478	0	70,236	3,394	702,232
<b>FUND BALANCE (DEFICIT) AT END OF YEAR</b>	<u>\$ 140,652</u>	<u>\$ 101,109</u>	<u>\$ 0</u>	<u>\$ 65,402</u>	<u>\$ 3,394</u>	<u>\$ 836,151</u>

(CONCLUDED)

**TOWN OF GLOUCESTER, RHODE ISLAND**  
**TAX COLLECTOR'S ANNUAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**Real Estate and Personal Property Taxes**

Fiscal Year End	Balance July 1, 2008	Current year Assessment	Additions	(Abatements)	Refunds and Adjustments	Amount to be Collected	Collections	Balance June 30, 2009
2009		\$ 19,541,335	\$ 9,907	\$ 7,498	\$ 31,456	\$ 19,575,200	\$ 19,044,425	\$ 530,775
2008	\$ 553,072		2,035	1,392	9,290	563,005	497,934	65,071
2007	74,200			22		74,178	32,034	42,144
2006	38,033			162		37,871	4,683	33,188
2005	29,364					29,364	1,426	27,938
2004	28,232					28,232	466	27,766
2003	24,560			186		24,374	333	24,041
2002	16,467					16,467	115	16,352
2001	17,734					17,734	171	17,563
2000	17,935					17,935	420	17,515
1999	19,925			19,846		79	79	
	<u>\$ 819,522</u>	<u>\$ 19,541,335</u>	<u>\$ 11,942</u>	<u>\$ 29,106</u>	<u>\$ 40,746</u>	<u>\$ 20,384,439</u>	<u>\$ 19,582,086</u>	<u>\$ 802,352</u>

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

Description of Property	Rates	Assessed Valuations	Levy
	\$ 17.03	\$ 1,059,225,120	\$ 16,559,355
Real-Property- Residential	19.37	65,090,700	1,260,807
Real-Property-Commerical/Industrial	24.37	88,301,288	1,089,590
Motor Vehicles	33.92	18,618,060	631,584
Tangible and Personal Property		1,231,235,168	\$ 19,541,336
<b>Total</b>			
Exemptions		(130,448,839)	
<b>Net Assessed Values</b>		<u>\$ 1,100,786,329</u>	

**Reconciliation of Current Year Property Tax Revenue**

Current year collections	\$ 19,582,086
<u>Adjustments and reversals</u>	
Add: Revenue collected 60 days subsequent to fiscal year ended June 30, 2009	274,860
Less: Prior year revenue collected 60 days subsequent to fiscal year ended June 30, 2008	(360,434)
Plus: PILOT	1,120,000
Less refunds and adjustments	(40,746)
Current year property tax revenue	<u>\$ 20,575,766</u>

***TOWN OF GLOCESTER***

**BUDGETARY SCHEDULES**

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

	Original Budget	Final Budget	Actual Budgetary Basis	Variance
<b>Revenues:</b>				
General property taxes	\$ 20,565,618	\$ 20,565,618	\$ 20,575,766	\$ 10,148
General state aid	1,900,886	1,900,886	1,583,671	(317,215)
State housing aid	250,025	250,025	240,490	(9,535)
Licenses, fees and fines	452,418	452,418	510,253	57,835
Interest and investment income	135,700	135,700	123,954	(11,746)
Other revenues	24,500	24,500	30,722	6,222
<b>Total revenues</b>	<b>23,329,147</b>	<b>23,329,147</b>	<b>23,064,856</b>	<b>(264,291)</b>
<b>Expenditures:</b>				
<b>Central Administration:</b>				
<b>Town Council:</b>				
Salaries	13,000	13,000	13,000	0
Payroll taxes and benefits	2,406	2,406	1,978	428
Miscellaneous expense	1,000	1,000	878	122
Contingency	10,000	10,000	3,438	6,562
<b>Total Town Council</b>	<b>26,406</b>	<b>26,406</b>	<b>19,294</b>	<b>7,112</b>
<b>Town Clerk:</b>				
Town clerk salary	59,352	59,352	59,352	0
Deputy salary	39,588	39,588	39,588	0
Clerical salaries	72,467	72,467	73,277	(810)
Longevity	4,524	4,524	4,523	1
Payroll taxes and benefits	86,119	86,119	83,656	2,463
Advertising - general/ordinances	6,500	6,500	3,243	3,257
Advertising - charter changes	5,000	5,000	523	4,477
Printing	2,100	2,100	2,109	(9)
Microfilming	500	500	581	(81)
Supplies	400	400	355	45
Education and training	500	500	40	460
Travel and dues	950	950	486	464
Publications and subscriptions	350	350	389	(39)
Office equipment and furniture	500	500	0	500
Purchased services - indexing, restoration, other	750	750	9,638	(8,888)
Miscellaneous expense	500	500	278	222
<b>Total Town Clerk</b>	<b>280,100</b>	<b>280,100</b>	<b>278,038</b>	<b>2,062</b>
<b>Board of Canvassers:</b>				
Salaries	975	975	1,125	(150)
Police services	5,000	5,000	2,008	2,992
Poll workers	12,000	12,000	10,703	1,297
Transport services	500	500	0	500
Payroll taxes and benefits	626	626	250	376
Advertising	2,500	2,500	2,399	101
Miscellaneous expense	1,000	1,000	1,440	(440)
<b>Total Board of Canvassers</b>	<b>22,601</b>	<b>22,601</b>	<b>17,925</b>	<b>4,676</b>

(CONTINUED)



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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Probate Court:</b>				
Probate judge salary	4,205	4,205	4,205	0
Worker's compensation	23	23	17	6
Microfilming	500	500	405	95
Restoration and miscellaneous expense	500	500	40	460
Other services	1,000	1,000	1,463	(463)
<b>Total Probate Court</b>	<b>6,228</b>	<b>6,228</b>	<b>6,130</b>	<b>98</b>
<b>Building and Zoning Office:</b>				
Building/zoning official salary	59,352	59,352	47,130	12,222
Administrative aide salary	38,779	38,779	38,778	1
Longevity	1,455	1,455	1,454	1
Payroll taxes and benefits	51,208	51,208	47,194	4,014
Fees - electrical inspector	7,300	7,300	8,765	(1,465)
Fees - plumbing inspector	3,620	3,620	3,965	(345)
Fees - mechanical inspector	2,600	2,600	6,790	(4,190)
Fees - building inspector	16,475	16,475	20,460	(3,985)
Telephone	550	550	337	213
Education and training	2,000	2,000	1,361	639
Travel and dues	100	100	70	30
Publications and subscriptions	300	300	287	13
Forms and maps	350	350	358	(8)
Emergency board-ups	1,000	1,000	2,371	(1,371)
Miscellaneous expense	400	400	176	224
Office equipment and furniture	300	300	293	7
Software support	1,352	1,352	1,365	(13)
<b>Total Building and Zoning Office</b>	<b>187,141</b>	<b>187,141</b>	<b>181,154</b>	<b>5,987</b>
<b>Planning Office:</b>				
Town planner salary	60,749	60,749	60,749	0
Clerk salary	34,276	34,276	34,276	0
GIS consultant	16,500	16,500	16,485	15
Longevity	1,671	1,671	1,671	0
Payroll taxes and benefits	53,572	53,572	40,087	13,485
Education and training	750	750	820	(70)
Dues	328	328	563	(235)
Forms and maps	100	100	0	100
Publications and subscriptions	300	300	139	161
GIS software	2,500	2,500	2,500	0
Engineering and permitting	2,200	2,200	0	2,200
Advertising	1,000	1,000	0	1,000
Software support	350	350	0	350
Miscellaneous expense	100	100	408	(308)
<b>Total Planning Office</b>	<b>174,396</b>	<b>174,396</b>	<b>157,698</b>	<b>16,698</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Wastewater Board:</b>				
Clerk salary	1,750	1,750	1,000	750
Payroll taxes and benefits	144	144	86	58
Advertising	1,000	1,000	1,640	(640)
Miscellaneous expense	500	500	646	(146)
Education program	1,000	1,000	0	1,000
<b>Total Wastewater Board</b>	<b>4,394</b>	<b>4,394</b>	<b>3,372</b>	<b>1,022</b>
<b>Planning Board:</b>				
Clerk salary	3,770	3,770	2,905	865
Payroll taxes and benefits	309	309	237	72
Miscellaneous expense	0	0	36	(36)
Publications and subscriptions	300	300	0	300
Stenographic services	250	250	0	250
<b>Total Planning Board</b>	<b>4,629</b>	<b>4,629</b>	<b>3,178</b>	<b>1,451</b>
<b>Zoning Board:</b>				
Clerk salary	1,885	1,885	1,595	290
Payroll taxes and benefits	155	155	129	26
Advertising	3,750	3,750	3,795	(45)
Stenographic services	750	750	0	750
Miscellaneous expense	25	25	0	25
<b>Total Zoning Board</b>	<b>6,565</b>	<b>6,565</b>	<b>5,519</b>	<b>1,046</b>
<b>Conservation Commission:</b>				
Advertising	250	250	66	184
Education and training	250	250	0	250
Conferences/travel/dues	100	100	175	(75)
Forms and maps	75	75	0	75
Water watch program	1,300	1,300	1,100	200
Tree seeding program	725	725	511	214
<b>Total Conservation Commission</b>	<b>2,700</b>	<b>2,700</b>	<b>1,852</b>	<b>848</b>
<b>Land Trust:</b>				
Clerk salary	1,500	1,500	1,375	125
Payroll taxes and benefits	123	123	112	11
Land purchase and reconditioning	70,000	70,000	63,855	6,145
<b>Total Land Trust</b>	<b>71,623</b>	<b>71,623</b>	<b>65,342</b>	<b>6,281</b>
<b>Historic District Commission:</b>				
Clerk salary	700	700	500	200
Payroll taxes and benefits	58	58	41	17
Forms and maps	50	50	0	50
Consultant services	125	125	0	125
Miscellaneous expense	75	75	0	75
<b>Total Historic District Commission</b>	<b>1,008</b>	<b>1,008</b>	<b>541</b>	<b>467</b>

(CONTINUED)

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

	Original Budget	Final Budget	Actual Budgetary Basis	Variance
<b>Town Solicitor:</b>				
Legal services	95,000	95,000	89,826	5,174
<b>Total Town Solicitor</b>	<b>95,000</b>	<b>95,000</b>	<b>89,826</b>	<b>5,174</b>
<b>Town Sergeant:</b>				
Salary	135	135	136	(1)
Payroll taxes and benefits	12	12	6	6
<b>Total Town Sergeant</b>	<b>147</b>	<b>147</b>	<b>142</b>	<b>5</b>
<b>Total Central Administration</b>	<b>882,938</b>	<b>882,938</b>	<b>830,011</b>	<b>52,927</b>
<b>Financial Administration:</b>				
<b>Finance Director's Office:</b>				
Finance director salary	74,160	74,160	74,160	0
Longevity	2,225	2,225	2,225	0
Payroll taxes and benefits	21,129	21,129	20,673	456
Education and training	1,950	1,950	1,693	257
Travel and dues	225	225	215	10
Office equipment and furniture	250	250	292	(42)
Publications and subscriptions	150	150	89	61
<b>Total Finance Director's Office</b>	<b>100,089</b>	<b>100,089</b>	<b>99,347</b>	<b>742</b>
<b>Treasurer's Office:</b>				
Clerk salaries	105,862	105,862	109,498	(3,636)
Longevity	2,483	2,483	2,500	(17)
Payroll taxes and benefits	53,458	53,458	48,601	4,857
Advertising	1,300	1,300	1,398	(98)
Printing	680	680	115	565
Computer software support	5,000	5,000	2,900	2,100
Education and training	700	700	330	370
Office equipment and furniture	350	350	159	191
Other purchased services	1,500	1,500	(413)	1,913
Travel	125	125	97	28
Miscellaneous expense	200	200	0	200
Payroll services	19,300	19,300	14,654	4,646
Audit	21,000	21,000	19,836	1,164
<b>Total Treasurer's Office</b>	<b>211,958</b>	<b>211,958</b>	<b>199,675</b>	<b>12,283</b>
<b>Personnel Office:</b>				
Advertising	2,500	2,500	377	2,123
Education and training	600	600	0	600
Publications and subscriptions	100	100	0	100
Miscellaneous expense	100	100	0	100
<b>Total Personnel Office</b>	<b>3,300</b>	<b>3,300</b>	<b>377</b>	<b>2,923</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b><i>Tax Collection Office:</i></b>				
Tax collector salary	43,912	43,912	43,912	0
Clerk salary	36,234	36,234	36,233	1
Longevity	2,806	2,806	2,805	1
Payroll taxes and benefits	49,662	49,662	48,041	1,621
Advertising	850	850	465	385
Postage	3,200	3,200	2,670	530
Computer software support	3,975	3,975	3,952	23
Education and training	900	900	256	644
Other purchased services	3,500	3,500	3,681	(181)
Tax collection fee	14,000	14,000	15,162	(1,162)
Miscellaneous expense	100	100	0	100
<b><i>Total Tax Collection Office</i></b>	<b>159,139</b>	<b>159,139</b>	<b>157,177</b>	<b>1,962</b>
<b><i>Tax Assessor's Office:</i></b>				
Assessor salary	49,092	49,092	49,092	0
Clerk salary	34,276	34,276	34,276	0
Longevity	2,784	2,784	2,783	1
Payroll taxes and benefits	45,152	45,152	43,287	1,865
Engineering services	500	500	468	32
Advertising	500	500	0	500
Computer software support	7,500	7,500	6,452	1,048
Education and training	3,500	3,500	809	2,691
Dues	290	290	230	60
Publications and subscriptions	1,000	1,000	947	53
Office equipment and furniture	250	250	97	153
Other purchased services	1,850	1,850	380	1,470
Miscellaneous expense	750	750	673	77
<b><i>Total Tax Assessor's Office</i></b>	<b>147,444</b>	<b>147,444</b>	<b>139,494</b>	<b>7,950</b>
<b><i>Total Financial Administration</i></b>	<b>621,930</b>	<b>621,930</b>	<b>596,070</b>	<b>25,860</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Public Safety:</b>				
<b>Police Department:</b>				
Chief salary	72,142	72,142	72,142	0
Captain, lieutenant, and sergeant's salaries	217,030	217,030	230,766	(13,736)
Police officers' salaries	469,605	469,605	461,833	7,772
Administrative aide	48,181	48,181	48,180	1
Dispatchers	161,847	161,847	172,253	(10,406)
Special and boat patrols	6,375	6,375	3,487	2,888
Court time reimbursement	7,150	7,150	2,265	4,885
Vacation and illness coverage	112,095	112,095	69,686	42,409
Longevity	41,584	41,584	43,625	(2,041)
Payroll taxes and benefits	570,669	570,669	523,847	46,822
Education and training	12,866	12,866	7,035	5,831
Telephone	4,500	4,500	3,913	587
Postage	729	729	467	262
Other purchased services	3,130	3,130	1,787	1,343
Communications	1,100	1,100	437	663
Miscellaneous expense	900	900	1,041	(141)
Ammunition and range supplies	2,070	2,070	2,527	(457)
Investigative supplies	2,200	2,200	422	1,778
Fingerprinting expense	2,450	2,450	3,270	(820)
Conference, travel and dues	495	495	886	(391)
Heat and electricity	14,900	14,900	13,760	1,140
Service contracts	16,430	16,430	9,472	6,958
Special equipment - non-office	6,350	6,350	13,932	(7,582)
Office equipment and furniture	1,900	1,900	2,904	(1,004)
Boat patrol expense	390	390	0	390
Juvenile hearing board	500	500	0	500
<b>Total Police Department</b>	<b>1,777,588</b>	<b>1,777,588</b>	<b>1,689,937</b>	<b>87,651</b>
<b>Emergency Management Agency:</b>				
Coordinator salary	6,303	6,303	0	6,303
Payroll taxes and benefits	516	516	25	491
Heat and electricity	4,369	4,369	2,740	1,629
Education and training	150	150	0	150
Service contracts - radio equipment	15,782	15,782	0	15,782
Supplies	200	200	0	200
<b>Total Emergency Management Agency</b>	<b>27,320</b>	<b>27,320</b>	<b>2,765</b>	<b>24,555</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Animal Control:</b>				
Animal control officer salary	39,824	39,824	39,824	0
Assistant officer salary	31,056	31,056	14,815	16,241
Longevity	1,394	1,394	1,394	0
Payroll taxes and benefits	23,665	23,665	18,917	4,748
Uniforms and equipment	1,200	1,200	1,003	197
Telephone	400	400	248	152
Heat and electricity	3,050	3,050	3,145	(95)
Advertising	500	500	0	500
Supplies - animal	1,100	1,100	1,589	(489)
Education and training	600	600	25	575
Other purchased services	4,800	4,800	8,480	(3,680)
Service contracts	192	192	0	192
Miscellaneous expense	1,500	1,500	946	554
Equipment and furniture	900	900	1,840	(940)
Rabies vaccinations	1,500	1,500	24	1,476
Dog damage	250	250	0	250
Equipment - non-office	2,150	2,150	0	2,150
<b>Total Animal Control</b>	<b>114,081</b>	<b>114,081</b>	<b>92,250</b>	<b>21,831</b>
<b>Total Public Safety</b>	<b>1,918,989</b>	<b>1,918,989</b>	<b>1,784,952</b>	<b>134,037</b>
<b>Public Works Department:</b>				
<b>Director's Office:</b>				
Director's salary	66,837	66,837	55,782	11,055
Assistant director's salary	49,298	49,298	49,298	0
Clerk's salary	36,234	36,234	38,778	(2,544)
Longevity	4,760	4,760	2,818	1,942
Payroll taxes and benefits	83,080	83,080	74,955	8,125
Telephone	900	900	484	416
Education and training	200	200	65	135
Uniforms and equipment	462	462	324	138
Dues and travel	110	110	180	(70)
Office furniture and equipment	700	700	0	700
Safety equipment	250	250	0	250
Service contracts	350	350	0	350
Miscellaneous expense	300	300	58	242
Mandatory drug testing	250	250	0	250
<b>Total Director's Office</b>	<b>243,731</b>	<b>243,731</b>	<b>222,742</b>	<b>20,989</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Highway Division:</b>				
Salaries	274,389	274,389	278,113	(3,724)
Overtime	4,000	4,000	371	3,629
Longevity	7,007	7,007	6,971	36
Payroll taxes and benefits	163,297	163,297	156,283	7,014
Heat and electricity	24,050	24,050	17,950	6,100
Education and training	250	250	65	185
Safety equipment	1,500	1,500	1,128	372
Uniforms and equipment	3,088	3,088	1,520	1,568
Communications	100	100	0	100
Purchased services	9,000	9,000	4,554	4,446
Road signs and miscellaneous expense	7,500	7,500	5,957	1,543
Road gravel, patch and repairs	31,000	31,000	19,673	11,327
Drainage	14,000	14,000	18,733	(4,733)
Tools	1,500	1,500	2,435	(935)
<b>Total Highway Division</b>	<b>540,681</b>	<b>540,681</b>	<b>513,753</b>	<b>26,928</b>
<b>Maintenance Division - Buildings, Grounds and Parks:</b>				
Salaries	83,843	83,843	82,128	1,715
Salaries - grass cutting	8,521	8,521	828	7,693
Salaries - GMP Winsor park support	3,154	3,154	2,502	652
Longevity	1,905	1,905	1,904	1
Payroll taxes and benefits	46,789	46,789	45,101	1,688
Supplies	6,400	6,400	5,343	1,057
Safety equipment	400	400	58	342
Purchased services	13,200	13,200	7,657	5,543
Uniforms and equipment	600	600	606	(6)
Miscellaneous expense	3,000	3,000	1,335	1,665
Repairs, maintenance and construction materials	15,000	15,000	19,465	(4,465)
Tools	2,000	2,000	1,234	766
Service contracts - wheelchair lift	1,000	1,000	0	1,000
Heat and electricity - GMP	1,500	1,500	1,645	(145)
Security - GMP	350	350	288	62
License fee	0	0	330	(330)
Telephone - GMP	1,020	1,020	1,002	18
<b>Total Maintenance Division - Buildings, Grounds and Parks</b>	<b>188,682</b>	<b>188,682</b>	<b>171,426</b>	<b>17,256</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Maintenance Division - Vehicle and Equipment:</b>				
Salaries	91,497	91,497	91,496	1
Overtime	1,300	1,300	0	1,300
Longevity	1,755	1,755	1,755	0
Payroll taxes and benefits	47,973	47,973	45,253	2,720
Publications and subscriptions	0	0	692	(692)
Safety equipment	600	600	2,406	(1,806)
Purchased services	15,000	15,000	7,959	7,041
Service contracts	650	650	0	650
Uniforms and equipment	1,200	1,200	1,195	5
Miscellaneous expense	8,000	8,000	5,268	2,732
Gasoline	90,500	90,500	78,334	12,166
Lubricating oil	6,000	6,000	6,500	(500)
Diesel fuel	90,500	90,500	70,256	20,244
Repair parts	74,000	74,000	78,387	(4,387)
Equipment	900	900	273	627
Tools	4,500	4,500	2,807	1,693
Tires and tubes	14,000	14,000	20,254	(6,254)
<b>Total Maintenance Division - Vehicle and Equipment</b>	<b>448,375</b>	<b>448,375</b>	<b>412,835</b>	<b>35,540</b>
<b>Waste Disposal Division:</b>				
Salaries	107,674	107,674	100,127	7,547
Police detail	3,600	3,600	0	3,600
Overtime	5,000	5,000	6,835	(1,835)
Longevity	1,282	1,282	1,379	(97)
Youth litter corps	3,000	3,000	2,592	408
Payroll taxes and benefits	47,557	47,557	46,659	898
Telephone	500	500	222	278
Heat and electricity	3,800	3,800	2,988	812
Safety equipment	300	300	94	206
Advertising	200	200	198	2
Uniforms and equipment	1,000	1,000	366	634
Miscellaneous expense	2,000	2,000	9,777	(7,777)
Tipping fees	118,000	118,000	101,365	16,635
Well testing	4,000	4,000	0	4,000
Purchased services - licensed freon removal	3,500	3,500	1,182	2,318
Transfer station license	3,500	3,500	3,000	500
<b>Total Waste Disposal Division</b>	<b>304,913</b>	<b>304,913</b>	<b>276,784</b>	<b>28,129</b>
<b>Total Public Works</b>	<b>1,726,382</b>	<b>1,726,382</b>	<b>1,597,540</b>	<b>128,842</b>

(CONTINUED)



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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Recreation and Senior Center:</b>				
<b>Recreation:</b>				
Director salary	14,716	14,716	14,716	0
Assistant director salary	600	600	500	100
Salaries - swim, tennis, arts and crafts	56,715	56,715	47,718	8,997
Police detail - July 4th	800	800	430	370
Payroll taxes and benefits	9,825	9,825	8,260	1,565
Advertising	300	300	0	300
Telephone	660	660	614	46
Electricity - beaches and Winsor	500	500	441	59
Communications	100	100	0	100
Food license - GMP	150	150	0	150
Water testing - beaches and GMP	500	500	300	200
Materials and equipment	5,000	5,000	2,536	2,464
Miscellaneous expense	0	0	341	(341)
Recreation programs	19,900	19,900	15,062	4,838
<b>Total Recreation</b>	<b>109,766</b>	<b>109,766</b>	<b>90,918</b>	<b>18,848</b>
<b>Senior Center:</b>				
Director's salary	5,357	5,357	5,357	0
Maintenance - custodian	17,403	17,403	19,300	(1,897)
Maintenance - lawn and grounds	500	500	0	500
Maintenance - custodian overtime	500	500	0	500
Labor - winter storms	600	600	0	600
Clerk salary	1,120	1,120	750	370
Salary - information tech, specialist	0	0	1,260	(1,260)
Longevity	148	148	134	14
Payroll taxes and benefits	15,485	15,485	15,056	429
Electricity and heat	25,000	25,000	21,101	3,899
Propane	2,000	2,000	567	1,433
Telephone	1,000	1,000	515	485
Internet and cable	1,000	1,000	844	156
Janitorial supplies	2,000	2,000	1,931	69
Dumpster	1,440	1,440	0	1,440
Repair/maintenance/construction materials	1,200	1,200	297	903
Programs and activities	13,500	13,500	8,495	5,005
Appliance repairs/replacement	1,000	1,000	145	855
Supplies	2,000	2,000	733	1,267
Equipment	2,500	2,500	470	2,030
Other purchased services	2,500	2,500	2,984	(484)
Diesel	250	250	74	176
License fees	525	525	330	195
Miscellaneous	1,500	1,500	734	766
Water testing	1,000	1,000	454	546
Computer equipment and supplies	4,355	4,355	1,538	2,817
Advertising	500	500	0	500
<b>Total Senior Center</b>	<b>104,383</b>	<b>104,383</b>	<b>83,069</b>	<b>21,314</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Total Recreation and Senior Center</b>	214,149	214,149	173,987	40,162
<b>Social Services:</b>				
<b>Human Services Department:</b>				
Director's salary	10,300	10,300	10,300	0
Van drivers salary	26,016	26,016	24,148	1,868
Payroll taxes and benefits	11,785	11,785	10,145	1,640
Telephone	750	750	480	270
Advertising	600	600	739	(139)
Office furniture	0	0	0	0
Miscellaneous expense	500	500	0	500
<b>Total Human Services Department</b>	<b>49,951</b>	<b>49,951</b>	<b>45,812</b>	<b>4,139</b>
<b>Glocester Senior Meal Site:</b>				
Director's salary	26,081	26,081	26,080	1
Kitchen help salaries	12,202	12,202	11,890	312
Longevity	718	718	652	66
Payroll taxes and benefits	18,812	18,812	12,806	6,006
Telephone	760	760	244	516
Advertising	450	450	264	186
Equipment	300	300	0	300
Purchased services	1,000	1,000	1,260	(260)
Supplies	500	500	0	500
Miscellaneous expense	500	500	613	(113)
<b>Total Glocester Senior Meal Site</b>	<b>61,323</b>	<b>61,323</b>	<b>53,809</b>	<b>7,514</b>
<b>Total Social Services</b>	<b>111,274</b>	<b>111,274</b>	<b>99,621</b>	<b>11,653</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Other Operational Expenses:</b>				
<b>Town Hall:</b>				
Utilities	35,000	35,000	50,051	(15,051)
Postage, meter and supplies	19,000	19,000	12,942	6,058
Office and computer supplies	22,500	22,500	16,497	6,003
Security	1,600	1,600	1,361	239
Computer systems - purchases, support, repairs	79,220	79,220	60,742	18,478
Information technology specialist salary	0	0	7,628	(7,628)
Service contracts	900	900	2,346	(1,446)
Advertising	9,500	9,500	8,283	1,217
Internet service	5,700	5,700	2,654	3,046
Telephone, modem, fax and TDD	7,000	7,000	4,668	2,332
Salary negotiations and step increases	73,564	73,564	0	73,564
Copier rental	9,900	9,900	3,036	6,864
RI League of Cities and Towns membership	3,960	3,960	3,960	0
Insurance - property/liability/other	135,000	135,000	101,878	33,122
Unemployment compensation	5,000	5,000	0	5,000
FICA	0	0	584	(584)
Retired personnel cost	28,492	28,492	17,488	11,004
Bond issuance cost - disclosure fee	1,400	1,400	425	975
<b>Total Other Operational Expenses</b>	<b>437,736</b>	<b>437,736</b>	<b>294,543</b>	<b>143,193</b>
<b>Aid Requests:</b>				
<b>Aid to Libraries:</b>				
Glocester Manton	126,556	126,556	126,556	0
Harmony	181,577	181,577	181,577	0
<b>Total Aid to Libraries</b>	<b>308,133</b>	<b>308,133</b>	<b>308,133</b>	<b>0</b>
<b>Cultural Services:</b>				
Glocester light infantry - Memorial day parade	1,000	1,000	1,000	0
Blackstone Valley Commission	1,000	1,000	1,000	0
<b>Total Cultural Services</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Social Services:</b>				
Glocester Little League	3,800	3,800	3,800	0
Glocester Senior Association	1,150	1,150	1,150	0
NW Community Nursing & Health Service	18,000	18,000	18,000	0
<b>Total Social Services</b>	<b>22,950</b>	<b>22,950</b>	<b>22,950</b>	<b>0</b>
<b>Total Aid Requests</b>	<b>333,083</b>	<b>333,083</b>	<b>333,083</b>	<b>0</b>
<b>Education:</b>				
Foster-Glocester Region	9,344,763	9,344,763	9,340,823	3,940
<b>Total Education</b>	<b>9,344,763</b>	<b>9,344,763</b>	<b>9,340,823</b>	<b>3,940</b>
<b>Debt Service:</b>				
<b>Non-School Bonds:</b>				
Road bond 2001 - 2016	275,490	275,490	275,490	0
Land trust bond 2003 - 2012	58,050	58,050	58,050	0
Senior center 2007 - 2027	159,132	159,132	159,131	1
<b>Total Non-School Bonds</b>	<b>492,672</b>	<b>492,672</b>	<b>492,671</b>	<b>1</b>
<b>School Bonds:</b>				
Building construction 1998 - 2012	363,188	363,188	363,188	0
Fogarty roof reconstruction 2007 - 2027	71,988	71,988	70,321	1,667
<b>Total School Bonds</b>	<b>435,176</b>	<b>435,176</b>	<b>433,509</b>	<b>1,667</b>
<b>Total Debt Service</b>	<b>927,848</b>	<b>927,848</b>	<b>926,180</b>	<b>1,668</b>
<b>Total Expenditures</b>	<b>16,519,092</b>	<b>16,519,092</b>	<b>15,976,810</b>	<b>542,282</b>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<b>6,810,055</b>	<b>6,810,055</b>	<b>7,088,046</b>	<b>277,991</b>

(CONTINUED)

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budgetary Basis</u>	<u>Variance</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	0	0	2,000	2,000
Appropriated fund balance	380,000	380,000	380,000	0
Transfer to Glocester School Department	(6,372,035)	(6,372,035)	(6,372,035)	0
Transfer to capital reserve fund	(485,826)	(485,826)	(485,826)	0
Transfer to storm/snow related services	(212,861)	(212,861)	(247,408)	(34,547)
Transfer to comprehensive plan 5-year update	(2,500)	(2,500)	(2,500)	0
Transfer to revaluation reserve account	(20,000)	(20,000)	(20,000)	0
Transfer to grants - matching funds	(2,300)	(2,300)	(15,173)	(12,873)
Transfer to food bank	(6,500)	(6,500)	(6,500)	0
Transfer to emergency energy	(5,000)	(5,000)	(5,000)	0
Transfer to Citizens and Students Together	(4,253)	(4,253)	(6,253)	(2,000)
Transfer to independence day parade	(19,780)	(19,780)	(19,780)	0
Transfer to accrued compensated absences	(59,000)	(59,000)	(59,000)	0
Transfer to wastewater/stormwater project	0	0	(464)	(464)
Transfer to FEMA grants	0	0	(22,990)	(22,990)
Transfer to landfill closure	0	0	(21,116)	(21,116)
Transfer to roads fund	0	0	(11,327)	(11,327)
Transfer to computer systems maintenance fund	0	0	(10,250)	(10,250)
Transfer to other post employment benefits fund	0	0	(93,863)	(93,863)
<b>Net other financing uses</b>	<b>(6,810,055)</b>	<b>(6,810,055)</b>	<b>(7,017,485)</b>	<b>(207,430)</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 70,561</b>	<b>\$ 70,561</b>

(CONCLUDED)

TOWN OF GLOCESTER, RHODE ISLANDGLOCESTER SCHOOL GENERAL FUND

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
NON-GAAP BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2009**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
<b>Revenues:</b>				
State aid	\$ 2,845,591	\$ 2,845,591	\$ 2,491,455	\$ (354,136)
Federal State Fiscal Stabilization Funds			180,413	180,413
Capital reimbursements	32,561	32,561	26,115	(6,446)
PK coordinator	30,924	30,924	25,304	(5,620)
Tuitions	77,708	77,708	142,120	64,412
Earnings on investments	12,000	12,000	11,494	(506)
Other	0	0	17,069	17,069
<b>Total revenues</b>	<b>2,998,784</b>	<b>2,998,784</b>	<b>2,893,970</b>	<b>(104,814)</b>
<b>Expenditures:</b>				
<b>Fogarty Memorial:</b>				
Classroom instruction	27,086	27,086	12,595	14,491
Kindergarten	520	520	0	520
Art	1,180	1,180	970	210
Computer education	12,175	12,175	9,635	2,540
Student assessment	2,600	2,600	0	2,600
English, language arts	36,854	36,854	35,077	1,777
Health education	650	650	627	23
Mathematics	2,650	2,650	(292)	2,942
Music	990	990	0	990
Physical education	750	750	701	49
Curriculum development	3,375	3,375	0	3,375
School library	7,075	7,075	3,633	3,442
Audio-visual services	1,170	1,170	0	1,170
Speech	3,113	3,113	399	2,714
Resource program	1,150	1,150	939	211
Self-contained program	500	500	258	242
Social work services	200	200	251	(51)
Psychological services	1,150	1,150	682	468
Health services	2,650	2,650	2,660	(10)
School management	20,125	20,125	18,471	1,654
<b>Total Fogarty Memorial</b>	<b>125,963</b>	<b>125,963</b>	<b>86,606</b>	<b>39,357</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLANDGLOCESTER SCHOOL GENERAL FUND

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
NON-GAAP BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2009**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
<b>West Glocester:</b>				
Classroom instruction	19,537	19,537	10,426	9,111
Kindergarten	2,350	2,350	184	2,166
Art	2,475	2,475	1,555	920
Computer education	9,270	9,270	8,910	360
Student assessment	2,000	2,000	0	2,000
English, language arts	27,777	27,777	32,131	(4,354)
Health education	895	895	834	61
Mathematics	6,300	6,300	(541)	6,841
Music	1,075	1,075	904	171
Physical education	430	430	400	30
Curriculum development	3,325	3,325	398	2,927
School library	10,350	10,350	7,231	3,119
Audio-visual services	1,800	1,800	332	1,468
Speech	650	650	652	(2)
Resource program	400	400	90	310
Self-contained program	2,950	2,950	(197)	3,147
Pre-school program	1,200	1,200	468	732
Social work services	400	400	401	(1)
Psychological services	1,385	1,385	263	1,122
Health services	2,650	2,650	2,136	514
School management	24,500	24,500	20,110	4,390
<b>Total West Glocester</b>	<b>121,719</b>	<b>121,719</b>	<b>86,687</b>	<b>35,032</b>
<b>Central Administration:</b>				
System-wide management	34,485	34,485	34,662	(177)
Fiscal services	4,950	4,950	5,244	(294)
Data processing	24,020	24,020	19,442	4,578
Policy formation	4,840	4,840	512	4,328
Legal services	40,000	40,000	44,280	(4,280)
Non-public textbooks	3,500	3,500	929	2,571
<b>Total Central Administration</b>	<b>111,795</b>	<b>111,795</b>	<b>105,069</b>	<b>6,726</b>

(CONTINUED)

TOWN OF GLOCESTER, RHODE ISLANDGLOCESTER SCHOOL GENERAL FUND

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
NON-GAAP BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2009**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
<b>System-Wide:</b>				
Curriculum development	1,000	1,000	0	1,000
Network services	21,650	21,650	9,051	12,599
Professional and technical services	6,000	6,000	7,038	(1,038)
Special education services	2,000	2,000	0	2,000
Homebound, hospitalized	350	350	0	350
Non-public day	4,000	4,000	1,840	2,160
Custodial services	38,850	38,850	20,620	18,230
Maintenance services	297,775	297,775	311,952	(14,177)
Food service repair	1,500	1,500	0	1,500
Transportation, regular	1,178,000	1,178,000	1,090,001	87,999
Transportation, special education	250,000	250,000	208,399	41,601
<b>Total System-Wide</b>	<b>1,801,125</b>	<b>1,801,125</b>	<b>1,648,901</b>	<b>152,224</b>
<b>Salaries and Fringes:</b>				
Classroom instruction	2,798,415	2,798,415	2,750,484	47,931
Kindergarten instruction	235,323	235,323	230,966	4,357
School library	91,635	91,635	88,618	3,017
Resource program	275,008	275,008	276,795	(1,787)
Self-contained program	363,515	363,515	304,899	58,616
Self-contained S/P/M	97,604	97,604	186,974	(89,370)
Self education pre-school	82,682	82,682	57,755	24,927
Social work services	56,728	56,728	56,728	0
Psychological services	71,879	71,879	71,567	312
Health services	179,468	179,468	179,578	(110)
Operation and maintenance of plant	239,752	239,752	269,777	(30,025)
Bus transportation, regular	99,000	99,000	80,973	18,027
Bus transportation, special education	44,000	44,000	32,758	11,242
System-wide management	80,775	80,775	27,000	53,775
School management	245,703	245,703	245,684	19
Policy formation	7,080	7,080	5,500	1,580
Fringe benefits	2,260,350	2,260,350	1,856,844	403,506
<b>Total Salaries and Fringes</b>	<b>7,228,917</b>	<b>7,228,917</b>	<b>6,722,900</b>	<b>506,017</b>
<b>Total expenditures</b>	<b>9,389,519</b>	<b>9,389,519</b>	<b>8,650,163</b>	<b>739,356</b>
<b>Excess of revenues under expenditures before other financing sources (uses)</b>	<b>(6,390,735)</b>	<b>(6,390,735)</b>	<b>(5,756,193)</b>	<b>634,542</b>

(CONTINUED)



TOWN OF GLOCESTER, RHODE ISLANDGLOCESTER SCHOOL GENERAL FUND

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
NON-GAAP BUDGETARY BASIS  
YEAR ENDED JUNE 30, 2009**

	Originally Adopted Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance
<b><i>Other Financing Sources (Uses):</i></b>				
Transfers from Town	6,372,035	6,372,035	6,372,035	0
Appropriated fund balance	100,000	100,000	100,000	0
Transfers to other funds	(81,300)	(81,300)	(262,118)	(180,818)
<b><i>Net Other Financing Sources</i></b>	<b>6,390,735</b>	<b>6,390,735</b>	<b>6,209,917</b>	<b>(180,818)</b>
<b><i>Excess of revenues and other financing sources over (under) expenditures and other financing uses</i></b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 453,724</b>	<b>\$ 453,724</b>

(CONCLUDED)

# TOWN OF GLOCESTER

## STATISTICAL SECTION

This part of the Town of Gloucester'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.

The Statistical Schedules differ from other financial statement presentations because they generally disclose more than one fiscal year and present non-accounting data such as social and economic data and financial trends of the Town.

<b><u>Contents</u></b>	<b><u>Page</u></b>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	110-114
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	115-118
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	119-123
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	124-125
Operation Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	126-128

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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Schedule 1  
Town of Glocester, Rhode Island  
Net assets by Component,  
Last Ten Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Primary Government								
Governmental activities								
Invested in capital assets, net of related debt	\$ 6,947,682	\$ 6,415,727	\$ 7,458,139	\$ 9,104,096	\$ 11,114,122	\$ 10,596,849	\$ 12,183,517	\$ 12,366,231
Restricted	1,251,225	1,092,710	636,135	689,700	794,823	1,263,293	1,255,618	571,210
Unrestricted	3,505,981	5,082,013	5,787,078	5,623,019	4,703,857	5,614,738	5,459,871	6,267,056
Total governmental activities net assets	<u>\$ 11,704,888</u>	<u>\$ 12,590,450</u>	<u>\$ 13,881,352</u>	<u>\$ 15,416,815</u>	<u>\$ 16,612,802</u>	<u>\$ 17,474,880</u>	<u>\$ 18,899,006</u>	<u>\$ 19,204,497</u>
Business-type activities								
Invested in capital assets, net of related debt								
Restricted								
Unrestricted							\$ 22,364	\$ 23,468
Total business-type activities net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,364</u>	<u>\$ 23,468</u>
Primary government								
Invested in capital assets, net of related debt	\$ 6,947,682	\$ 6,415,727	\$ 7,458,139	\$ 9,104,096	\$ 11,114,122	\$ 10,596,849	\$ 12,183,517	\$ 12,366,231
Restricted	1,251,225	1,092,710	636,135	689,700	794,823	1,263,293	1,255,618	571,210
Unrestricted	3,505,981	5,082,013	5,787,078	5,623,019	4,703,857	5,614,738	5,482,235	6,290,524
Total primary government net assets	<u>\$ 11,704,888</u>	<u>\$ 12,590,450</u>	<u>\$ 13,881,352</u>	<u>\$ 15,416,815</u>	<u>\$ 16,612,802</u>	<u>\$ 17,474,880</u>	<u>\$ 18,921,370</u>	<u>\$ 19,227,965</u>

Note: Statement of Net Assets was first instituted in FY 2002

Schedule 2  
Town of Gloucester, Rhode Island  
Changes in Net Assets, Last Ten Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
<b>Expenses</b>								
Governmental activities:								
Administration	\$ 1,309,894 (1)	\$ 642,802	\$ 680,183	\$ 781,344	\$ 719,930	\$ 864,730	\$ 962,851	\$ 827,540
Finance	462,948	398,665	430,663	451,843	460,801	512,820	564,677	614,551
Public safety	1,306,576	1,321,545	1,390,182	1,555,487	1,631,389	1,742,763	1,900,041	2,084,153
Public works	1,510,104	1,723,478	1,684,156	2,081,657	2,004,415	2,169,528	2,355,418	2,871,973
Recreation	93,568	98,248	103,619	104,517	138,008	243,353	285,306	328,676
Social services	391,545	360,349	627,325	403,310	372,878	377,340	386,997	534,967
Overhead	194,224	240,876	341,745	296,016	277,190	305,365	307,052	417,912
Aid requests	264,829	280,248	292,304	297,190	307,151	330,853	344,868	333,083
Education	13,632,027	14,679,977	14,906,109	15,822,821	16,913,683	17,728,396	18,725,978	19,212,152
Interest on debt	306,417	293,954	267,061	236,219	215,994	263,100	295,357	260,885
Gloucester Land Trust	41,936	65,279	65,951	87,810	100,470	90,368	81,473	1,487
<b>Total governmental activities expenses</b>	<b>\$ 19,514,068</b>	<b>\$ 20,105,421</b>	<b>\$ 20,789,298</b>	<b>\$ 22,118,214</b>	<b>\$ 23,141,909</b>	<b>\$ 24,628,616</b>	<b>\$ 26,210,018</b>	<b>\$ 27,487,379</b>
Business-type activities:								
School Lunch	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,788	\$ 153,610
<b>Total primary government expenses</b>	<b>\$ 19,514,068</b>	<b>\$ 20,105,421</b>	<b>\$ 20,789,298</b>	<b>\$ 22,118,214</b>	<b>\$ 23,141,909</b>	<b>\$ 24,628,616</b>	<b>\$ 26,365,806</b>	<b>\$ 27,640,989</b>
<b>Program Revenues</b>								
Governmental activities:								
Charges for services:								
Administration	\$ 477,918	\$ 399,872	\$ 412,486	\$ 449,142	\$ 435,853	\$ 407,245	\$ 359,774	\$ 352,433
Finance	9,400	-	12,471	17,155	15,816	8,197	12,108	26,214
Public safety	149,305	109,242	95,018	123,031	133,606	141,522	102,047	129,937
Public works	6,798	3,783	7,017	8,362	16,699	12,394	21,881	42,477
Recreation	3,055	-	3,865	2,237	4,184	3,504	4,066	6,662
Social services	133,476	-	-	-	-	3,230	4,313	23,107
Overhead	214,469	-	-	115,968	-	-	-	-
Aid requests	-	-	-	-	-	-	-	-
Education	135,498	-	-	76,215	229,229	211,683	148,131	184,493
Operating grants and contributions:								
Administration	11,446	-	49,693	78,092	8,585	471	68,500	146,712
Finance	-	-	110	-	-	-	-	-
Public safety	35,988	-	36,189	83,829	50,119	75,287	59,752	13,668
Public works	4,125	-	-	-	24,700	-	-	-
Recreation	-	-	-	-	25,770	10,079	13,714	20,726
Social services	427,390	216,392	430,309	147,010	249,169	371,759	263,902	474,412
Overhead	-	-	66,250	-	-	-	-	-
Education	3,642,623	3,656,457	4,141,248	3,640,801	3,957,144	4,208,544	3,995,286	3,783,450
Interest	-	-	-	-	197,070	199,208	206,509	-

Schedule 2  
Town of Gloucester, Rhode Island  
Changes in Net Assets, Last Ten Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
<b>Capital grants and contributions:</b>								
Administration	-	-	-	526,384	-	-	-	-
Public safety	45,149	-	156,193	24,086	119,023	6,000	3,000	61,597
Public works	-	-	-	118,615	-	-	34,738	108,705
Recreation and cultural services	82,712	-	-	-	-	46,436	-	-
Social services	-	-	-	163,346	149,517	-	-	-
Overhead	-	-	13,218	-	-	-	-	-
Education	-	11,056	-	221,655	-	-	-	255,832
<b>Total governmental activities program revenues</b>	<b>\$ 5,379,352</b>	<b>\$ 4,396,802</b>	<b>\$ 5,424,067</b>	<b>\$ 5,795,928</b>	<b>\$ 5,616,484</b>	<b>\$ 5,705,559</b>	<b>\$ 5,297,721</b>	<b>\$ 5,630,425</b>
<b>Business-type activities:</b>								
Charges for services:								
School Lunch	-	-	-	-	-	-	84,370	80,130
Operating grants and contributions:								
School Lunch	-	-	-	-	-	-	73,176	74,584
<b>Total business-type activities program revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 157,546</b>	<b>\$ 154,714</b>
<b>Total primary government revenues</b>	<b>\$ 5,379,352</b>	<b>\$ 4,396,802</b>	<b>\$ 5,424,067</b>	<b>\$ 5,795,928</b>	<b>\$ 5,616,484</b>	<b>\$ 5,705,559</b>	<b>\$ 5,455,267</b>	<b>\$ 5,785,139</b>
<b>Net (expenses) revenues:</b>								
Governmental activities	\$ (14,134,716)	\$ (15,708,619)	\$ (15,365,231)	\$ (16,322,286)	\$ (17,525,425)	\$ (18,923,057)	\$ (20,912,297)	\$ (21,856,954)
Business-type activities	-	-	-	-	-	-	1,758	1,104
<b>Total primary government net expense</b>	<b>\$ (14,134,716)</b>	<b>\$ (15,708,619)</b>	<b>\$ (15,365,231)</b>	<b>\$ (16,322,286)</b>	<b>\$ (17,525,425)</b>	<b>\$ (18,923,057)</b>	<b>\$ (20,910,539)</b>	<b>\$ (21,855,850)</b>
<b>General Revenues and Other Changes in Net Assets</b>								
Governmental activities:								
Property taxes, levied for general purposes	\$ 13,539,993	\$ 14,273,271	\$ 14,839,021	\$ 15,959,350	\$ 16,669,163	\$ 17,616,681	\$ 19,114,197	\$ 20,634,864
Unrestricted investment earnings	309,560	229,431	152,654	182,589	240,483	285,429	279,633	154,478
Other general revenues	1,375,554	2,091,479	1,664,459	1,746,283	1,811,766	2,025,214	2,785,647	1,436,958
Transfers to component unit	-	-	-	-	-	-	-	(63,855)
<b>Total primary government</b>	<b>\$ 15,225,107</b>	<b>\$ 16,594,181</b>	<b>\$ 16,656,134</b>	<b>\$ 17,888,222</b>	<b>\$ 18,721,412</b>	<b>\$ 19,927,324</b>	<b>\$ 22,179,477</b>	<b>\$ 22,162,445</b>
<b>Change in Net Assets</b>								
Governmental activities	\$ 1,090,391	\$ 885,562	\$ 1,290,903	\$ 1,565,936	\$ 1,195,987	\$ 1,004,267	\$ 1,267,180	\$ 305,491
Business-type activities	-	-	-	-	-	-	1,758	1,104
<b>Total primary government</b>	<b>\$ 1,090,391</b>	<b>\$ 885,562</b>	<b>\$ 1,290,903</b>	<b>\$ 1,565,936</b>	<b>\$ 1,195,987</b>	<b>\$ 1,004,267</b>	<b>\$ 1,268,938</b>	<b>\$ 306,595</b>

Note: Statement of Net Assets was first instituted in FY 2002

(1) \$500,000 transferred to Component Unit

Schedule 3  
Town of Gloucester, Rhode Island  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Unaudited

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>General Fund</b>										
Reserved	\$ -	\$ -	\$ 7,868	\$ 9,610	\$ 10,283	\$ 10,528	\$ 9,524	\$ 21,523	\$ 13,960	\$ 33,805
Unreserved	2,367,178	2,930,754	3,561,879	3,705,287	3,718,881	4,321,639	4,554,671	4,317,178	4,225,999	3,896,715
<b>Total general fund</b>	<b>\$ 2,367,178</b>	<b>\$ 2,930,754</b>	<b>\$ 3,569,747</b>	<b>\$ 3,714,897</b>	<b>\$ 3,729,164</b>	<b>\$ 4,332,167</b>	<b>\$ 4,564,195</b>	<b>\$ 4,338,701</b>	<b>\$ 4,239,959</b>	<b>\$ 3,930,520</b>
<b>Education</b>										
Reserved	\$ -	\$ 82,549	\$ 133,290	\$ 221,577	\$ 297,752	\$ 376,072	\$ 149,861	\$ -	\$ 2,435	\$ 122,988
Unreserved	574,812	403,040	501,792	238,615	157,698	289,086	312,886	415,693	345,913	607,566
<b>Total education fund</b>	<b>\$ 574,812</b>	<b>\$ 485,589</b>	<b>\$ 635,082</b>	<b>\$ 460,192</b>	<b>\$ 455,450</b>	<b>\$ 665,158</b>	<b>\$ 462,747</b>	<b>\$ 415,693</b>	<b>\$ 348,348</b>	<b>\$ 730,554</b>
<b>Road Bond Fund</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	2,947,140	1,648,151	985,706	264,275	12,463	-	-	-	-
<b>Total road bond fund</b>	<b>\$ -</b>	<b>\$ 2,947,140</b>	<b>\$ 1,648,151</b>	<b>\$ 985,706</b>	<b>\$ 264,275</b>	<b>\$ 12,463</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Senior Center Fund</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	(697,290)	-	-	-
<b>Total senior center fund</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (697,290)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Capital Reserve Project Fund</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	749,049	715,966	545,660
<b>Total capital reserve project fund</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 749,049</b>	<b>\$ 715,966</b>	<b>\$ 545,660</b>
<b>All Other Governmental Funds</b>										
Reserved:										
Perpetual care	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100
Unreserved, reported in:										
Special revenue funds:										
Education	47,126	51,857	133,476	182,141	388,967	285,511	202,841	283,828	407,025	540,289
Other	269,562	270,623	214,469	345,542	612,148	891,479	786,426	1,159,170	1,157,433	1,403,119
Capital projects funds	369,157	217,207	250,225	486,481	1,050,171	1,038,794	1,002,637	1,325,501	702,232	836,151
Permanent Fund	9,388	9,166	9,258	9,329	9,391	9,448	9,505	9,202	9,238	9,247
<b>Total all other governmental funds</b>	<b>\$ 698,333</b>	<b>\$ 551,953</b>	<b>\$ 610,528</b>	<b>\$ 1,026,593</b>	<b>\$ 2,063,777</b>	<b>\$ 2,228,332</b>	<b>\$ 2,004,509</b>	<b>\$ 2,780,801</b>	<b>\$ 2,279,028</b>	<b>\$ 2,791,906</b>

Schedule 4  
Town of Gloucester, Rhode Island  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years  
(modified basis of accounting)  
Unaudited

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Revenues</b>										
General property taxes	\$ 12,759,446	\$ 13,288,344	\$ 13,707,452	\$ 14,336,144	\$ 14,854,992	\$ 15,929,478	\$ 16,617,506	\$ 17,605,367	\$ 19,184,312	\$ 20,575,766
Intergovernmental and departmental revenue	4,520,925	5,150,630	5,513,480	5,505,830	6,285,993	6,078,886	6,791,868	7,094,716	6,665,094	5,998,069
Licenses and fees	219,883	216,266	604,768	518,966	530,857	599,500	583,136	552,183	482,153	510,253
Interest on investments	356,485	391,490	309,560	229,431	152,654	182,589	240,483	285,429	273,633	154,478
Other revenues	228,504	331,075	259,360	342,772	309,898	337,441	56,031	140,634	166,449	308,447
Intergovernmental-pension contribution	-	-	-	-	-	-	-	-	-	246,586
<b>Total revenues</b>	<b>\$ 18,085,243</b>	<b>\$ 19,377,805</b>	<b>\$ 20,394,620</b>	<b>\$ 20,933,143</b>	<b>\$ 22,134,394</b>	<b>\$ 23,127,894</b>	<b>\$ 24,289,024</b>	<b>\$ 25,678,329</b>	<b>\$ 26,771,641</b>	<b>\$ 27,793,599</b>
<b>Expenditures</b>										
Central Administration	\$ 451,348	\$ 611,910	\$ 1,315,516 (2)	\$ 617,933	\$ 651,535	\$ 746,646	\$ 748,833	\$ 831,213	\$ 988,144	\$ 785,565
Finance Administration	318,226	343,345	393,814	395,878	427,876	448,282	457,795	509,814	561,671	596,070
Public Safety Department	949,431	1,042,957	1,279,260	1,317,022	1,381,045	1,579,176	1,920,978	1,829,558	1,873,749	1,804,769
Public Works Department	1,165,841	1,297,453	1,206,019	1,436,474	1,329,747	1,640,900	2,330,629	1,858,272	2,273,444	1,871,028
Recreation Department	66,480	75,894	79,812	81,806	84,488	85,386	151,231	1,903,600	202,247	230,431
Social Services (3)	349,577	434,615	391,545	360,349	627,325	398,970	1,315,902	483,269	499,160	530,627
Operational expenses	188,605	379,784	209,226	264,411	320,964	253,774	277,190	355,075	307,052	294,543
Aid Request	236,229	251,953	264,829	280,248	292,304	297,190	307,151	330,853	344,868	333,083
Education-Elementary	7,461,615	7,860,491	7,958,712	8,725,251	8,948,302	9,316,350	10,199,745	10,152,139	10,843,415	9,509,781
Education-Secondary-Regional (1)	5,178,626	5,531,346	5,568,735	5,880,258	5,874,319	6,280,537	6,614,229	7,385,896	8,476,681	9,340,823
Gloucester Land Trust	-	-	41,936	65,279	65,951	87,810	100,470	90,368	81,473	65,342
Intergovernmental-pension contribution	-	-	-	-	-	-	-	-	-	246,586
Capital Outlay	506,866	608,237	1,799,091	869,431	920,084	738,299	-	-	-	818,159
Principal	385,000	391,611	555,000	615,000	615,000	620,000	597,235	587,677	708,616	689,658
Interest	199,708	183,259	308,053	299,923	270,174	242,071	216,217	235,524	291,458	261,795
<b>Total Expenditures</b>	<b>\$ 17,457,552</b>	<b>\$ 19,012,855</b>	<b>\$ 21,371,548</b>	<b>\$ 21,209,263</b>	<b>\$ 21,809,114</b>	<b>\$ 22,735,391</b>	<b>\$ 25,237,605</b>	<b>\$ 26,553,258</b>	<b>\$ 27,451,978</b>	<b>\$ 27,378,260</b>
Excess of revenues over (under) expenditures	\$ 627,691	\$ 364,950	\$ (976,928)	\$ (276,120)	\$ 325,280	\$ 392,503	\$ (948,581)	\$ (874,929)	\$ (680,337)	\$ 415,339
<b>Other Financing Sources (uses)</b>										
Proceeds of capital leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,622	\$ -	\$ -	\$ -
Transfers from other funds	5,053,468	4,773,045	5,324,135	5,498,652	6,306,080	6,289,430	7,154,328	7,479,823	7,291,361	8,166,617
Transfers to other funds	(5,053,468)	(4,828,217)	(5,324,135)	(5,498,652)	(6,306,080)	(6,289,430)	(7,154,328)	(7,479,823)	(7,291,361)	(8,166,617)
Proceeds from refunding bond issued	-	-	-	-	-	-	-	-	-	-
Proceeds from issuance of bonds	-	3,000,000	500,000	-	-	-	-	2,965,000	-	-
Payments to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>2,944,828</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,622</b>	<b>2,965,000</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 627,691</b>	<b>\$ 3,309,778</b>	<b>\$ (476,928)</b>	<b>\$ (276,120)</b>	<b>\$ 325,280</b>	<b>\$ 392,503</b>	<b>\$ (903,959)</b>	<b>\$ 2,090,071</b>	<b>\$ (680,337)</b>	<b>\$ 415,339</b>
Debt service as a percentage of noncapital expenditures	3.4%	3.1%	4.4%	4.5%	4.2%	3.9%	3.2%	3.4%	3.8%	3.6%

Note: This schedule includes revenues and expenditures of the General Fund, Special Revenue Funds and Capital Projects Funds

(1) This line in the schedule includes only the Town of Gloucester's portion of the Foster Gloucester Regional School District expenses

(2) This amount includes \$500,000 of bond proceeds transferred to Component Unit (Land Trust)

(3) In fiscal 2006, Senior Center construction costs were expended as social services. In fiscal 2007, Senior Center expenditures, including construction costs, were deemed more appropriately classified in the recreation department.

Schedule 5  
Town of Glocester, Rhode Island  
Assessed Value and Estimated Actual Value of Taxable Property,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	Real Property		Personal Property		Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2000	470,260,500	(1)	58,528,369	16,190,640	40,587,403	504,392,106	25.34	608,499,372	82.89%
2001	444,639,810	\$ 31,960,190	56,396,459	17,936,970	39,670,102	511,263,327	26.12	633,067,309	80.76%
2002	450,926,660	33,034,970	58,848,158	17,651,150	44,993,619	515,467,319	26.71	716,660,194	71.93%
2003 (2)	639,256,200	40,714,200	61,584,633	20,448,920	71,686,402	690,317,551	19.83	708,453,973	97.44%
2004	636,491,310	41,684,000	66,117,524	18,058,950	72,253,598	690,098,186	19.98	901,255,161	76.57%
2005	646,917,330	42,092,500	66,320,776	20,777,410	73,615,598	702,492,418	20.91	1,020,715,842	68.82%
2006 (3)	1,046,152,900	60,266,600	74,726,668	19,725,790	109,661,463	1,091,210,495	13.56	1,109,291,953	98.37%
2007	1,058,215,120	59,778,900	84,266,684	20,458,860	117,330,916	1,105,388,648	14.24	1,324,707,457	83.44%
2008	1,067,493,900	60,015,000	86,124,833	20,463,280	125,302,544	1,108,794,469	15.66	1,231,235,068	90.06%
2009 (3)	1,059,225,120	65,090,700	88,301,288	18,618,060	130,448,839	1,100,786,329	17.03	1,199,136,425	91.80%

Source: Town of Glocester Tax Assessor

- (1) The values for commercial property were not available and therefore not separated for fiscal year 2000, but are included in the totals for residential property for that year.
- (2) Full revaluations are performed every nine years. The last full revaluation was performed as of December 31, 2001, which affects fiscal year 2003.
- (3) Statistical revaluations are performed every three years, except in the years a full revaluation is performed. Statistical revaluations were performed as of December 31, 2004 and December 31, 2007, which affect fiscal years 2006 and 2009, respectively.



Schedule 6  
Town of Gloucester, Rhode Island  
Direct and Overlapping Property Tax Rates,  
Last Ten Fiscal Years  
(rate per \$1,000 of assessed value)  
Unaudited

Fiscal Year	Town Direct Rates (a)					Total Effective Rate (b)	Overlapping Rates (c)		
	Real Property		Motor Vehicles	Tangible Property			Chepachet Fire District	Harmony Fire District	West Gloucester Fire District
	Residential	Commercial		Personal	Inventory				
2000	25.34	25.34	24.37	25.34	22.63	25.25	0.90	1.72	1.65
2001	26.12	26.12	24.37	26.12	20.11	25.97	0.90	1.72	1.65
2002	26.71	26.71	24.37	26.71	17.60	26.51	0.90	1.72	1.65
2003	19.83	19.83	24.37	27.00	15.08	20.26	0.90	1.44	1.35
2004	19.98	19.98	24.37	27.20	12.56	20.40	1.00	1.44	1.55
2005	20.91	20.91	24.37	28.46	10.06	21.28	1.00	1.49	1.35
2006	13.56	15.55	24.37	29.65	7.55	14.34	0.75	1.55	1.30
2007	14.24	16.33	24.37	31.14	5.04	15.00	0.75	1.20	1.30
2008	15.66	17.91	24.37	31.32	2.52	16.36	0.75	1.20	1.30
2009	17.03	19.37	24.37	33.92	-	17.75	0.75	1.20	1.30

- (a) The Direct rates are derived from the records of the Town's Tax Assessor.  
(b) The Total Effective Rate is an equalized rate, i.e., Total Tax levy ÷ Total Assessed Value of all property.  
(c) Overlapping rates are those of the local fire districts within the Town of Gloucester that apply only to owners within the named districts.  
For example, the Chepachet Fire District rates do not apply to property owners in the Harmony Fire District.

Schedule 7  
Town of Glocester, Rhode Island  
Principal Property Tax Payers,  
Current Year and Nine Years Ago  
Principal Payers  
Unaudited

Taxpayer	2009				2000			
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxes Assessed (2)	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxes Assessed (2)
Factory Mutual Insurance Co. (1)	PILOT	1	PILOT	\$ 1,060,000	\$ 10,220,500	1	2.03%	\$ 258,976
Narragansett Electric, Co.	\$ 8,930,710	2	0.81%	251,816	6,295,410	2	1.25%	159,526
CoxCom	5,328,510	3	0.48%	180,743	1,254,840	4	0.25%	31,798
Melody Hill Country Club	3,426,120	4	0.31%	67,723	1,131,430	6	0.22%	28,664
Criterion Atlantic Property	3,409,320	5	0.31%	82,784	1,040,040	8	0.21%	26,355
Kopeski Realty LLC	3,027,075	6	0.27%	62,802	1,813,990	3	0.36%	45,967
Providence, City of (PWSB)	2,911,100	7	0.26%	56,388	1,108,960	7	0.22%	28,101
Putnam Pike CVS	2,822,330	8	0.26%	62,500	-	-	-	-
Glocester Country Club	2,635,790	9	0.24%	54,844	1,216,200	5	0.24%	30,883
Watmough, Roy P. Jr.	1,902,947	10	0.17%	37,571	-	-	-	-
Kojack LLC	-	-	-	-	863,610	9	0.17%	21,884
Tillinghast, Anna M.	-	-	-	-	754,060	10	0.15%	19,108
<b>Totals</b>	<b>\$ 34,393,902</b>		<b>3.11%</b>		<b>\$ 25,699,040</b>		<b>5.10%</b>	

Sources: Town of Glocester Tax Assessor and Tax Collector

- (1) In 2003, Factory Mutual Insurance Co., (FMIC) the Town's largest taxpayer, entered into a 20 year payment-in-lieu-of-taxes (PILOT) agreement with the Town. Taxes due to the Town will not be based on assessed value during the time the agreement is in place.
- (2) The Taxes Assessed columns are displayed here to show that, even though the PILOT amount paid by FMIC is not based on assessments of their property, FMIC continues to be the Town's largest taxpayer.

Schedule 8  
Town of Glocester, Rhode Island  
Property Tax Levies and Collections,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	12,747,103	12,267,234	96.24%	477,094	12,744,328	99.98%
2001	13,285,580	12,835,986	96.62%	447,478	13,283,464	99.98%
2002	13,650,058	13,248,002	97.05%	396,121	13,644,123	99.96%
2003	13,637,623	13,452,836	98.65%	363,886	13,613,908	99.83%
2004	14,070,546	13,639,788	96.94%	421,800	14,061,588	99.94%
2005	14,963,981	14,553,049	97.25%	395,578	14,948,627	99.90%
2006	15,652,486	15,174,996	96.95%	463,005	15,638,001	99.91%
2007	16,570,041	16,051,715	96.87%	482,876	16,534,591	99.79%
2008	18,126,607	17,589,870	97.04%	497,934	18,087,804	99.79%
2009	19,541,335	19,044,425	97.46%	-	19,044,425	97.46%

Source: Town of Glocester Tax Collector

Schedule 9  
Town of Glocester, Rhode Island  
Ratios of Outstanding Debt by Type,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita
	General Obligation Bonds	Loan Payable	Capital Lease			
2000	4,010,000	-	-	4,010,000	1.76%	403
2001	6,835,000	250,000	-	7,085,000	3.11%	701
2002	6,780,000	250,000	-	7,030,000	3.08%	685
2003	6,165,000	250,000	-	6,415,000	2.81%	614
2004	5,550,000	250,000	-	5,800,000	2.54%	550
2005	4,930,000	250,000	-	5,180,000	2.27%	489
2006	4,335,000	247,765	37,661	4,620,426	2.03%	436
2007	6,750,000	210,088	29,429	6,989,517	3.07%	660
2008	6,085,000	166,472	20,569	6,272,041	2.75%	595
2009	5,415,000	152,845	13,401	5,581,246	2.45%	532

Notes: · Details regarding the Town's outstanding debt can be found in the notes to the financial statements.  
· See Schedule 14 for personal income and population data.

(a) Ratio is calculated using personal income from 2000 census year.

Schedule 10  
Town of Glocester, Rhode Island  
Ratios of General Bonded Debt Outstanding,  
Last Ten Fiscal Years  
Unaudited

Fiscal Year	General Bonded Debt Outstanding		Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds	Total		
2000	4,010,000	4,010,000	0.80%	403.10
2001	6,835,000	6,835,000	1.34%	676.13
2002	6,780,000	6,780,000	1.32%	661.01
2003	6,165,000	6,165,000	0.89%	590.23
2004	5,550,000	5,550,000	0.80%	526.02
2005	4,930,000	4,930,000	0.70%	464.96
2006	4,335,000	4,335,000	0.40%	409.08
2007	6,750,000	6,750,000	0.61%	640.66
2008	6,085,000	6,085,000	0.55%	579.58
2009	5,415,000	5,415,000	0.49%	515.76

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

- (a) Actual taxable value equals gross assessed value less exemptions.
- (b) Population data can be found in Schedule 14.

Schedule 11  
Town of Glocester, Rhode Island  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2009  
Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt	Estimated Share of Overlapping Debt Less Housing Aid (b)
Debt repaid with property taxes				
Foster-Gloster Regional School District	\$ 58,185,000	64.12% (a)	\$ 37,307,640	\$ 14,080,971
Chepachet Fire District	37,435	100.00%	37,435	37,435
Harmony Fire District	206,219	100.00%	206,219	206,219
West Glocester Fire District	407,817	100.00%	407,817	407,817
Subtotal, overlapping debt			37,959,111	14,732,442
Town direct debt			5,415,000	5,019,000
Total direct and overlapping debt			<u>\$ 43,374,111</u>	<u>\$ 19,751,442</u>

Sources: Debt outstanding data provided by each governmental unit.

- (a) Estimated percentage applicable for the Foster-Glocester Regional School District provided by the State of Rhode Island Office of Municipal Affairs.
- (b) It is anticipated that 62.26% [\$36,224,316] of the Foster-Glocester Regional School District debt will be paid by the State of Rhode Island in the form of housing aid. Similarly, \$900,000 of the *Town direct debt* is for the Glocester Schools of which 44.00% [\$396,000] will be paid by housing aid. The *Estimated Share of Overlapping Debt less Housing Aid* column is displayed here to show the net anticipated obligation of the Town.

Schedule 12  
Town of Gloucester, Rhode Island  
Legal Debt Margin Information,  
Last Ten Fiscal Years  
Unaudited

**Legal Debt Margin Calculation for Fiscal Year 2009**

Assessed Value	\$ 1,100,786,329
Debt limit (3% of assessed value)	33,023,590
Debt applicable to limit:	
General obligation bonds	670,000
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	670,000
Legal debt margin	\$ 32,353,590

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	\$ 15,131,763	\$ 15,337,900	\$ 15,464,020	\$ 20,709,527	\$ 20,702,946	\$ 21,074,773	\$ 32,736,315	\$ 33,161,659	\$ 33,263,834	\$ 33,023,590
Total net debt applicable to limit	-	-	-	-	-	-	-	750,000	710,000	670,000
Legal debt margin	<u>\$ 15,131,763</u>	<u>\$ 15,337,900</u>	<u>\$ 15,464,020</u>	<u>\$ 20,709,527</u>	<u>\$ 20,702,946</u>	<u>\$ 21,074,773</u>	<u>\$ 32,736,315</u>	<u>\$ 32,411,659</u>	<u>\$ 32,553,834</u>	<u>\$ 32,353,590</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.26%	2.13%	2.03%

Note: With certain exceptions, under the General Laws of the State of Rhode Island, the Town may not, without special statutory authorization, incur any debt which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the taxable property of the Town. Deducted from the computation of aggregated indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any sinking funds maintained by the Town.

Schedule 13  
Town of Gloucester, Rhode Island  
Pledged-Revenue Coverage,  
Last Ten Years  
Unaudited

The Town of Gloucester, Rhode Island has no non-general obligation long-term debt backed by pledged revenues.



Schedule 14  
Town of Glocester, Rhode Island  
Demographic and Economic Statistics,  
Last Ten Fiscal Years  
Unaudited

<u>Fiscal Year Ended June 30</u>	<u>Population (1)</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age(1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2000	9,948	227,978,472	22,914	38.2	1,998	3.10%
2001	10,109	227,978,472	22,914	38.2	2,010	3.20%
2002	10,257	227,978,472	22,914	38.2	1,936	3.70%
2003	10,445	227,978,472	22,914	38.2	1,951	4.20%
2004	10,551	227,978,472	22,914	38.2	1,947	3.80%
2005	10,603	227,978,472	22,914	38.2	1,894	3.90%
2006	10,597	227,978,472	22,914	38.2	1,669	4.30%
2007	10,536	227,978,472	22,914	38.2	1,864	3.70%
2008	10,499	227,978,472	22,914	38.2	1,736	5.70%
2009	10,499	227,978,472	22,914	38.2	1,614	9.30%

Sources:

- (1) Population, Personal Income, Per Capita Personal Income, and Median Age obtained from U.S. Census Bureau.
- (2) School enrollment provided by the Foster-Glocester Regional and Glocester School Business Offices.  
Enrollment includes students in Glocester Public Schools and Glocester students enrolled in Foster-Glocester Regional Schools.
- (3) Unemployment rates obtained from State of Rhode Island Dept. of Labor and Training.

Schedule 15  
Town of Glocester, Rhode Island  
Principal Employers,  
Current Year and Nine Years Ago  
Unaudited

Employer	2009			2000 (1)		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Glocester	186	1	3.01%			
Foster-Glocester Regional School	175	2	2.83%			
Harmony Hill School Inc	138	3	2.23%			
Factory Mutual Insurance Co.	125	4	2.02%			
Dino's Park-n-Shop	86	5	1.39%			
CVS	38	6	0.61%			
Chester's Restaurant	35	7	0.57%			
Dunkin' Donuts	25	8	0.40%			
Iron Mountain Record Management Co.	23	9	0.37%			
Ferrellgas	20	10	0.23%			
<b>Total</b>	<b>851</b>		<b>13.66%</b>			

Source: Rhode Island Economic Development Corporation and survey of Town businesses.

(1) Data is unavailable for 2000

Schedule 16  
Town of Gloucester, Rhode Island  
Full-time Equivalent Town Government Employees by Function/Program,  
Last Ten Fiscal Years  
Unaudited

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Central Administration</b>										
Town Council	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Town Clerk	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Board of Canvassers	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Probate Court	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Building/Zoning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Wastewater	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Planning Board	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Zoning Board	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Land Trust	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Historic District	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Town Sergeant	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
<b>Financial Administration</b>										
Treasurer's Office	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Tax Collection	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tax Assessor	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Public Safety</b>										
Police										
Officers	11.0	12.0	13.0	13.0	13.0	14.0	14.0	14.0	15.0	15.0
Civilians	4.6	4.6	4.6	4.6	4.8	4.8	5.3	5.3	5.3	5.3
Animal Control										
Officers	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Civilians	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.9	0.9	0.9
Emergency Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.1	0.1
<b>Public Works Department</b>										
Director	1.8	1.8	1.8	1.8	3.0	3.0	3.0	3.0	3.0	3.0
Transfer Station										
Refuse Collection	2.8	2.8	2.4	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Highway										
Driver/Laborer	7.0	7.3	7.4	7.4	6.4	6.4	6.4	6.4	6.4	6.4
Maintenance										
Building/Grounds	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0
Custodial	0.8	0.8	0.8	0.8	0.8	1.0	1.5	1.5	1.5	1.5
Vehicles & Equipment	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Recreation Department</b>										
Director	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Summer Programs	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.9	2.8	2.8
<b>Human Services Department</b>										
Director	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Senior Van Driver	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
<b>Senior Center</b>										
Director			0.7	0.7	1.0	1.0	1.0	1.0	1.0	1.0
Mealsite			0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7

Source: Office of Human Resources, and Town Budgets

Schedule 17  
Town of Glocester, Rhode Island  
Operating Indicators by Function/Program,  
Last Ten Fiscal Years  
Unaudited

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Public Safety (1)</b>										
Police										
Calls	11,363	13,199	13,554	14,045	15,091	15,480	15,007	15,075	15,605	8,154
Physical arrests	366	454	525	486	555	415	457	400	353	176
Citations	2,850	3,125	2,932	3,102	3,780	3,678	3,716	3,303	3,260	1,635
Accidents	264	276	304	293	315	286	249	251	249	139
Animal Control										
Dog licenses issued	736	687	670	645	564	515	526	503	473	459
<b>Public Works</b>										
Transfer Station										
Refuse collected (avg. tons per month)	317	320	331	3	306	306	289	285	275	281
Recyclables collected (avg. tons per month)	53	49	52	72	74	80	81	74	79	77
Highway										
Street resurfacing (miles)	2.1	5.3	25.2	10.9	7.6	3.9	3.6	0.0	0.4	1.5
Street repairs (miles)	2.3	6.9	9.1	2.1	0.0	0.0	6.7	0.2	0.0	0.0
<b>Building/Zoning (1)</b>										
Commercial construction permits	31	15	28	20	27	38	34	25	20	4
Residential construction permits - new homes	30	42	58	47	36	35	24	19	15	4
Residential construction permits - other	183	224	218	262	321	253	252	253	277	59
<b>Parks and Recreation</b>										
Athletic field permits	3	3	3	3	3	3	3	3	3	3
<b>Human Services</b>										
Mini-bus passenger transports	620	780	780	780	785	790	795	676	658	750

Sources: Various Town departments.

(1) Statistics for Public Safety and Building Zoning are based on a calendar year. Totals for 2009 are through June 30, 2009.

Schedule 18  
Town of Glocester, Rhode Island  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years  
Unaudited

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	-	-	-	-	-	-	-	-	-	-
Patrol Units	13	15	15	15	17	17	17	17	17	17
<b>Animal Control</b>										
Animal Shelters	1	1	1	1	1	1	1	1	1	1
<b>Public Works</b>										
<b>Transfer Station</b>										
Roll-off Truck	1	1	1	1	1	1	1	1	1	1
<b>Streets and Highways (in miles)</b>										
Highways (State owned)	38.3	38.3	38.3	38.3	38.3	38.3	38.3	38.3	38.3	38.3
Roads (Town owned)	78.1	78.1	78.1	78.1	78.1	78.1	78.1	78.1	78.1	78.1
Roads - Private (non-Town)	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4	30.4
Park Access	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Driftway	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
<b>Total highway and road miles</b>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>	<u>148.8</u>
<b>Streetlights</b>	-	-	-	-	-	-	-	-	-	-
<b>Traffic Signals (State owned)</b>	-	-	-	-	-	-	-	2.0	2.0	2.0
<b>Parks and Recreation</b>										
Acreage	165.3	165.3	165.3	165.3	165.3	165.3	165.3	165.3	165.3	165.3
Playgrounds	3	3	3	3	3	3	3	3	3	3
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Beaches	2	2	2	2	2	2	2	2	2	2
Baseball/Softball diamonds	4	4	4	4	4	4	4	4	4	4
Soccer/Football fields	1	1	1	1	1	1	1	1	1	1
Basketball Courts	4	4	4	4	4	4	4	4	4	4
Senior Center	-	-	-	-	-	-	-	1	1	1
<b>Human Services</b>										
Transit mini-bus	1	1	1	1	1	1	1	1	1	1

Sources: Various Town Departments

***TOWN OF GLOCESTER***

**REPORT IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**





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***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  
Glocester, Rhode Island

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Glocester, Rhode Island as of and for the year ended June 30, 2009, which collectively comprise the Town of Glocester, Rhode Island's basic financial statements and have issued our report thereon dated December 21, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph in this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

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

We noted certain other matters that we reported to management of the Town of Glocester, Rhode Island in a separate letter dated December 21, 2009.

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

December 21, 2009

*Cayer Accia. LLP*