

***TOWN OF SCITUATE, RHODE ISLAND***  
***COMPREHENSIVE ANNUAL FINANCIAL REPORT***

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***For the Fiscal Year Ended***  
***March 31, 2009***

***TOWN OF SCITUATE, RHODE ISLAND  
COMPREHENSIVE ANNUAL FINANCIAL REPORT***

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***For the Fiscal Year Ended  
March 31, 2009***

Prepared by: Town Treasurer's Office  
Theodore J. Przybyla, Town Treasurer

## **INTRODUCTORY SECTION**

**THIS SECTION CONTAINS  
THE FOLLOWING SUBSECTIONS:**

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*Letter of Transmittal*

*Certificate of Achievement for  
Excellence in Financial Reporting*

*Town of Scituate Organizational Chart*

*List of Town Officials*

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 COMPREHENSIVE FINANCIAL REPORT  
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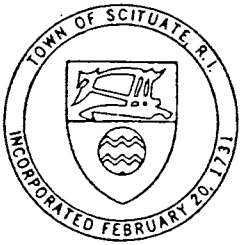
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# Town of Scituate Rhode Island

September 24, 2009

To the Honorable President and  
Members of the Town Council  
Scituate, Rhode Island

The Comprehensive Annual Financial Report of the Town of Scituate, for the fiscal year ended March 31, 2009, is submitted herewith. This report was prepared by the Treasurer's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including disclosures, rests with the Town. We believe the information, as presented, is accurate in all material aspects: that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Town as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain adequate understanding of the Town's financial affairs have been included.

The Town is required to undergo an annual Single Audit in conformance with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". The Schedule of Expenditures of Federal Awards and Independent Auditors' Report on the internal control structure and compliance with laws and regulations are included in the Single Audit Section of this report.

## GENERAL

The Town was established in 1636 and incorporated separately on February 20, 1730. It contains an area of fifty-five square miles and is located approximately eight miles west of Providence, Rhode Island.

The Scituate reservoir and its tributary ponds and stream extend throughout most of the area. The water resources are owned by the City of Providence, which maintains them and the attendant watershed in such attractive condition that much of the Town's area has the appearance of a natural park. The convenient location and general attractiveness have induced a considerable number of executives employed in Providence and other nearby communities, to establish residence in the Town.

By design, the Town has remained residential in character. Except for one manufacturer, businesses are almost entirely of the service type.

Approximately forty percent (42.6%) of the Town area is owned by the City of Providence and is employed in the collection and storage of water. This property was acquired by an act of the State of Rhode Island (the "State") legislature that provided the land could be used for water supply purposes only. This huge reservoir is so well engineered and controlled that it has never posed a flood threat. For its land and improvements thereon, the City of Providence currently pays the Town of Scituate an annual amount that represents approximately 24.83% of the Town's total tax levy. Under legislation adopted by the General Assembly, the valuation may be renegotiated every ten years for the subsequent period. The current valuation was last determined in the 12/31/2006 statistical revaluation for the 2008-2009 fiscal year. The Town of Scituate and the City of Providence have negotiated a new agreement establishing the annual tax payment through December 31, 2017.

## Government

The Town of Scituate is a municipal corporation operating under the General Laws of Rhode Island and as such utilizes the Town Council form of government. The Town Council consists of 7 elected members headed by a Town Council President. Town Council members are elected at large for a term of two years. The Town Council has the responsibility of managing the affairs of the Town and submits a detailed budget of its estimated expenditures and revenues for each fiscal year to the voters at an annual Financial Town Meeting.

## Education

The public school system of the Town consists of one senior high school, one middle school and three elementary schools. A five-member School Committee that is elected at-large at the regular biennial elections for a four-year term directs the general administration of the Scituate School Department. The School Committee determines and controls all policies affecting the administration, maintenance, and operation of the public schools in the Town. The School Committee appoints a Superintendent as its chief administrative agent; submits a detailed budget of expenditures and revenues to the voters at an annual Financial Town Meeting and, once the school budget is approved, determines the allocation of the amount appropriated. The school enrollment for September 1, 2008 is 1806. The cost per student was \$10,610.00 shared by the Town and the State of Rhode Island in the form of School Operation Aid. The cost of operating the Town's school system for the fiscal year ended March 31, 2009 was \$19,800,864 and \$21,080,786 has been budgeted for fiscal year ending March 31, 2010.

Student enrollment per the Scituate School Department for the past 7 years has been and is projected to be as follows:

<b>Fiscal Year</b>		<b>Enrollment</b>
<b><u>Ending</u></b>		
	<i>Actual</i>	
2003.....		1,782
2004.....		1,793
2005.....		1,814
2006.....		1,792
2007.....		1,873
2008.....		1,806
2009.....		1,700
	<i>Projected</i>	
2010.....		1,869
2011.....		1,780
2012.....		1,558

Projections revised NESDC and Scituate School Department

## Municipal Services

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

### *Rubbish and Garbage Collection*

Rubbish and garbage collection are made weekly by the Town.

### *Police Department*

The Scituate Police Department has a force of 17 full time members. In fiscal 2009 the Police Department expended \$1,695,082. The Department's fiscal 2010 budget is \$1,719,703.



### *Fire Protection*

Four fire stations and districts, all volunteer, are located on Danielson Pike in North Scituate; Main Street, west of Jackson Flat Road in Hope; Chopmist Hill Road, Route 102; and Old Plainfield Pike in Potterville. Equipment includes fire trucks, rescues and specialized equipment. The Department expended \$754,347 in fiscal 2009 and \$756,999 is budgeted for fiscal 2010.

### *Emergency Management Services*

The Town has a part time Emergency Management Director located at One Lincoln Circle, North Scituate.

### *Emergency Medical Services*

The Town's School Department services the School Health Program.

Rescue service is provided by a rescue from each of the four volunteer fire districts.

### *Senior Services Center*

The Town has a full time Senior Service Center located at 1315 Chopmist Hill Road, North Scituate. Today this is a fully functional facility including the senior meal site.

### *Public Works, Sewers and Water*

The Town's Public Works Department maintains the Town's property including highways and public buildings. The Department expended \$1,885,480 in fiscal 2009 and the fiscal 2010 budget is \$1,971,820.

There are no sanitary sewers in the Town. The majority of town residents draw water from private wells and a small number of residents are served by a public water supplier (Kent County Water Authority).

### *Libraries*

There are 2 public libraries in the Town of Scituate; North Scituate Library and Hope Library, primarily supported by the Town. The libraries' fiscal 2009 appropriation was \$422,707 and the fiscal 2010 budget is \$422,707.

## **Employee Relations**

As of March 31, 2009 the Town had 24 full-time and approximately 82 part-time and seasonal employees exclusive of the School and Police Departments. The Police Department employed 17 uniformed officers, 6 full-time and 1 part-time civilian employees and 1 full-time and 1 part-time animal control officers. The School Department as of such date had 202 full and part-time professional, as well as 131 part-time and full-time non-professional employees.

The Town's uniformed police employees are members of the International Brotherhood of Police officers (IBPO). The present contract with the Police expires June 30, 2010. The Town's professional school employees are members of the National Education Association of Rhode Island (NEARI) with a contract that expires August 31, 2012. The School Department's custodians are members (NEARI) with a contract that expires June 30, 2011. The School Department's Paraprofessionals are members (NEARI) with a contract that expires June 30, 2009. The employees of the Department of Public Works are members of the Teamsters, Chauffeurs, Warehousemen & Helpers of America Local Union No. 251 with a contract that expires June 30, 2010.

## ECONOMIC CONDITIONS AND OUTLOOK

### **Population**

In 2000, Scituate was ranked 29th in population among the thirty-nine cities and towns in Rhode Island and the Town experienced a 5.4% increase in population from 1990 to 2000. Set forth below is a table of the population in the Town for various years from 1910 to 2000. The estimated population for 2007 was 10,870.

<u>Year</u>	<u>Population</u>
1920 .....	3,006
1930 .....	2,292
1940 .....	2,838
1950 .....	3,905
1960 .....	5,210
1970 .....	7,489
1980 .....	8,405
1990 .....	9,796
2000 .....	10,324
2007 .....	10,870 (estimate)

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Source: U.S. Bureau of the Census. Rhode Island City and Town, Town Population Estimates

### **Unemployment**

The most recent labor market information summary indicates that annualized unemployment for the years indicated was as shown in the following table:

	Annualized									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Town of Scituate	4.2%	4.6%	5.4%	5.8%	5.1%	5.8%	5.0%	5.30%	7.0%	12.5%
State of Rhode Island	4.1%	4.7%	5.1%	5.3%	4.6%	5.5%	5.1%	5.20%	7.5%	12.4%
United States	4.2%	4.0%	5.8%	6.0%	5.4%	5.4%	4.3%	5.00%	5.5%	9.5%

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Source: WWW. Rhode Island Department of Labor and Training; Data Center

### **Employment**

In 2008 the Town had 263 private business and industrial firms subject to the payment of employment security taxes. During that period, the payrolls for those firms totaled \$ 57,011,418 and the average number of Persons employed were 1,496. The following is a listing of the various types of industry in the Town covered by the Department of Labor and Training for the calendar year ended December 31, 2008.

Industry	Average No. of Units	Annual Payroll	Average No. of Employees
Agr., Fish., Mining	13	\$ 1,039,795	50
Construction	67	4,904,512	129
All Manufacturing	10	797,470	28
Transportation/Warehousing	15	1,039,220	48
Wholesale Trade	12	928,004	17
Retail Trade	19	5,104,883	204
Fin., Ins., Real Estate	9	1,100,854	22
Service Industries	104	9,715,660	402
Government	14	32,381,020	596
<b>Totals</b>		<b>\$57,011,418</b>	<b>1,496</b>

Source: WWW. Rhode Island Department of Labor and Training; Quarterly Census of Employment & Wages; by City and Town. Annual Report

### Income Levels

According to the 2000 U.S. Census, the median family income of the Town of Scituate was \$60,788 compared to \$41,994 for the State of Rhode Island. Median family income in the Town increased from \$48,995 in 1990, an increase of 24.1%. Scituates' 2000 median family income ranked 5th among Rhode Island cities and towns.

The per capita income of the Town was \$28,092 compared to \$21,688 for the State. Per capita income in the Town increased from \$18,400 in 1990 to \$28,092 in 2000, an increase of 52.6%. Scituate's 2000 per capita income ranks 7th among Rhode Island cities and towns.

### Building Permits

The following table indicates the number of building permits issued by the Town building inspector for the calendar years indicated and the declared value of the construction undertaken: the permit totals include additions, renovations, roofing, siding, pools, electrical, mechanical and plumbing permits.

	<b>Permits Issued</b>	<b>Value</b>
1993	582	7,483,215
1994	572	14,004,930
1995	581	9,557,407
1996	586	9,809,563
1997	525	8,478,798
1998	504	7,182,210
1999	608	9,131,092
2000	563	9,828,962

	<b><u>Permits Issued</u></b>	<b><u>Value</u></b>
2001	647	9,270,187
2002	645	12,542,473
2003	833	15,369,548
2004	*759	13,779,607
2005	750	12,445,315
2006	644	13,531,309
2007	557	9,990,825
2008	590	8,229,435

\*Includes Churches and Town Properties  
Source: Town of Scituate, Building Inspector

### **Housing**

At the end of 2008/2009 (4/1/2008 through 3/31/2009) sale prices for single family homes in Scituate ranged from \$62,000 to \$575,000. The median sales price for homes in Scituate was \$290,000 and the average sales price was \$286,986.

Source: Tax Assessor's data base

### **Economic Development**

Within the past 2 years, few projects have been underway and/or completed in our Town:

- A major mill restoration project for mixed use-condominiums is stalled, in the Hope Village. If the project comes to fruition, municipal sewers would be installed and some portions of the Village would get service. Ownership, financing and environmental issues need to be resolved.
- A proposal for 15 duplexes – w/30% affordable Housing has been submitted to the town for Master Plan (a previous proposal had 25 duplexes).

### **Major Initiatives**

The Town Council and the School Committee are committed to providing the children of Scituate with the schools and resources necessary for their success. The residents of Scituate have annually supported education initiatives by their continued support at the Financial Town Meeting and this support is expected to continue as a primary objective of the community.

- The Town is working on an Ordinance and Regulation revisions pursuant to our state-approved Affordable Housing Plan.
- Construction of a new 4,500 s.f. maintenance garage was completed at the Department of Public Works.
- A draft Conservation Development Ordinance was completed, through a grant with the Rhode Island Department of Environmental Management.

- A \$5,000,000 project for addition and revocation to the High School – Middle School buildings and fields was designed and construction started in June, 2009.
- Upgrades and improvements to the Tasca Field Soccer complex was designed for bids.

Source: Town of Scituate, Building Inspector

## **FINANCIAL INFORMATION**

A detailed understanding of the financial position and operating results of the Town is provided in the Comprehensive Annual Financial Report (CAFR). The Management's Discussion and Analysis starting on Page 3 of the CAFR provides additional information to assess the Town's financial condition.

### **Internal Controls**

In developing and evaluating the Town's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control comprises the plan of organization, procedures, and records that are concerned with the safeguarding of assets and the reliability of financial records and consequently is designed to provide reasonable assurance that:

- Transactions are executed in accordance with management's general or specific authorization.
- Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria, such as finance - related legal and contractual compliance requirements applicable to such statements, and (2) to maintain accountability of assets.
- Access to assets is permitted only in accordance with management's authorization.
- The recorded accountability of assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

The definition of accounting control presumes reasonable, but not absolute, assurance that the objectives expressed in it will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits to be derived. The benefits consist of reductions in the risk of failing to achieve the objectives implicit in the definition of accounting control.

All internal control evaluations occur within the above framework. We believe that the Town's internal accounting control adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

### **Budgetary Control**

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 Committee to submit to the Town Council and make available to the general public a proposed General Fund budget, including the School Unrestricted Fund transfer for the fiscal year. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School Unrestricted Fund transfer. At least two public hearings are conducted on the recommended General Fund Budget and the final recommended budget is approved by the voters and legally enacted through an ordinance by the Town Council 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.

## Debt Administration

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the Town's financial position for management, citizens and investors. At March 31, 2009 the Town's bonded debt to assessed valuation was as follows:

	<u>Amount</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt Per Capita</u>
Net Direct Bonded Debt	\$7,616,500	0.77%	\$737.74

Tables 9 - 13 in the statistical section of this report present more detailed information about the debt position of the Town.

## Cash Management

The intention of the cash management system is to limit the amount of funds placed in accounts where low or no interest is paid. Idle cash is invested in various instruments with staggered maturity dates, depending on the anticipated cash requirements during the period.

## Risk Management

The Town's properties are insured by the RI Interlocal Risk Management Trust, Inc. This agency was established for the primary purpose of providing insurance to local government entities. The following coverage is provided to the Town of Scituate: general liability, automobile liability, public buildings, and public official's liability insurance.

## Independent Audit

In accordance with the RI General Laws an audit of the financial statements has been completed by the Town's independent auditors, Bacon & Company CPA's LLC and their opinion is included herein.

## Reporting Achievement

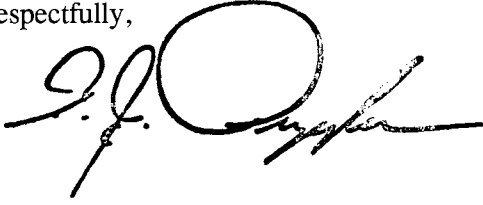
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Scituate for its comprehensive annual financial report for the fiscal year ended March 31, 2008. In order to be awarded a Certificate of Achievement, a government unit 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 GFOA to determine its eligibility for another certificate.

## Acknowledgment

The preparation of the Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efforts and dedication of the competent staff of the Treasurer's Office. I would also express my appreciation to other personnel from various departments who assisted in its preparation. Finally, I would like to thank the Town Council for their support in planning and conducting the financial operation of the Town in a dedicated, professional and responsible manner.

Respectfully,

A handwritten signature in black ink, appearing to read 'T. Przybyla', with a large, stylized circular flourish.

Theodore J. Przybyla  
Town Treasurer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Scituate  
Rhode Island

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
March 31, 2008

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



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

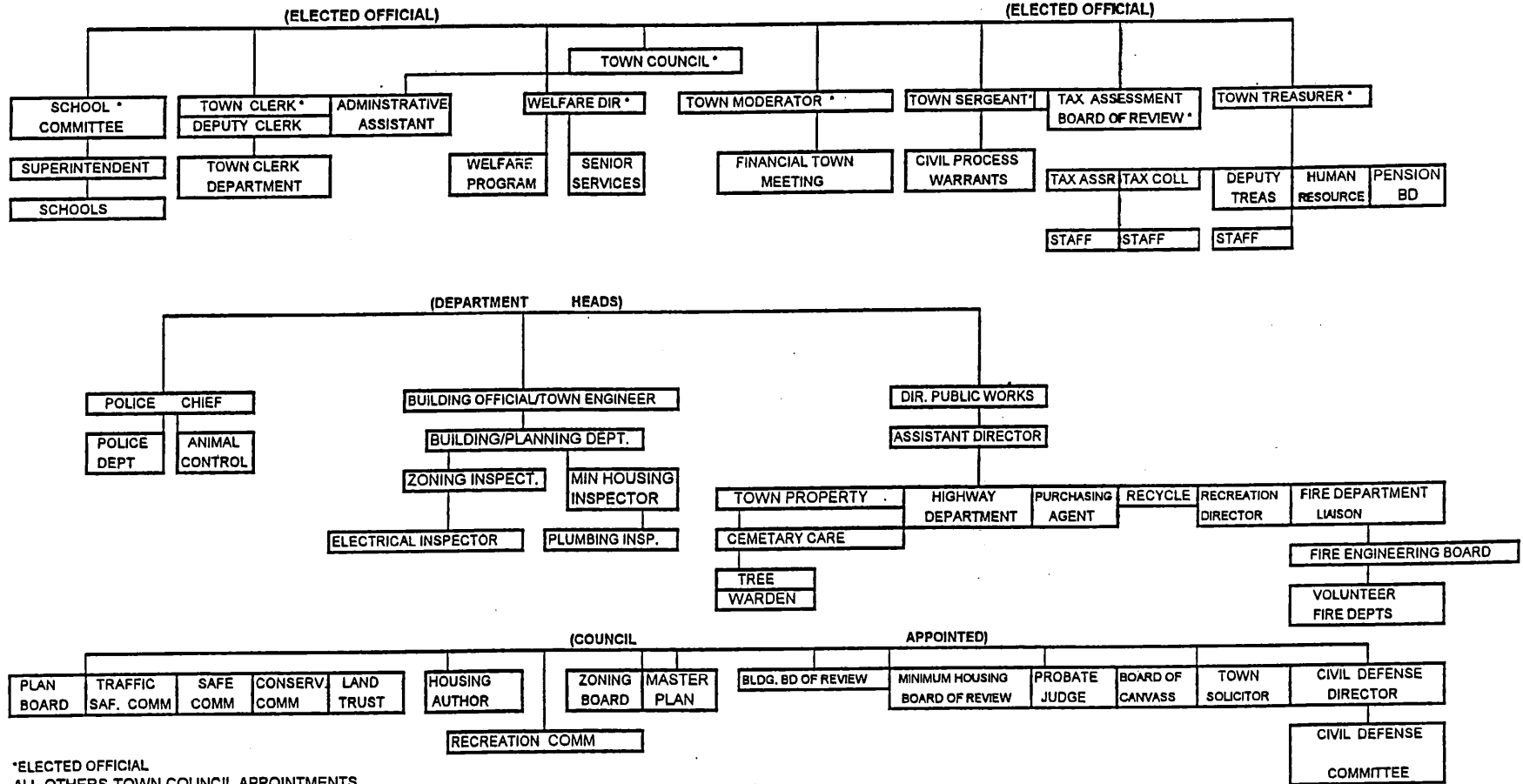
President

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

Executive Director



TOWN OF SCITUATE ORGANIZATIONAL CHART



\*ELECTED OFFICIAL  
ALL OTHERS-TOWN COUNCIL APPOINTMENTS

***TOWN OF SCITUATE, RHODE ISLAND***

***Town Treasurer***

Theodore J. Przybyla

***Town Council***

Robert R. Budway, President  
Dwight Farrar, Vice President  
Charles Collins, Jr.  
David A. D'Agostino  
Brenda Frederickson  
David Hanna, Jr.  
John F. Winfield, Jr.

## **FINANCIAL SECTION**

**THIS SECTION CONTAINS THE FOLLOWING:**

*Independent Auditors' Report*

*Management Discussion and Analysis*

*Basic Financial Statements*

*Required Supplementary Information*

*Other Supplementary Information*

*INDEPENDENT AUDITORS' REPORT*

To the Honorable President and  
Members of the Town Council  
Scituate, Rhode Island

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Scituate, Rhode Island, as of and for the year ended March 31, 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 Scituate, 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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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, each major fund, and the aggregate remaining fund information of the Town of Scituate, Rhode Island, as of March 31, 2009, and the respective changes in financial position thereof for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 24, 2009 on our consideration of the Town of Scituate, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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, budgetary comparison information and supplementary pension information on pages 3 through 12 and 47 through 55 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 Scituate, Rhode Island's basic financial statements. The introductory section, the combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information, and the statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis and as required by the U.S. Office of Management and Budget Circular A-133, *"Audits of States, Local Governments, and Non-profit Organizations,"* and is also not a required part of the basic financial statements of the Town of Scituate, Rhode Island. The combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information and the schedule of expenditures of federal awards 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 section and statistical tables 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.

*Bacm & Company, LLC*

Warwick, Rhode Island  
September 24, 2009

## TOWN OF SCITUATE MANAGEMENTS DISCUSSION AND ANALYSIS

Management of the Town of Scituate provides this Management's Discussion and Analysis of the Town of Scituate Comprehensive Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of Scituate are for fiscal year ended March 31, 2009. We encourage readers to consider this information in conjunction with the additional information that is furnished in the letter of transmittal, which can be found preceding this narrative, and with the Town's financial statements that follow.

### FINANCIAL HIGHLIGHTS

At the end of the current fiscal year, unreserved fund balance for the general fund was \$1,854,152 or 7% of total 2009 budgeted expenditures. This is an increase of \$351,825 from the prior year unreserved fund balance.

The Town ended fiscal year 2009 with a budgetary operating surplus of \$532,369 and the School ended with a budgetary operating surplus of \$966,705.

The Town of Scituate's total bonded debt decreased by \$827,465. This was due to scheduled debt service payments.

### OVERVIEW OF THE FINANCIAL STATEMENTS

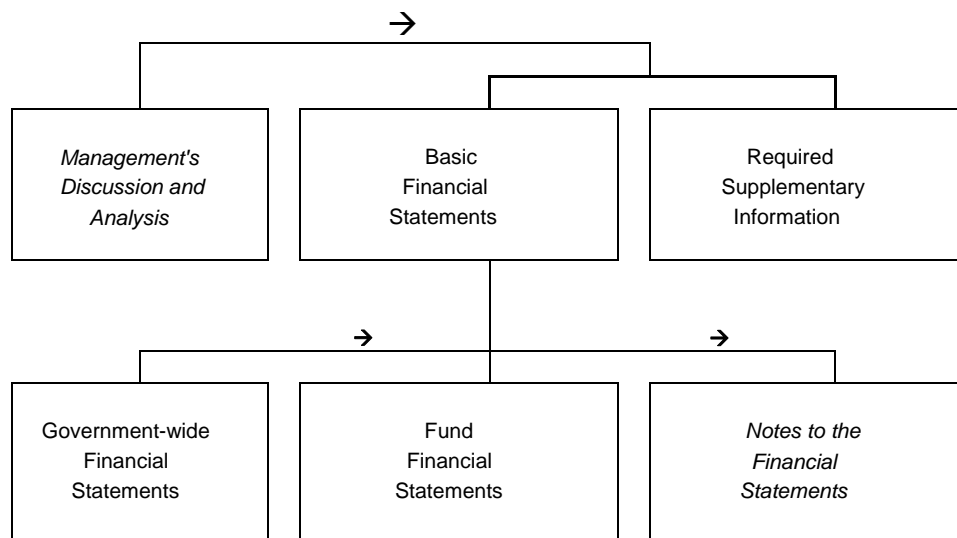
This discussion and analysis is intended to serve as an introduction to the Town's annual audit report. The financial section of this report consists of **four** parts – management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information that includes combining statements for non-major governmental funds and other fiduciary funds.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Town's overall status.
- The remaining statements are fund financial statements that focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements.
  - ✓ The *governmental funds* statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.

- ✓ *Fiduciary fund* statements provide information about assets that are held by the Town as a trustee or agent for the benefit of someone or something other than the Town itself. The Town cannot use these assets to support its own programs.

The financial statements also include notes that provide more detailed data about some of the information in the financial statements. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds and fiduciary funds, which are added together and presented in a single column in the basic financial statements.

**Figure A-1**  
**Required Components of**  
**Town of Scituate’s Basic Financial Report**



**Summary Information**

**Detail Information**

Figure A- 2

**Major Features of the Town of Scituate’s Government-Wide and Fund Financial Statements**

	Government- Wide Statements	Fund Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire Town government (except fiduciary funds)	The activities of the Town that are not fiduciary such as police, fire and DPW	Instances in which the Town is the trustee or agent for someone else’s resources
Required Financial Statements	Statement of Net Assets, Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures, And Changes in Fund Balances	Statement of Fiduciary Net Assets, Statement of Changes in Fiduciary Net Assets
Accounting Basis And Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Assets/ Liability Information	All assets and liabilities both financial and capital and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter	All assets and liabilities, both short-term and long-term
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due	All additions and deductions during the year, regardless of when cash is received or paid

Figure A-2 summarizes the major features of the Town’s financial statements, including the portion of the Town government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Government-Wide Statements**

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government’s assets and liabilities. All of the current year’s revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.



The two government-wide statements report the Town's *net assets* and how they have changed. Net assets – the difference between the Town's assets and liabilities – is one way to measure the Town's financial health, or position.

- Over time, increases or decreases in the Town's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Town you need to consider additional non-financial factors such as changes in the Town's property tax base and the status and standing of the Town's Schools.

The government-wide financial statements of the Town are divided into two categories.

- *Governmental activities* – Most of the Town's basic services are included here, such as the police, fire, library, public works and general administration. Property taxes, general fees and state funding finance most of these activities.
- *Component units* – The Town does not have any entities that are deemed to be component units.

## **Fund Financial Statements**

A *fund* is a grouping 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.

The fund financial statements focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

***Governmental funds*** – Most of the basic services provided by the Town are financed through 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, the government fund statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities.

The Town maintains seventy-five governmental funds; two are considered major funds and are presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The Town's major governmental funds are: 1. General Fund; and 2. School Unrestricted Fund.

The basic governmental fund financial statements can be found beginning on page 15 of this report.

***Fiduciary Funds*** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements follow the basic financial statements.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. **This section includes budgetary comparison schedules, which include a reconciliation between the statutory revenue and expenditures for budgetary purposes and the revenues and expenditures for the General Fund and School Unrestricted Fund as presented in the governmental fund financial statements.** Required supplementary information follows the notes to the financial statements.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Town's net assets totaled \$15,264,769 at the close of the most recent fiscal year.

A large portion of the Town's net assets reflects its investment in capital such as land, building, and equipment, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Town of Scituate Net Assets  
March 31, 2008 and 2009**

	<b>3/31/2009</b>	<b>3/31/2008</b>
	<u>Governmental Activities</u>	<u>Governmental Activities</u>
Current and other assets	\$ 9,988,959	\$ 9,198,550
Capital assets	<u>17,993,642</u>	<u>18,558,057</u>
Total assets	27,982,601	27,756,607
Current liabilities	3,577,050	3,486,504
Long-term liabilities	<u>9,140,782</u>	<u>9,609,076</u>
Total liabilities	12,717,832	13,095,580
Net Assets:		
Invested in capital assets, net of related debt	\$10,590,989	\$10,256,196
Restricted for:		
Specific Projects and Programs	831,917	790,480
Unrestricted	<u>3,841,863</u>	<u>3,614,351</u>
<b>Total net assets</b>	<b>\$ <u>15,264,769</u></b>	<b>\$ <u>14,661,027</u></b>

An additional portion of the Town's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net assets.

At the end of the current fiscal year, the Town is able to report positive balances in net assets.

**Changes in Net Assets**

The government's net assets increased by \$603,742 during the current fiscal year.

**Town of Scituate Changes in Net Assets  
For the Year Ended March 31, 2008 and 2009**

	<b>3/31/2009</b>	<b>3/31/2008</b>
	<b>Governmental</b>	<b>Governmental</b>
	<b><u>Activities</u></b>	<b><u>Activities</u></b>
Program revenues:		
Charges for services	\$ 1,175,789	\$ 1,258,045
Operating grants and contributions	5,706,585	5,471,366
Capital grants and contributions	<u>10,000</u>	<u>0</u>
Total program revenues	<u>6,892,374</u>	<u>6,729,411</u>
General revenues:		
Property taxes	23,572,025	22,416,562
State aid and in lieu of taxes, unrestricted	1,885,405	2,149,821
Investment earnings	<u>69,729</u>	<u>185,515</u>
Total general revenues	<u>25,527,159</u>	<u>24,751,898</u>
Total revenues	<u>32,419,533</u>	<u>31,481,309</u>
Expenses:		
General government	1,527,583	1,392,152
Public safety	4,028,697	3,894,316
Public works	2,639,938	2,662,898
Social services	950,922	973,438
Education	22,305,360	22,077,741
Interest Expense	<u>363,291</u>	<u>427,637</u>
Total Expenses	<u>31,815,791</u>	<u>31,428,182</u>
Increase (decrease) in net assets	603,742	53,127
Net assets – beginning of year	<u>14,661,027</u>	<u>14,607,900</u>
<b>Net assets – end of year</b>	<b><u>\$15,264,769</u></b>	<b><u>\$14,661,027</u></b>

**Governmental activities.** Governmental activities increased the Town's net assets by \$603,742. Key elements of this increase are as follows: current year purchases of capital assets and scheduled debt repayments.

## **Financial Analysis of the Government's Funds**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,297,755 an increase of \$721,229 in comparison with the prior year. \$6,954,900 or 95% of this total amount represents unreserved fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unreserved fund balance of the general fund was \$1,854,152. As a measure of the general fund liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 7% of total general fund budgeted expenditures.

### **General Fund Budgetary Highlights**

There was no need to amend the original budget as submitted at the Financial Town Meeting on April 8, 2008 for the fiscal year 2009. There were no material department overages.

### **Capital Assets and Debt Administration**

**Capital assets.** The Town's investment in capital assets for its governmental activities as of March 31, 2009, amounted to \$17,993,642 (net of accumulated depreciation). This investment in capital assets includes infrastructure, land, buildings, improvements, machinery and equipment, vehicles and construction in progress.

Major capital asset events during the current fiscal year included the following:

1. Issuance of \$430,000 in bonds for purchase of Public Safety and Highway equipment; maintenance and repairs of School buildings; and Recreation capital.

## Town of Scituate Capital Assets

### Governmental Activities:

	<u>ENDING BALANCE 3/31/2009</u>	<u>ENDING BALANCE 3/31/2008</u>
<i>Governmental activities:</i>		
<b>Nondepreciable assets:</b>		
Land & land rights	\$ 1,982,448	\$ 1,954,469
Construction in progress	<u>124,395</u>	<u>200,982</u>
	2,106,843	2,155,451
<b>Depreciable assets:</b>		
Infrastructure		
Buildings & improvements	32,597,059	32,050,814
Office furniture & equipment	1,387,486	1,346,379
Machinery & equipment	2,535,232	2,701,235
Vehicles	<u>4,396,346</u>	<u>4,792,828</u>
<b>TOTAL CAPITAL ASSETS</b>	<u>43,022,966</u>	<u>43,046,707</u>
Less accumulated depreciation for:		
Infrastructure		
Buildings & improvements	19,278,968	18,579,401
Office furniture & equipment	1,171,071	1,101,593
Machinery & equipment	1,793,484	1,981,914
Vehicles	<u>2,785,801</u>	<u>2,825,742</u>
<b>TOTAL ACCUMULATED DEPRECIATION</b>	<u>25,029,324</u>	<u>24,488,650</u>
<b>GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET</b>	<u>\$17,993,642</u>	<u>\$18,558,057</u>

Additional information on the Town's capital assets can be found in Note 2 – Capital Assets on page 26 of this report.

**Long-term debt.** At the end of the fiscal year, the Town had total bonded debt outstanding of \$7,616,500. General obligation bonds are backed by the full faith and credit of the Town, 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.

The Town has an Aa3 rating from Moody's Investors Service.

State statute limits the amount of bonds a governmental entity can issue to 3% of its total net assessed value, which approximates \$29,563,349. As of March 31, 2009 the Town's debt, subject to the 3% limit, was \$3,011,500 which is under the debt limit by \$26,551,849.

Additional information on the Town's long-term debt can be found in Note 6 – Long-Term Liabilities on pages 29 – 31 of this report.

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

The unemployment rate for the Town of Scituate is 12.5 percent. This compares to the State's average unemployment rate of 12.4 percent and the national average of 9.5 percent. Per capita and median family income remains some of the highest in the State. Median Family Income ranks 5<sup>th</sup> and Per Capita Income ranks 7<sup>th</sup> among Rhode Island's 39 Cities and Towns.

	<b>Per Capita</b>	<b>Median Family</b>
Scituate	\$28,092	\$60,788
Rhode Island	\$21,688	\$52,781
United States	\$21,587	\$50,046

The following factors were considered in preparing the Town's budget for the 2009-10 fiscal year.

- The School operating costs will be level-funded at \$21,080,786 with no increase for year 2010.
- Higher employment costs, specifically health insurance increased 10%, are expected to continue to rise significantly.
- Contribution for municipal retirement system increased slightly from 12.11% to 12.16%.

The Town has appropriated \$1,152,000 of the School Unrestricted Fund Balance for spending in the 2009-10 fiscal year Budget. The Town tax rates will be \$24.40 per thousand for residential real property and \$36.60 per thousand for commercial real property for fiscal year ending March 31, 2010. Both are calculated at 50% of total assessed value. These rates were derived after completion of the December 31, 2006 Triennial Update/Revaluation.

The Town of Scituate (Town) and the Providence Water Supply Board (PWSB) have reached a settlement agreement for all pending actions in court and before the Scituate Tax Assessor and/or the Scituate Board of Assessment Review on May 12, 2009. The agreement requires issuance of a \$5,000,000 bond, which was put before the voters and approved at a Special Financial Town Meeting on October 25, 2008. The Town issued the bonds on April 28, 2009. In addition, the agreement was approved by the Providence City Council and the Public Utilities Commission. The Public Utilities Commission met on March 24, 2009 to approve the agreement. The agreement also establishes a ten (10) year tax treaty beginning with taxes assessed as of December 31, 2007.

## **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Town Treasurer, PO Box 127, 195 Danielson Pike, N. Scituate, RI 02857.

**BASIC FINANCIAL STATEMENTS**

**THE BASIC FINANCIAL STATEMENTS INCLUDE:**

*Government-Wide Financial Statements*

*Fund Financial Statements:*

*- Governmental Funds*

*- Fiduciary Funds*

**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.**



**TOWN OF SCITUATE, RHODE ISLAND**  
*Statement of Net Assets*  
 March 31, 2009

	<u><i>Governmental Activities</i></u>
<b>Assets:</b>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 4,396,727
Investments	450,000
Accrued interest receivable	104,404
Real estate and personal property tax receivable (net)	4,295,312
Due from federal and state government	415,911
Other receivables	113,612
Prepaid expenses	212,993
<b>Total current assets</b>	<u>9,988,959</u>
<b>Noncurrent assets:</b>	
Capital assets: (Note 2)	
Land and land rights	1,982,448
Depreciable buildings, property, equipment (net)	15,886,799
Construction in progress	124,395
<b>Total noncurrent assets</b>	<u>17,993,642</u>
<b>Total assets</b>	<u>27,982,601</u>
<b>Liabilities:</b>	
<b>Current liabilities:</b>	
Accounts payable and accrued liabilities	1,893,033
Accrued interest payable	128,178
Unearned revenue	25,302
Other liabilities	16,089
Compensated absences payable	134,448
Long-term debt - due within one year (Note 6)	1,380,000
<b>Total current liabilities</b>	<u>3,577,050</u>
<b>Noncurrent liabilities:</b>	
Long-term debt - due in more than one year (Note 6)	6,312,500
Compensated absences payable	247,763
Net pension obligation	2,189,275
Net other post-employment benefits obligation	391,244
<b>Total noncurrent liabilities</b>	<u>9,140,782</u>
<b>Total liabilities</b>	<u>12,717,832</u>
<b>Net Assets:</b>	
Invested in capital assets, net of related debt	10,590,989
Restricted for:	
Education programs	587,244
Social service programs	141,755
Public safety programs	36,306
Town clerk records projects	66,612
Unrestricted	3,841,863
<b>Total net assets</b>	<u>\$ 15,264,769</u>

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Statement of Activities*  
For the Fiscal Year Ended March 31, 2009

<i>Functions/Programs</i>	<i>Expenses</i>	<i>Program Revenues</i>			<i>Net (Expense) Revenue and Changes in Net Assets</i>
		<i>Charges for Services</i>	<i>Operating Grants and Contributions</i>	<i>Capital Grants and Contributions</i>	<i>Total Governmental Activities</i>
<i>Governmental Activities:</i>					
General government	\$ 1,527,583	\$ 449,735	\$ -	\$ -	\$ (1,077,848)
Public safety	4,028,697	178,825	66,449	-	(3,783,423)
Public works	2,639,938	17,505	31,130	10,000	(2,581,303)
Social services	950,922	42,367	164,738	-	(743,817)
Education	22,305,360	487,357	5,174,529	-	(16,643,474)
Interest expense	363,291	-	269,739	-	(93,552)
<b>Total</b>	31,815,791	1,175,789	5,706,585	10,000	(24,923,417)
<i>General Revenues:</i>					
Taxes:					
					23,572,025
					1,885,405
					69,729
					25,527,159
<i>Change in net assets</i>					
					603,742
					14,661,027
					\$ 15,264,769

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Balance Sheet**  
**Governmental Funds**  
**March 31, 2009**

	<i>General Fund</i>	<i>School Unrestricted Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
<b>Assets</b>				
Cash and cash equivalents	\$ 2,556,662	\$ 9,510	\$ 1,830,555	\$ 4,396,727
Investments	450,000	-	-	450,000
Real estate and personal property tax receivable	4,425,312	-	-	4,425,312
Due from federal and state governments	185,105	-	230,806	415,911
Due from other funds	286,051	3,309,951	1,673,757	5,269,759
Other receivables	53,041	17,521	43,050	113,612
Prepaid expenditures	-	212,993	-	212,993
	<b>Total assets</b>	<b>\$ 3,549,975</b>	<b>\$ 3,778,168</b>	<b>\$ 15,284,314</b>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable and accrued expenditures	358,594	1,248,757	280,562	1,887,913
Due to other funds	4,963,496	142,247	169,136	5,274,879
Deferred revenues	767,020	-	40,658	807,678
Other liabilities	12,909	3,180	-	16,089
	<b>Total liabilities</b>	<b>1,394,184</b>	<b>490,356</b>	<b>7,986,559</b>
 <b>Fund Balances:</b>				
Reserved:				
Reserved for cemetery care	-	-	129,862	129,862
Reserved for prepaid expenditures	-	212,993	-	212,993
Unreserved:				
Designated for subsequent year budget	-	1,152,000	-	1,152,000
Designated as motor vehicle phase out revenue for fiscal 2010	456,601	-	-	456,601
Undesignated	1,397,551	790,798	-	2,188,349
Unreserved, reported in:				
Special revenue funds	-	-	2,170,234	2,170,234
Capital project funds	-	-	987,716	987,716
	<b>Total fund balances</b>	<b>2,155,791</b>	<b>3,287,812</b>	<b>7,297,755</b>
	<b>Total liabilities and fund balances</b>	<b>\$ 3,549,975</b>	<b>\$ 3,778,168</b>	<b>\$ 15,284,314</b>

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Assets**  
**March 31, 2009**

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<b>Total Fund Balances - Total Governmental Funds</b>	\$ 7,297,755
<b>Amounts reported for Governmental Activities in the Statement of Net Assets are different because:</b>	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. See note 2 to the financial statements.	17,993,642
Accrued interest receivable on property taxes is reported as revenue in the Government-Wide Financial Statements in the period earned. In the Governmental Fund Financial Statements, interest on property taxes is reported when received.	104,404
Delinquent taxes are recognized as revenue in the period for which levied in the Government-Wide Financial Statements, but are reported as deferred revenue (a liability) in the Governmental Fund Financial Statements.	767,020
Allowance for uncollectible property taxes receivable is reported in the Government-Wide Financial Statements, but is not reported in the Governmental Funds Balance Sheet.	(130,000)
Other receivables are not available to pay for current period expenditures and, therefore, are deferred in the Governmental Funds Financial Statements.	15,356
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the Governmental Funds Balance Sheet.	(128,178)
Long-term liabilities (including bonds and notes payable, net pension obligation, net OPEB obligation, and compensated absences) are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet. See note 6A to the financial statements.	<u>(10,655,230)</u>
<b>Net Assets - Governmental Activities</b>	<u><u>\$ 15,264,769</u></u>

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended March 31, 2009**

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
General property taxes	\$ 23,425,236	\$ -	\$ -	\$ 23,425,236
Federal and state aid and grants	1,973,505	3,895,380	1,699,436	7,568,321
Charges for services	525,329	64,096	397,829	987,254
Fines and penalties	45,335	-	-	45,335
Investment and interest income	170,137	-	19,553	189,690
Contributions and private grants	-	-	33,669	33,669
Miscellaneous	98,381	39,186	6,772	144,339
<b>Total revenues</b>	<u>26,237,923</u>	<u>3,998,662</u>	<u>2,157,259</u>	<u>32,393,844</u>
<b>Expenditures:</b>				
Current:				
General government	1,015,878	-	49,803	1,065,681
Public safety	2,649,412	-	101,943	2,751,355
Public works	1,944,374	-	162,832	2,107,206
Social services	714,750	-	138,632	853,382
Education	-	19,991,485	2,139,889	22,131,374
Fixed charges and other	1,558,859	-	-	1,558,859
Debt service	-	-	1,634,758	1,634,758
<b>Total expenditures</b>	<u>7,883,273</u>	<u>19,991,485</u>	<u>4,227,857</u>	<u>32,102,615</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>18,354,650</u>	<u>(15,992,823)</u>	<u>(2,070,598)</u>	<u>291,229</u>
<b>Other financing sources (uses):</b>				
Issuance of debt	-	-	430,000	430,000
Transfers from other funds	-	16,499,815	2,929,856	19,429,671
Transfers to other funds	(18,061,719)	(692,287)	(675,665)	(19,429,671)
<b>Total other financing sources (uses)</b>	<u>(18,061,719)</u>	<u>15,807,528</u>	<u>2,684,191</u>	<u>430,000</u>
<b>Net change in fund balances</b>	292,931	(185,295)	613,593	721,229
<b>Fund balances, beginning of year</b>	<u>1,561,221</u>	<u>2,341,086</u>	<u>2,674,219</u>	<u>6,576,526</u>
<b>Fund balances, end of year</b>	<u>\$ 1,854,152</u>	<u>\$ 2,155,791</u>	<u>\$ 3,287,812</u>	<u>\$ 7,297,755</u>

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and**  
**Changes in the Fund Balances to Government-Wide Statement of Activities**  
**For the Year Ended March 31, 2009**

<b>Net Changes in Fund Balances - Total Governmental Funds</b>	<b>\$ 721,229</b>
<i>Amounts reported for Governmental Activities in the Statement of Activities are different because:</i>	
Governmental Fund Financial Statements report capital outlay as expenditures. However, in the Government-Wide Statement of Activities the cost of those assets is allocated over its estimated useful life as depreciation expense. This is the amount of capital assets recorded in the current period.	773,329
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but it does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Fund Financial Statements.	(1,331,810)
Loss on the disposal of capital assets is reported in the Government-Wide Statement of Activities, but it does not require the use of current financial resources. Therefore, the loss on the disposal of capital assets is not reported in the Governmental Fund Financial Statements.	(5,932)
Long-term compensated absences are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, compensated absences are not reported as expenditures in Governmental Fund Financial Statements. The following amount represents the change in long-term compensated absences from the prior year.	(5,106)
Proceeds from the issuance of bonds are an other financing source in the Governmental Fund Financial Statements, but the issuance of bonds increases long-term liabilities in the Government-Wide Statement of Net Assets.	(430,000)
Repayment of bond and note principal is an expenditure in the Governmental Fund Financial Statements, but the payments reduce long-term liabilities in the Government-Wide Statement of Net Assets.	1,295,465
Accrued interest expense on long-term debt is reported in the Government-Wide Statement of Activities, but it does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in the Governmental Fund Financial Statements. The following amount represents the change in accrued interest expense from the prior year.	20,269
The net pension and net OPEB obligation payable are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, the net pension and net OPEB obligations are not reported as an expenditure in the Governmental Fund Financial Statements. The following amount represents the change in the net pension and net OPEB obligation payable from the prior year.	(463,911)
New loans receivable are reported as expenditures in the Governmental Fund Financial Statements, but are reported as receivables in the Government-Wide Financial Statements.	4,520
Property taxes are recognized as revenue in the period for which levied in the Government-Wide Financial Statements, but are recognized as revenue when measurable and available in the Governmental Fund Financial Statements.	26,594
Principal payments received on loan receivables are reported as a reduction of the receivable in the Government-Wide Financial Statements. In the Governmental Fund Financial Statements, principal payments received are reported as revenue.	(1,139)
Accrued interest receivable on property taxes is reported as revenue in the Government-Wide Financial Statements in the period earned. In the Governmental Fund Financial Statements, interest on property taxes is reported when received.	234
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 603,742</b>

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**March 31, 2009**

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	<u>Private- Purpose Trust Fund</u>	<u>Agency Funds</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 51,510	\$ 134,316
Due from other funds	-	5,120
<b>Total assets</b>	<u>51,510</u>	<u>139,436</u>
 <b>Liabilities</b>		
Accounts payable and accrued expenses	-	956
Deposits held in custody for others	-	138,480
<b>Total liabilities</b>	<u>-</u>	<u>139,436</u>
 <b>Net Assets</b>		
Held in trust for other purposes	<u>\$ 51,510</u>	<u>\$ -</u>

*The accompanying notes are an integral part of the basic financial statements.*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended March 31, 2009**

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	<u><i>Private- Purpose Trust Fund</i></u>
<i><b>Additions</b></i>	
Interest income	\$ 731
<i><b>Total additions</b></i>	<u>731</u>
 <i><b>Deductions</b></i>	
Administrative and other expense	<u>-</u>
<i><b>Total deductions</b></i>	<u>-</u>
 <i><b>Change in net assets</b></i>	 731
 <i><b>Net assets - beginning of year</b></i>	 <u>50,779</u>
<i><b>Net assets - end of year</b></i>	<u>\$ 51,510</u>

*The accompanying notes are an integral part of the basic financial statements.*



**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

The financial statements of the Town of Scituate, Rhode Island have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Town's financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. REPORTING ENTITY**

The Town of Scituate was incorporated in 1731. The Town is governed largely under the 1731 Colonial Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island. The Town provides the following services: Public Safety (police, fire, civil defense and animal control), Public Works (highways, sanitation and facilities maintenance), Education, Social Services, and General Administrative Services.

The Town is a municipal corporation governed by a Town Council form of government with a seven-member Town Council headed by a Council President.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, 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. Through the application of GASB Statement Nos. 14 and 39 criteria, no separate entities have been determined to be component units of the Town.

**B. BASIS OF PRESENTATION AND ACCOUNTING**

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds to demonstrate legal compliance and to aid management by segregating transactions related to specific Town functions or activities.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

***Government-Wide Financial Statements***

The Town's Government-Wide Financial Statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of Governmental Activities for the Town. The Town has no Business-Type Activities. Fiduciary Activities of the Town are not included in these statements.

These statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all the Town's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions included in program revenues for the Town are reported in three categories: 1) charges for services; 2) operating grants and contributions; and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 related to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated.

***Governmental Fund Financial Statements***

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net assets and changes in net assets presented in the Government-Wide Financial Statements.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Town, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

**Major Governmental Funds:**

**General Fund** – The General Fund is used to account for resources devoted to financing the general services that the Town performs for its citizens.

**School Unrestricted Fund** – The School Unrestricted Fund is used to account for the budgeted resources devoted to financing the general operations of the School System.

**Fiduciary Fund Financial Statements**

Fiduciary Fund Financial Statements include a Statement of Net Assets and a Statement of Changes in Net Assets. The Town's Fiduciary Funds include a Private Purpose Trust Fund and Agency Funds. Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations or other governments. The Fiduciary Funds are accounted for on an "economic resources" measurement focus and the accrual basis of accounting. Agency Funds are purely custodial and do not involve measurement of results of operations.

**Private Purpose Trust Fund** – This fund accounts for assets held by the Town under a trust arrangement to benefit the poor through the Town's Human Services Department.

**Agency Funds** – These funds account for assets held by the Town as agent for various student groups for student activities and for the Town Council's Sunshine Fund.

**C. INVESTMENTS**

Investments are recorded at fair value. Unrealized gains and losses from changes in fair value are recognized as investment income.

**D. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE**

Accounts receivable and taxes receivable, are shown net of an allowance for uncollectible accounts. The allowances are calculated from the age of the individual receivables. Property taxes due on July 1 of the current year and other delinquent balances are recorded as receivables.

**E. CAPITAL ASSETS AND DEPRECIATION**

Capital assets are reported in the Government-Wide Statement of Net Assets, but are not reported in the Governmental Fund Financial Statements.

All capital assets are capitalized at historical or estimated historical cost. Donated capital assets are recorded at fair market value as of the date received. The Town follows the policy of not capitalizing assets with a cost of less than \$500 and a useful life of less than 1 year.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

In 2008, the Town retroactively reported the estimated historical cost of major general infrastructure assets acquired or significantly reconstructed through fiscal year 2003. Additions to infrastructure have been reported in the Government-Wide Financial Statements as capital assets since the implementation of GASB No. 34 in fiscal year 2004.

Depreciation is calculated on the straight-line basis over the following useful lives:

<u>Description</u>	<u>Useful Life</u>
Infrastructure	25-75 years
Buildings and improvements	40 years
Office furniture and equipment	5-7 years
Machinery and equipment	10-12 years
Vehicles	4-10 years

**F. DEFERRED REVENUE**

In the Governmental Fund Financial Statements, deferred revenue represents funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years.

In the General Fund, deferred revenues relate to delinquent property tax balances less property tax amounts due as of the balance sheet date and received sixty days thereafter.

**G. PROPERTY TAXES**

The Town is permitted by State Law to levy property taxes. Current fiscal year tax collections for the Town were approximately 82.4% of the total 2008 levy. During the period April 1, 2009 through May 31, 2009, the Town collected an additional \$3,589,202 of the 2008 tax levy. The total collections therefore represent approximately 97.7% of the total 2008 levy. The tax rate of the Town is established by the Town Council.

The Town's fiscal 2008-2009 property taxes were levied on June 16, 2008 on assessed valuation as of December 31, 2007. Upon levy, taxes are billed and are due quarterly on July 1, October 1, January 1, and April 1. Failure to mail payments by due dates result in a lien on the taxpayer's property. Assessed values are established by Tax Assessor's Office and are currently calculated at 50% of assessed value for real estate and 95% of market value for motor vehicles. A full revaluation of all property was completed as of December 31, 2000 and a statistical revaluation was completed as of December 31, 2006. The City of Providence Water Supply Board is the Town's principal taxpayer representing 20% of the Town's net assessed valuation in fiscal 2009.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

**H. COMPENSATED ABSENCES**

Under the terms of various contracts and agreements, Town and School Department employees are granted vacation and sick leave in varying amounts based on length of service. Vacation benefits are accrued as a liability based on the accumulated benefits earned at March 31. Sick leave benefits are based on the sick leave accumulated at March 31 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability is calculated at the rate of pay in effect at March 31, 2009.

The entire compensated absence liability is reported on the Government-Wide Financial Statements. For Governmental Fund Financial Statements, a compensated absence liability is reported only if a liability has matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement).

**I. ACCRUED LIABILITIES AND LONG-TERM DEBT**

All accrued liabilities and long-term debt are reported in the Government-Wide Financial Statements.

For Governmental Fund Financial Statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether the liabilities will be liquidated with current financial resources. However, claims, judgments, and compensated absences paid from governmental funds are reported as a liability in the Fund Financial Statements only if the liability has matured (i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement). Long-term debt paid from governmental funds is not recognized as a liability in the Fund Financial Statements until due.

**J. ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

**NOTE 2 – CAPITAL ASSETS**

Capital asset activity for the year ended March 31, 2009 was as follows:

	<u><i>Beginning Balance</i></u>	<u><i>Additions</i></u>	<u><i>Retirements</i></u>	<u><i>Ending Balance</i></u>
<b>Governmental Activities</b>				
Nondepreciable assets:				
Land and land rights	\$ 1,954,469	\$ 27,979	\$ -	\$ 1,982,448
Construction in progress	200,982	228,413	305,000	124,395
	<u>2,155,451</u>	<u>256,392</u>	<u>305,000</u>	<u>2,106,843</u>
Depreciable assets:				
Infrastructure, buildings, and improvements	32,050,814	546,245	-	32,597,059
Office furniture and equipment	1,346,379	56,591	15,484	1,387,486
Machinery and equipment	2,701,235	156,505	322,508	2,535,232
Vehicles	4,792,828	62,594	459,076	4,396,346
<b>Total Capital Assets</b>	<u>43,046,707</u>	<u>1,078,327</u>	<u>1,102,068</u>	<u>43,022,966</u>
Less accumulated depreciation for:				
Infrastructure, buildings, and improvements	18,579,401	699,567	-	19,278,968
Office furniture	1,101,593	84,962	15,484	1,171,071
Machinery and equipment	1,981,914	134,034	322,464	1,793,484
Vehicles	2,825,742	413,247	453,188	2,785,801
<b>Total Accumulated Depreciation</b>	<u>24,488,650</u>	<u>1,331,810</u>	<u>791,136</u>	<u>25,029,324</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$18,558,057</u>	<u>\$ (253,483)</u>	<u>\$ 310,932</u>	<u>\$ 17,993,642</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 7,132
Public Safety	358,908
Public Works	452,302
Social Services	70,061
Education	443,407
<b>Total Depreciation Expense</b>	<u>\$1,331,810</u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

**NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**LEGAL DEBT MARGIN** – The Town's legal debt margin as set forth by State Statute is limited to 3% of total net assessed value, which approximates \$29,563,349. As of March 31, 2009, the Town's debt, subject to the 3% limit, was \$3,011,500, which is under the debt limit by \$26,551,849.

**DEFICIT FUND BALANCES** – The following nonmajor funds had deficit fund balances at March 31, 2009: Food Service Fund \$(46,345); Animal Shelter Bond Fund \$(8,450); School Loan Fund \$(124,395); and Vocational Equity 2009 Fund \$(2,703).

**NOTE 4 – CASH DEPOSITS**

**DEPOSITS** – are in various financial institutions and are carried at cost. The carrying amount of deposits is separately displayed on the Balance Sheet of the Fund Financial Statements and Statement of Net Assets as “Cash and Cash Equivalents”.

	<u>Carrying Amount</u>
Total Deposits	\$4,455,879
Add: Petty Cash	20
Add: Cash on Hand	75,144
Add: Investments classified as cash equivalents	<u>51,510</u>
<b>Total Cash and Cash Equivalents Reported     in the Financial Statements</b>	<u><u>\$4,582,553</u></u>

**CUSTODIAL CREDIT RISK** – custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a formal deposit policy for custodial credit risk. As of March 31, 2009, \$907,691 of the Town's bank balance of \$4,721,494 was exposed to custodial credit risk as follows:

	<u>Bank Balance</u>
Insured (Federal depository insurance funds)	\$ 771,570
Insured (FDIC – Transaction Guarantee Program)	3,042,233
Uninsured and uncollateralized	<u>907,691</u>
<b>Total</b>	<u><u>\$4,721,494</u></u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturities greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators, shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. At March 31, 2009, the Town's uninsured or uncollateralized deposits with institutions were \$907,691. These deposits are held by institutions that meet the minimum capital standards prescribed by the federal regulators.

**NOTE 5 – INVESTMENTS**

The Town invests in various types of investments that are stated at fair value. The Town Treasurer has control over the type of investments made. 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. As of March 31, 2009, the Town had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
MBIA RI Investment Pool	N/A – 2a7 – like pool	\$ 51,510
Bank of America Commercial Paper	04/02/09	<u>450,000</u>
<b>Total</b>		501,510
Less: Investments classified as cash equivalents		<u>(51,510)</u>
<b>Total Investments Reported in the Financial Statements</b>		<u><u>\$450,000</u></u>

**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.

**Credit Risk** – The Town does not have a formal investment policy that limits its investment choices. As of March 31, 2009, the investment in the MBIA Rhode Island Investment Pool was not rated. The investment in Bank of America commercial paper was rated A-1 by Standard & Poor's and P-1 by Moody's Investors Service.

**Concentration of Credit Risk** – The Town places no limit on the amount the Town may invest in any one issuer. More than 5% of the Town's investments are in Bank of America commercial paper. The Bank of America commercial paper represented 89.73% of the Town's total investments and is reported in the Town's General Fund.



**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

**NOTE 6 – LONG-TERM LIABILITIES**

**A. LONG-TERM LIABILITIES**

Long-term liability activity for the year ended March 31, 2009 was as follows:

	<u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u>	<u>One Year</u>
<b>Governmental Activities</b>					
Bonds and notes payable:					
Bonds payable	\$ 8,443,965	\$ 430,000	\$ 1,257,465	\$ 7,616,500	\$ 1,342,000
Notes payable	114,000	-	38,000	76,000	38,000
	<u>8,557,965</u>	<u>430,000</u>	<u>1,295,465</u>	<u>7,692,500</u>	<u>1,380,000</u>
Other liabilities:					
Compensated absences	377,104	152,243	147,136	382,211	134,448
Net pension obligation	2,116,608	72,667	-	2,189,275	-
Net other postemployment benefits obligation	-	391,244	-	391,244	-
	<u>-</u>	<u>391,244</u>	<u>-</u>	<u>391,244</u>	<u>-</u>
<b>Governmental Activities</b>					
<b>Long-Term Liabilities</b>	<u>\$ 11,051,677</u>	<u>\$ 1,046,154</u>	<u>\$ 1,442,601</u>	<u>\$ 10,655,230</u>	<u>\$ 1,514,448</u>

All debt of the governmental activities is general obligation debt. The payments on the bonds and notes are made from the General Fund. The compensated absences from governmental activities are paid from the General Fund and School Unrestricted Fund.

**TOWN OF SCITUATE, RHODE ISLAND**

*Notes to Financial Statements*

*March 31, 2009*

**B. GENERAL OBLIGATION BONDS**

<u>Purpose</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized and Issued</u>	<u>Outstanding April 1, 2008</u>	<u>New Issues</u>	<u>Maturities/ Refundings During Year</u>	<u>Outstanding March 31, 2009</u>
<b>School fund debt</b>								
Public Laws, Act of 1998 - Chapter 4	08/01/1998	3.6%-5.05%	08/01/2018	\$ 4,425,000	\$ 2,255,000	\$ -	\$ 310,000	\$ 1,945,000
Refunding bonds	07/15/2002	3.50%	04/01/2014	4,600,000	3,050,000	-	390,000	2,660,000
				<u>9,025,000</u>	<u>5,305,000</u>	<u>-</u>	<u>700,000</u>	<u>4,605,000</u>
<b>General fund debt</b>								
General Laws - Section 45-12-2:								
General obligation bonds	05/15/2001	5.25%	05/15/2008	513,723	35,715	-	35,715	-
General obligation bonds	04/15/2002	3.5%-5%	04/15/2012	870,000	425,000	-	85,000	340,000
General obligation bonds	04/15/2003	2%-3.5%	04/15/2013	1,830,000	1,175,000	-	180,000	995,000
General obligation bonds	05/12/2005	3.81%	05/12/2012	226,500	166,500	-	30,000	136,500
General obligation bonds	09/30/2005	4.18%	09/30/2015	250,000	200,000	-	25,000	175,000
General obligation bonds	05/15/2006	4.14%-4.58%	05/15/2013	461,000	402,000	-	67,000	335,000
General obligation bonds	04/26/2007	4.23%	04/15/2012	734,750	734,750	-	134,750	600,000
General obligation bonds	06/25/2008	3.97%	04/15/2013	430,000	-	430,000	-	430,000
				<u>5,315,973</u>	<u>3,138,965</u>	<u>430,000</u>	<u>557,465</u>	<u>3,011,500</u>
<b>Total</b>				<u>\$ 14,340,973</u>	<u>\$ 8,443,965</u>	<u>\$ 430,000</u>	<u>\$1,257,465</u>	<u>\$ 7,616,500</u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

The debt service through maturity for the above bonds is as follows:

<u>Fiscal Year Ending March 31,</u>	<u>Governmental Activities General</u> <u>Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$1,342,000	\$ 296,651
2011	1,392,000	236,778
2012	1,222,000	183,565
2013	1,248,500	133,201
2014	1,012,000	86,324
2015-2019	1,400,000	125,928
	<u>\$7,616,500</u>	<u>\$1,062,447</u>

**C. NOTE PAYABLE**

The Town entered into an agreement with the Rhode Island Economic Development Corporation for the purchase of Tasca Field and issued a promissory note in the amount of \$380,000 to Rhode Island Economic Development Corporation. The note is payable in annual installments of \$38,000 over a ten-year period and is non-interest bearing as follows:

<u>Fiscal Year Ending March 31,</u>	<u>Governmental Activities</u> <u>Note Payable Principal</u>
2010	\$38,000
2011	38,000
	<u>\$76,000</u>

**NOTE 7 – SHORT-TERM DEBT**

The Town issued the following short-term notes during fiscal year 2009:

**Tax Anticipation Notes** – Tax anticipation notes in the amount of \$2,000,000 were issued on April 17, 2008 and matured on March 17, 2009 with an interest rate of 2.09%. The proceeds were deposited into the General Fund.

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u> <u>Balance</u>
<b>Governmental Activities:</b>				
Tax anticipation notes	\$ -	\$2,000,000	\$2,000,000	\$ -
<b>Governmental Activities</b> <b>Short-Term Debt</b>	<u>\$ -</u>	<u>\$2,000,000</u>	<u>\$2,000,000</u>	<u>\$ -</u>

**TOWN OF SCITUATE, RHODE ISLAND**  
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**NOTE 8 – INTERFUND BALANCES**

The Town reports interfund balances between many of its funds. The totals of all balances agree with the sum of interfund balances presented in the fund statements.

	<i>Due From:</i>			<i>Total</i>
	<i>General Fund</i>	<i>School Unrestricted Fund</i>	<i>Other Governmental Funds</i>	
<i>Due To:</i>				
General Fund	\$ -	\$ 126,241	\$ 159,810	\$ 286,051
School Unrestricted Fund	3,300,624	-	9,327	3,309,951
Other Governmental Funds	1,662,872	10,886	(1)	1,673,757
Agency Funds	-	5,120	-	5,120
<b>Total</b>	<b>\$4,963,496</b>	<b>\$ 142,247</b>	<b>\$ 169,136</b>	<b>\$ 5,274,879</b>

The balances primarily result from the time lag between the dates the 1) transactions are recorded in the accounting system and 2) payments between funds are made.

**NOTE 9 – INTERFUND TRANSFERS**

	<i>Transfer From:</i>			<i>Total</i>
	<i>General Fund</i>	<i>School Unrestricted Fund</i>	<i>Other Governmental Funds</i>	
<i>Transfer To:</i>				
School Unrestricted Fund	\$ 16,499,815	\$ -	\$ -	\$ 16,499,815
Other Governmental Funds	1,561,904	692,287	675,665	2,929,856
<b>Total</b>	<b>\$ 18,061,719</b>	<b>\$ 692,287</b>	<b>\$ 675,665</b>	<b>\$ 19,429,671</b>

Transfers are used to move revenues from the fund that the budget requires to collect them, to the funds that the budget requires to expend them. For example, the \$16,499,815 transfer is the School appropriation that is budgeted in the General Fund as a revenue source to be transferred to the School Unrestricted Fund and expended.

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**NOTE 10 – NET ASSETS/FUND BALANCES**

The Government-Wide Financial Statements utilize a net asset presentation. Net assets are categorized as invested in capital assets, net of related debt; restricted; and unrestricted.

***Invested in Capital Assets, Net of Related Debt*** – This category groups all capital assets into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

***Restricted Net Assets*** – This category presents external restrictions imposed by grantors or laws and regulations.

***Unrestricted Net Assets*** – This category represents net assets of the Town, not restricted for any project or other purpose.

In the Governmental Fund Financial Statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. At March 31, 2009, reservations and designations of fund balance are described below:

***Reserved for Cemetery Care*** – To reserve funds earmarked by trust agreements to be used for the maintenance and care of Town cemeteries.

***Reserved for Prepaid Expenditures*** – To reserve funds for prepaid expenditures that are not an available financial resource for the current year, but will be recognized in the subsequent year.

***Designated as Motor Vehicle Phase Out Revenue for Fiscal 2010*** – To designate General Fund revenue in the amount of \$456,601 from the State of Rhode Island for the motor vehicle excise tax phase out program received during the current year and budgeted in fiscal year 2009-2010.

***Designated for Subsequent Year Budget*** – To designate \$1,152,000 of unreserved fund balance in the School Unrestricted Fund budgeted in the 2009-2010 fiscal year.

**NOTE 11 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**

**A. ACCOUNTS RECEIVABLE**

Assumptions: The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables within the subsequent year. The real estate and personal property tax receivable is net of an allowance for doubtful accounts of \$130,000.

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**B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

The accounts payable and accrued liabilities at March 31, 2009, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other</u>	<u>Total</u>
<b>Governmental Activities</b>				
General Fund	\$ 222,333	\$ 109,351	\$ 26,910	\$ 358,594
School Unrestricted Fund	570,479	678,278	5,120	1,253,877
Other Governmental Funds	232,637	47,925	-	280,562
<b>Total</b>	<u>\$ 1,025,449</u>	<u>\$ 835,554</u>	<u>\$ 32,030</u>	<u>\$ 1,893,033</u>

**NOTE 12 – POST-EMPLOYMENT BENEFITS**

***Plan Description***

The Town of Scituate administers a single-employer, defined benefit post-employment health insurance plan. This plan does not include the pension benefits discussed in Note 17. The plan provides medical and dental insurance for eligible retirees and their dependents through the Town’s group health and dental insurance plans, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the Town and the respective unions or as established by the Town’s Human Resource Policy Manual for non-union employees. The plan does not issue a publicly available financial report.

***Funding Policy***

Contribution requirements are negotiated between the Town and the respective unions or are stated in the Town Human Resource Policy Manual for non-union employees. The Town is required to contribute the cost of medical and dental benefits, less the amount of any applicable employee share of medical or dental premiums. For the year ended March 31, 2009, the plan operated on a pay as you go basis and no provision has been made to fund future benefits to be provided to plan members. For the fiscal year ended March 31, 2009, the Town contributed \$138,475 to the plan.

***Annual OPEB Cost and Net OPEB Obligation***

The Town’s annual other post-employment benefit (OPEB) cost for the plan is calculated based on the annual required contribution (ARC) for the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any

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unfunded actuarial accrued liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the Town's net OPEB obligation:

Annual required contribution (ARC)	\$529,719
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost	529,719
Contributions made	138,475
Increase in net OPEB obligation	391,244
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	\$391,244

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
3/31/09	\$529,719	26.1%	\$391,244

***Funded Status and Funding Progress***

The funded status of the Town's plan as of March 31, 2009, the most recent actuarial valuation, is as follows:

Actuarial Accrued Liability (AAL)	\$4,713,768
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$4,713,768
Funded ratio (Actuarial Value of Plan Assets/AAL)	0%
Annual Covered Payroll (Active Plan Members)	\$14,863,696
UAAL as a Percentage of Covered Payroll	31.7%

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 financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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***Actuarial Methods and Assumptions***

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The 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, consistent with the long-term perspective of the calculations.

The March 31, 2009 actuarial valuation used the projected unit credit funding actuarial cost method (with service proration). Under this funding method, projected benefits are assumed to accrue on a straight line basis from the date of hire to the date of retirement for each participant. Normal cost for a participant is the present value of the projected benefit which accrues in the current plan year. Normal cost for the plan is the sum of the normal costs for all participants. The actuarial assumptions included: a) 4.5% interest discount rate; b) medical cost trend rate – 8.5% per year graded off 0.5% per year to an ultimate rate of 4.5% per year; and c) dental cost trend rate – 5.5% per year graded off 0.25% per year to an ultimate rate of 4.5% per year. The unfunded actuarial accrued liability as of the March 31, 2009 is being amortized using the level dollar 30-year open amortization basis.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about employment, mortality and healthcare cost trends. Actuarial valuations are subject to continual revision as actual results are compared to past expectations and new estimates are formulated about the future.

**NOTE 13 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

***A. LITIGATION***

The Providence Water Supply Board (PWSB) challenged the Town's assessment of their watershed land (Scituate Reservoir). The PWSB believes the land should be taxed as forest land. The Town's Board of Assessment Review denied the PWSB's claim. PWSB appealed the ruling to Providence Superior Court and on February 3, 2006 Superior Court ruled that the Tax Assessor should assess the land in question as forest land. An order was entered on August 19, 2006 requiring the Tax Assessor to reassess the land as forest land. The Tax Assessor completed her reassessment in conjunction with outside appraisers hired by the Town.



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The reassessed values were similar to the original assessments and PWSB appealed the re-assessment to the Town's Board of Assessment Review. In September 2008, a tentative settlement agreement was approved by the Scituate Town Council and Board of Directors of the PWSB. The settlement agreement was also ratified by the Providence City Council, the voters of the Town of Scituate, and the Rhode Island Public Utilities Commission. The final settlement agreement which was approved on May 12, 2009, requires the Town to refund \$5,000,000 to the PWSB related to tax years 2001-2007. The agreement was contingent upon the Town raising \$5,000,000 through the issuance of bonds or some other financing arrangement to pay the refund. The Town issued general obligation judgment bonds on April 28, 2009 (see Note 15A). The agreement requires the PWSB to hold the \$5,000,000 refund in a watershed protection restricted fund. The fund will be used to purchase land or development rights located in Scituate to expand and protect the Scituate Reservoir watershed area. A five member advisory board will be established to identify property to be purchased with the watershed protection restricted fund. Two members would be selected by the PWSB, two members would be selected by the Town and one member would be selected jointly. The agreement also establishes a tax treaty for tax years 2008-2017.

During the ordinary course of its operations, the Town is a party to various other claims, legal actions and complaints. In the opinion of the Town's management and legal counsel, these matters are not anticipated to have a material financial impact on the Town.

***B. FEDERALLY ASSISTED PROGRAMS - COMPLIANCE AUDITS***

The Town participates in a number of federal awards programs. These programs through the year ended March 31, 2009 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditors' reports thereon are presented in the Single Audit Section of this report. The amount, if any, of expenditures that may be disallowed will not be material to the financial position of the Town.

**NOTE 14 – RISK MANAGEMENT**

The Town of Scituate is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The School Department purchased commercial insurance for property and liability claims through July 26, 2005. The Town and the School Department (as of July 27, 2005) participate in a non-profit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) which provides coverage for property and liability claims. Upon joining the Trust, the Town and the School Department signed a participation agreement that outlines the rights and responsibilities of the Trust, the Town and the School Department. The agreement states that for premiums paid, the Trust will assume financial responsibility for the losses up to the maximum amount of insurance purchased, minus deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust

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to protect against large, catastrophic claims above the losses the Trust retain internally for payment from the pooled contributions of its members. Under the participation agreement, the Town and the School Department are insured for amounts ranging from \$10,000 to \$100,000,000 per occurrence depending on the type of coverage provided. Settled claims resulting from these risks have not exceeded Trust coverage in any of the past three fiscal years. The Town and School Department funded workers' compensation claims through their health insurance policies through December 31, 2007 and claims not covered by health insurance were paid by the Town or School Department on a pay-as-you-go basis. Effective January 1, 2008, the Town and School Department purchased workers' compensation insurance.

**NOTE 15 – SUBSEQUENT EVENTS**

- A. On April 28, 2009, the Town issued \$2,000,000 in General Obligation Tax Anticipation Notes, \$2,035,000 in General Obligation Refunding Bonds, and \$5,000,000 in General Obligation Judgment Bonds. The notes have an interest rate of 1.95% and mature on March 17, 2010. The bonds have an interest rate of 2.79% and mature on August 1, 2009 – 2018.
- B. On April 30, 2009, the Town entered into a \$4,000,000 loan agreement with Rhode Island Health and Educational Building Corp. The loan has an interest rate of 3–5% and matures on April 1, 2010 – 2029.
- C. See Note 13A related to the Providence Water Supply Board litigation.

**NOTE 16 – PRIOR PERIOD ADJUSTMENTS AND RESTATEMENTS**

The following prior period adjustments and restatements have been recorded to the beginning net assets on the statement of activities – Governmental Activities: a prior period adjustment of \$195,587 to correct capital assets and accumulated depreciation and a prior period adjustment of \$11,975 to record prior year loans receivable.

**NOTE 17 – PENSION PLANS**

**A. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

All Town of Scituate certified school personnel participate in the Employees' Retirement System of the State of Rhode Island ("System"), a cost-sharing multiple-employer defined benefit plan administered by the State of Rhode Island. The payroll for employees covered by the System for the year ended March 31, 2009 was \$10,668,060, which consisted of \$219,017 for employees charged to federal programs and \$10,449,043 for all other employees.

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The State of Rhode Island's Employees' Retirement System issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island.

***Plan Description***

The following eligibility and benefit provisions are established by Rhode Island General Laws, Title 16, Chapter 16-16, and were amended by the General Assembly in 2005 and 2009. All Scituate School Department certified school personnel are eligible to participate in the System if they are certified by the Board of Regents, engaged in teaching as principal occupation and are regularly employed on at least a half time basis. Superintendents, principals, business agents and other administrators participate as teachers. Employees are vested in their retirement benefits upon completion of 10 years of service.

***Schedule A Provisions – Members Vested as of June 30, 2005***

Employees who retire at or after age 60 with 10 years of credited service, or after 28 years of credited service regardless of age are entitled to a retirement benefit. The retirement benefit is equal to 1.7% of final average salary for each year of credited service up to 10 years, plus 1.9% of final average salary in excess of 10 years through 20 years, plus 3.0% of final average salary in excess of 20 years up to the 34th year of service, plus 2.0% of final average salary for the 35th year, up to a maximum benefit of 80% of final average salary. Final average salary is the average of the three highest consecutive years of earned salary exclusive of overtime, bonuses, or severance pay. Members receive a 3% compounded increase in their retirement benefit each year, beginning in January of the year in which the member reaches the third anniversary of retirement.

***Schedule B Provisions – Members Vested After June 30, 2005***

Employees who retire at or after age 65 with 10 years of credited service, or at or after age 59 with 29 years of credited service are entitled to a retirement benefit. In addition, a member may retire with a reduced benefit after attaining age 55 with at least 20 years of service credit. The benefit is calculated in the same manner as the unreduced benefit, but is reduced on an actuarial basis for each year the member's age at retirement is less than 65. The retirement benefit is equal to 1.6% of final average salary for each year of credited service up to 10 years, plus 1.8% of final average salary in excess of 10 years through 20 years, plus 2.0% of final average salary in excess of 20 years through 25 years, plus 2.25% of final average salary in excess of 25 years through 30 years, plus 2.5% of final average salary in excess of 30 years through 37 years of service, plus 2.25% of final average salary for the 38th year, up to a maximum benefit of 75% of final average salary. Final average salary is the average of the three highest consecutive years of earned salary exclusive of overtime, bonuses, or severance pay. Beginning the month after the

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3<sup>rd</sup> anniversary of a member's date of retirement, members receive a cost of living adjustment that depends on the change in the CPI for all Urban Consumers, as published by the Bureau of Labor Statistics. The increase is equal to the year-to-year change in the CPI – U as of the prior September. The increase is limited to 3.0% in any year.

***Plan Changes Enacted into Law by General Assembly in 2009***

The following plan changes become effective October 1, 2009. Plan members who are eligible to retire as of September 30, 2009, are not affected by the changes, even if the plan members do not retire. The plan changes are as follows:

***Retirement Eligibility***

The law establishes a minimum retirement age of 62 for all members, except those Schedule B members who retire with less than 29 years of service; their retirement eligibility still remains 65 years old with a minimum of 10 years of service credit. The law provides a proportional downward adjustment of the minimum retirement age based on the years of service credited to the plan member's account as of September 30, 2009.

***Service Credit Accrual Rates***

The law freezes service credit earned for members under Schedule A as of September 30, 2009. Future accrual of service credits will be earned under Schedule B.

***Final Average Salary***

For members not eligible to retire as of September 30, 2009, the final average salary will be based on the 5 consecutive highest years of salary.

***Cost of Living Adjustments (COLA)***

The law changes the COLA to that provided under Schedule B which is the lower of the Consumer Prime Index (CPI) or 3%, and requires a full 3 year anniversary for receipt.

***Service Credit Purchases***

Effective for all service credit purchase requests received after June 16, 2009, the cost will be determined at full actuarial value, except purchases of military service and contribution refund paybacks.

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***Disability Provisions***

Effective for applications filed after September 30, 2009, accidental disability will be available at 66 2/3% for members who are permanently and totally disabled as determined by the Retirement Board. If the disability is determined to be partial and the member is able to work in other jobs, the benefit will be limited to 50%.

***Funding Policy***

Covered employees are required by State Statute to contribute 9.5% of their salary to the plan. The State and the School Department are required to contribute an amount determined annually by the actuary and as provided by State Statute. The split between State and the School Department is specified by State Statute. The contribution requirement for the period April 1, 2008 through June 30, 2008 was 22.01% and for the period July 1, 2008 through March 31, 2009 was 20.07%. The Teachers' Plan cost is paid 60% by the School Department and 40% by the State. However, the State will pay the total cost of the contribution deferrals which was .27% for the period April 1, 2008 through June 30, 2008 and .26% for the period July 1, 2008 through March 31, 2009. This results in a contribution requirement for the School Department of 13.04% and 11.89% and a contribution requirement for the State of 8.97% and 8.18% for the period April 1, 2008 through June 30, 2008 and the period July 1, 2008 through March 31, 2009, respectively.

The State contribution for the cut off year ended March 31, 2009 was \$882,908 which represented 8.3% of covered payroll. The payments made by the State to the Employees' Retirement System are considered on behalf of payments and are reported as revenue and as an expenditure in the financial statements. The contribution requirement for the cut off year ended March 31, 2009 was \$2,341,555, which consisted of \$1,328,090 from the School Department (\$45,363 for federally funded employees and \$1,282,727 for other employees), and \$1,013,465 from employees.

These contributions represented 12.45% and 9.5% of covered payroll respectively. The annual required contribution was determined as part of the June 30, 2005 and June 30, 2006 actuarial valuations, respectively.

The School Department does not have any investments or related party investments with the State Plan. The School Department's contribution represented 1.52% of total contributions required of all participating entities.

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**Three-Year Trend Information**

<i>Fiscal Year</i>	<i>Annual Required Contributions</i>	<i>Percentage Contributed</i>
2007	\$1,108,792	100%
2008	\$1,268,767	100%
2009	\$1,328,090	100%

**B. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND**

The Town of Scituate participates in the Municipal Employees' Retirement System (MERS), an agent multiple employer defined benefit plan administered by the State of Rhode Island. All Town employees except police and certified school personnel participate in the MERS. The payroll for employees covered by the MERS for the year ended March 31, 2009 was \$2,754,791.

The State of Rhode Island's Municipal Employees' Retirement System issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island.

***Plan Description***

The following eligibility and benefit provisions are established by Rhode Island General Laws, Title 45, Chapters 19, 19.1, 21, 21.1, 21.2, and 21.3 and may be amended by State Statute. The MERS generally provides retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to 37.5 years, up to a maximum benefit of 75% of final average salary. Final average salary is the average of the three highest consecutive years of earned salary exclusive of overtime, bonuses or severance pay. Such benefits are available to members at least age 58 with 10 years of service or after 30 years regardless of age. The plan also provides non-service connected disability benefits after 5 years of service, service connected disability benefits with no minimum service requirement, survivors' benefits, and certain lump sum death benefits. Employees are vested in their retirement benefits on completion of 10 years of service. Members employed by municipalities who elect one of the optional COLA provisions receive an increase equal to 3% of the original retirement benefit each year beginning January 1 following the member's retirement.

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***Funding Policy***

General employees are required by State Statute to contribute 6% of their annual earnings. The contribution rate is increased to 7% with the optional cost-of-living provision. The Town of Scituate is required to contribute based on an actuarially determined amount and as provided by State Statute for each participating municipality. The Town's rate for the period April 1, 2008 through June 30, 2008 was 11.07% of covered payroll. The Town's rate for the period July 1, 2008 through June 30, 2009 is 12.11% of covered payroll.

***Annual Pension Cost***

For 2009, the Town's annual pension cost of \$320,416 for the MERS was equal to the Town's required and actual contributions.

***Three-Year Trend Information***

<u><i>Fiscal Year</i></u>	<u><i>Annual Pension Cost (APC)</i></u>	<u><i>Percentage of APC Contributed</i></u>	<u><i>Net Pension Obligation</i></u>
2007	\$250,872	100%	\$ -0-
2008	\$301,159	100%	\$ -0-
2009	\$320,416	100%	\$ -0-

The required contribution was determined as part of the June 30, 2005 and June 30, 2006 actuarial valuations. The actuarial method used is the Entry Age Normal actuarial cost method. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) a rate that will amortize the unfunded actuarial accrued liability. Significant actuarial assumptions used in the June 30, 2005 and June 30, 2006 valuations include the following:

- 1) Investment return – 8.25% per year, compounded annually, composed of an assumed 3% inflation rate and a 5.25% net real rate of return.
- 2) Projected salary increases – a service related component, plus a 4.5% wage inflation assumption (composed of a 3% price inflation assumption and a 1.5% additional general increase).
- 3) Cost of living adjustment – 3%, not compounded.

The actuarial value of assets is based on market value of assets with a five year phase-in of actual investment return in excess of (less than) expected investment income. The MERS' unfunded actuarial accrued liability is being amortized over 30 years as a level percentage of payroll on a closed basis. The remaining amortization period at June 30, 2006 was 23 years.

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***Funded Status and Funding Progress***

As of June 30, 2007, the most recent actuarial valuation date, the plan was 78.5% funded. The actuarial accrued liability for benefits was \$10,912,517, and the actuarial value of assets was \$8,569,559, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,342,958. The covered payroll (annual payroll of active employees covered by the plan) was \$2,819,660, and the ratio of the UAAL to the covered payroll was 83.1%. The June 30, 2007 actuarial valuation used the same methods and assumptions described above under Annual Pension Cost.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**C. POLICE PENSION PLAN**

***Plan Description***

The Town of Scituate participates in a single-employer defined benefit pension plan established by the Town to provide pension benefits for its police officers. The Pension Plan is being administered by Wilmington Trust Company. A separate, audited pension plan report is not available for the Police Pension Plan. The Town's payroll for employees covered by the Plan for the year ended March 31, 2009 was \$898,737.

At April 1, 2009, employee membership related to the plan was as follows:

Retired	12
Vested Disabled	4
Active	<u>17</u>
<b>Total</b>	<b><u>33</u></b>

***Benefit Provisions***

Benefits and contributions are fixed by contract and may be amended by union negotiation.

The Police Pension Plan provides retirement, death and disability benefits. Under the plan, all regular or permanent police of the Town of Scituate are eligible to participate in the plan, following the completion of a six-month waiting period. Members are 100 percent vested after 10 years of service. A participant hired on or prior to June 30, 2000 is eligible for normal retirement after completion of 20 years of service. A participant hired after July 1, 2000 is eligible for normal retirement after completion of 25 years of service. If a member leaves



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covered employment or dies prior to 10 years of service, accumulated member contributions are refunded. A member who terminates after ten years of service will be eligible to receive a pension commencing at age 56 equal to his or her accrued benefit. For participants hired on or prior to June 30, 2000, the normal retirement benefit is equal to 2.5% of the base annual pay times years of service up to 20 years, plus 2% of base annual pay times years of service in excess of 20 years. The maximum benefit is 60% of base annual pay. For participants hired on or after July 1, 2000, the normal retirement benefit is equal to 60% of the base annual pay. A participant may retire upon the completion of 10 years of service or the attainment of age 56, whichever is later.

***Funding Policy***

Effective July 1, 2000, active plan members are required to contribute 10% of their covered earnings. The Town is required to contribute an amount at least equal to the employees' contributions. The Town has an actuarial calculation to determine the actuarially required contribution, but does not fund the plan based on the calculation. The Town contribution is currently 10% of covered earnings plus a supplemental contribution of \$250,000 per year.

***Annual Pension Cost and Net Pension Obligation***

The Town's annual pension cost and net pension obligation for the Police Pension Plan for the current year were determined by the actuary as of March 31, 2009, based on the latest actuarial report completed as of April 1, 2009.

The annual pension cost and changes in the net pension obligation were as follows:

Actuarially Required Contribution (ARC)	\$ 472,897
Interest on NPO	190,495
Adjustments to ARC	<u>(140,540)</u>
Annual pension cost	522,852
Contributions made	<u>(450,185)</u>
Increase in net pension obligation	72,667
Net pension obligation beginning of year	<u>2,116,608</u>
Net pension obligation end of year	<u><u>\$2,189,275</u></u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Financial Statements**  
**March 31, 2009**

**Three-Year Trend Information**

<b>Fiscal Year</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
3/31/2007	\$457,973	90.89%	\$2,039,053
3/31/2008	\$521,021	85.11%	\$2,116,608
3/31/2009	\$522,852	86.10%	\$2,189,275

The Town's required contribution to the plan was determined as part of the April 1, 2007 actuarial valuation using the Entry Age Normal actuarial cost method. The normal cost is the sum of the normal costs for all participants. For a current participant, the individual normal cost is the participant's normal cost accrual rate multiplied by the participant's current compensation. The normal cost accrual rate equals (a) the present value of future benefits as of participant's entry age divided by (b) the present value of future compensation as of the participant's entry age. For other than a current participant, the normal cost equals \$0. The actuarial assumptions included (a) 9% investment rate of return per year; (b) projected salary increases of 4% per year; (c) post retirement benefit increases of 2% per year; and (d) level percent of payroll amortization method, and 25-year amortization period on an open basis. Assets used for the purposes of determining the contribution level are equal to the current market value of the assets.

**Funded Status and Fund Progress**

As of April 1, 2009, the most recent actuarial valuation, the plan was 23.4% funded. The actuarial accrued liability for benefits was \$9,768,342, and the actuarial value of assets was \$2,286,905, resulting in an unfunded actuarial accrued liability (UAAL) of \$7,481,437. The covered payroll (annual payroll of active employees covered by the plan) was \$898,737, and the ratio of the UAAL to the covered payroll was 832.4%. The April 1, 2009 actuarial valuation used the same methods and assumptions described above under Annual Pension Cost, except the investment rate of return was changed to 8.25% per year in the April 1, 2009 valuation.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

## **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 – Pension Plan and Other Postemployment Benefit Plan*

*Schedule of Annual Required Contributions – Pension Plan*

*Budgetary Comparison Schedules – General Fund and School Unrestricted 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.**

**TOWN OF SCITUATE, RHODE ISLAND**  
**Required Supplementary Information - Pension Plans and OPEB Plan**  
**Schedule of Funding Progress (1)**  
**"Unaudited"**

	<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) -Entry Age</u>	<u>Unfunded Liability/ (Funding Excess)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Liability/ (Funding Excess) as a Percentage of Covered Payroll</u>
<b>Municipal Employees</b>							
<b>Retirement System</b>							
	06/30/2005	\$ 7,382,274	\$ 9,416,580	\$ 2,034,306	78.4%	\$ 2,669,745	76.2%
	06/30/2006	7,733,756	10,071,858	2,338,102	76.8%	2,834,439	82.5%
	06/30/2007	8,569,559	10,912,517	2,342,958	78.5%	2,819,660	83.1%
<b>Police Pension Plan (2)</b>							
	04/01/2000	\$ 2,081,018	\$ 4,734,888	\$ 2,653,870	44.0%	\$ 580,562	457.1%
	04/01/2001	1,903,828	5,415,026	3,511,198	35.2%	611,402	574.3%
	04/01/2003	1,675,040	5,978,449	4,303,409	28.0%	756,930	568.5%
	04/01/2005	2,510,044	6,778,751	4,268,707	37.0%	727,658	586.6%
	04/01/2007	3,264,495	7,779,343	4,514,848	42.0%	857,060	526.8%
	04/01/2009	2,286,905	9,768,342	7,481,437	23.4%	898,737	832.4%
<b>Postemployment Health</b>							
<b>Insurance Plan</b>							
	03/31/2009	\$ -	\$ 4,713,768	\$ 4,713,768	0.0%	\$ 14,863,696	31.7%

- (1) The information included in the schedule of funding progress was obtained from the actuarial valuation at the date indicated.
- (2) AAL is based on the Entry Age Normal Actuarial Cost Method.  
Allocation is based on earnings.  
No aggregation is used.  
Entry age based on date of hire.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Required Supplementary Information**  
**Police Pension Plan**  
**Schedule of Annual Required Contributions**  
**"Unaudited"**

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<u><i>Year Ended March 31</i></u>	<u><i>Annual Required Contribution</i></u>	<u><i>Percentage Contributed</i></u>
2004	\$ 414,630	98%
2005	414,630	99%
2006	410,834	101%
2007	410,834	101%
2008	472,897	94%
2009	472,897	95%

- (1) The annual required contribution was obtained from a separate valuation prepared by the actuaries.

**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Revenues and Expenditures - Budget and Actual*  
**General Fund**  
*For the Fiscal Year Ended March 31, 2009*

	<i>Budgeted Amounts</i>		<i>Actual Amounts (Budgetary Basis)</i>	<i>Variance With Final Budget Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
<b>Revenues</b>				
<i>General Property Taxes</i>	\$23,460,230	\$23,460,230	\$ 23,425,236	\$ (34,994)
<i>Federal and State Aid and Grants</i>				
Police grants	2,000	2,000	57,480	55,480
Recycling grant	-	-	30,620	30,620
Telephone tax	105,000	105,000	90,648	(14,352)
Revenue sharing	320,000	320,000	173,999	(146,001)
Motor vehicle phase out	1,623,265	1,623,265	1,623,265	-
Hotel and meal tax	40,000	40,000	60,625	20,625
<i>Total federal and state aid and grants</i>	<u>2,090,265</u>	<u>2,090,265</u>	<u>2,036,637</u>	<u>(53,628)</u>
<i>Charges for Services</i>				
Town clerk	220,960	220,960	206,896	(14,064)
Dog licenses	25,000	25,000	14,288	(10,712)
Tax collector	7,796	7,796	8,150	354
Building inspector	75,000	75,000	54,061	(20,939)
Town properties	8,500	8,500	10,005	1,505
Planning and zoning	10,350	10,350	3,655	(6,695)
Recreation	25,000	25,000	36,146	11,146
Emergency medical services	100,000	100,000	93,857	(6,143)
Police	10,000	10,000	25,345	15,345
Highway	-	-	7,500	7,500
Communications tower rental	60,900	60,900	65,426	4,526
<i>Total charges for services</i>	<u>543,506</u>	<u>543,506</u>	<u>525,329</u>	<u>(18,177)</u>
<i>Fines and Penalties</i>	<u>55,000</u>	<u>55,000</u>	<u>45,335</u>	<u>(9,665)</u>
<i>Investment and Interest Income</i>				
Interest on taxes	93,000	93,000	119,961	26,961
Interest on investments	85,000	85,000	50,176	(34,824)
<i>Total investment and interest income</i>	<u>178,000</u>	<u>178,000</u>	<u>170,137</u>	<u>(7,863)</u>
<i>Miscellaneous Revenue</i>	<u>72,000</u>	<u>72,000</u>	<u>98,381</u>	<u>26,381</u>
<i>Prior Year Budgeted Surplus</i>	<u>117,412</u>	<u>117,412</u>	<u>117,412</u>	<u>-</u>
<i>Total revenues</i>	<u>26,516,413</u>	<u>26,516,413</u>	<u>26,418,467</u>	<u>(97,946)</u>
<b>Expenditures</b>				
<i>Current:</i>				
<i>General Government</i>				
Town council	14,500	14,500	15,122	(622)
Town treasurer	175,310	175,310	141,839	33,471
Town clerk	210,232	210,232	195,933	14,299
Town solicitor	242,398	242,398	245,705	(3,307)
Probate judge	3,200	3,200	5,367	(2,167)
Tax collection and assessment	213,827	213,827	183,500	30,327
Board of canvassers	20,831	20,831	19,646	1,185
Building and zoning	250,545	250,545	208,766	41,779
<i>Total general government</i>	<u>1,130,843</u>	<u>1,130,843</u>	<u>1,015,878</u>	<u>114,965</u>

(Continued)

The notes to required supplementary information are an integral part of this schedule.

**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Revenues and Expenditures - Budget and Actual (Continued)*  
**General Fund**  
*For the Fiscal Year Ended March 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Public Safety</b>				
Fire department	755,974	755,974	754,347	1,627
Animal control	67,693	67,693	63,293	4,400
Street lights	82,000	82,000	84,201	(2,201)
Emergency management	52,594	52,594	52,489	105
Police department	1,718,555	1,718,555	1,695,082	23,473
<b>Total public safety</b>	<u>2,676,816</u>	<u>2,676,816</u>	<u>2,649,412</u>	<u>27,404</u>
<b>Public Works</b>				
Town properties	309,460	309,460	273,295	36,165
Highway	1,140,095	1,140,095	1,013,930	126,165
Solid waste disposal	571,500	571,500	583,401	(11,901)
Care of trees	8,500	8,500	8,184	316
Pawtuxet River Authority	2,800	2,800	2,800	-
Cemetery care	3,900	3,900	3,870	30
<b>Total public works</b>	<u>2,036,255</u>	<u>2,036,255</u>	<u>1,885,480</u>	<u>150,775</u>
<b>Social Services</b>				
Recreation department	175,174	175,174	164,392	10,782
Libraries	422,707	422,707	422,707	-
Northern R.I. Extension Services	1,700	1,700	-	1,700
Human services	9,885	9,885	5,011	4,874
Memorial and Veterans' Day	1,000	1,000	1,000	-
Senior services	125,107	125,107	121,640	3,467
<b>Total social services</b>	<u>735,573</u>	<u>735,573</u>	<u>714,750</u>	<u>20,823</u>
<b>Fixed Charges and Other</b>				
Audit	23,440	23,440	19,618	3,822
Officers' bonds	1,660	1,660	916	744
Employee benefits	1,471,257	1,471,257	1,239,948	231,309
R.I. League of Cities and Towns	4,110	4,110	4,110	-
Police supplemental pension contribution	250,000	250,000	250,000	-
Short-term interest and fiscal charges	191,000	191,000	44,267	146,733
<b>Total fixed charges and other</b>	<u>1,941,467</u>	<u>1,941,467</u>	<u>1,558,859</u>	<u>382,608</u>
<b>Total expenditures</b>	<u>8,520,954</u>	<u>8,520,954</u>	<u>7,824,379</u>	<u>696,575</u>
<b>Excess of revenues over expenditures before other financing sources and uses</b>	<u>17,995,459</u>	<u>17,995,459</u>	<u>18,594,088</u>	<u>598,629</u>

(Continued)

*The notes to required supplementary information are an integral part of this schedule.*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Revenues and Expenditures - Budget and Actual (Continued)*  
**General Fund**  
*For the Fiscal Year Ended March 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Other Financing Uses</b>				
<i>Transfers to other funds:</i>				
School unrestricted fund	(16,499,815)	(16,499,815)	(16,499,815)	-
Special revenue funds	(136,297)	(136,297)	(144,797)	(8,500)
Debt service fund	(1,359,347)	(1,359,347)	(1,365,019)	(5,672)
Capital project funds	-	-	(52,088)	(52,088)
<i>Total other financing uses</i>	<u>(17,995,459)</u>	<u>(17,995,459)</u>	<u>(18,061,719)</u>	<u>(66,260)</u>
<b>Net change in fund balance - budgetary basis</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532,369</u>	<u>\$ 532,369</u>

*The notes to required supplementary information are an integral part of this schedule.*



**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual*  
**School Unrestricted Fund**  
*For the Fiscal Year Ended March 31, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>Revenues</b>				
Federal and state aid and grants	\$ 2,981,446	\$ 2,981,446	\$ 3,012,472	\$ 31,026
Charges for services	112,500	112,500	64,096	(48,404)
Other revenues	1,162,000	1,162,000	1,191,186	29,186
<b>Total revenues</b>	<u>4,255,946</u>	<u>4,255,946</u>	<u>4,267,754</u>	<u>11,808</u>
<b>Expenditures</b>				
Education	<u>20,755,761</u>	<u>20,755,761</u>	<u>19,108,577</u>	<u>1,647,184</u>
<b>Total expenditures</b>	<u>20,755,761</u>	<u>20,755,761</u>	<u>19,108,577</u>	<u>1,647,184</u>
<b>Deficiency of revenues under expenditures</b> <b>before other financing sources (uses)</b>	<u>(16,499,815)</u>	<u>(16,499,815)</u>	<u>(14,840,823)</u>	<u>1,658,992</u>
<b>Other financing sources (uses)</b>				
Transfers from other funds	16,499,815	16,499,815	16,499,815	-
Transfers to other funds	-	-	(692,287)	(692,287)
<b>Total other financing sources (uses)</b>	<u>16,499,815</u>	<u>16,499,815</u>	<u>15,807,528</u>	<u>(692,287)</u>
<b>Excess of revenues and other sources</b> <b>over expenditures and other uses</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 966,705</u>	<u>\$ 966,705</u>
<b>Prior year budgeted surplus</b>			<u>(1,152,000)</u>	
<b>Net change in fund balance</b>			(185,295)	
<b>Fund balance, beginning of year</b>			<u>2,341,086</u>	
<b>Fund balance, end of year</b>			<u>\$ 2,155,791</u>	

*The notes to required supplementary information are an integral part of this schedule.*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Notes to Required Supplementary Information*  
*"Unaudited"*

**NOTE 1 - SCHEDULE OF FUNDING PROGRESS**

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

	<i>Municipal Employees Retirement System</i>	<i>Police Pension Plan</i>
	<hr/>	<hr/>
Valuation date	June 30, 2007	April 1, 2009
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percent of payroll over a closed period	Level percent of payroll over an open period
Amortization period	30 years from June 30, 1999 or 22 years as of the valuation date	25 years
Asset valuation method	Market value of assets with a five year phase-in of actual investment return in excess of (less than) expected investment income	Current market value
Actuarial assumptions:		
Investment rate of return	8.25%, compounded annually, composed of an assumed 3% inflation rate and a 5.25% net real rate of return	8.25% per annum
Projected salary increases	An annual service related component, plus a 4.5% wage inflation assumption (composed of a 3% price inflation assumption and a 1.5% additional general increase)	4% per annum
Cost-of-living adjustments	3%, not compounded	2% per annum
Participant information	Active employees <span style="float: right;">100</span> Retirees and beneficiaries <span style="float: right;">57</span> <hr style="width: 50px; margin-left: auto; margin-right: 0;"/> <span style="float: right;">157</span>	Retired <span style="float: right;">12</span> Vested disabled <span style="float: right;">4</span> Active <span style="float: right;">17</span> <hr style="width: 50px; margin-left: auto; margin-right: 0;"/> <span style="float: right;">33</span>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Required Supplementary Information**  
**March 31, 2009**

**NOTE 2 - BUDGETARY DATA AND BUDGETARY COMPLIANCE**

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 Committee to submit to the Town Council and make available to the general public a proposed General Fund budget, including the School Unrestricted Fund transfer for the fiscal year. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School Unrestricted Fund transfer. At least two public hearings are conducted on the recommended General Fund budget and the final recommended budget is approved by the voters and legally enacted through an ordinance of the Town Council 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 budget approved and adopted at the Annual Financial Town Meeting reports the amount budgeted for each department, including the School Department. Therefore, the legal level of control for the General Fund is at the departmental level and for the School Unrestricted Fund is at the fund level. Transfers between departments must be approved by the Town Council. Amendments that would change the total appropriation must be approved by the voters and Town Council 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.

The General Fund and School Unrestricted Fund budgets are in conformity with the legally enacted budgetary basis, which is not in conformity with generally accepted accounting principles. The budget to actual presentations in the required supplementary information for these funds are reflected on the budgetary basis. The difference between the budgetary basis and the generally accepted accounting principles basis is explained below.

***Explanation of Differences between Budgetary Revenues and Other Financing Sources and Expenditures and Other Financing Uses and GAAP Revenues and Other Financing Sources and Expenditures and Other Financing Uses***

<u><b>Revenues and Other Financing Sources</b></u>	<u><b>General Fund</b></u>	<u><b>School Unrestricted Fund</b></u>
Actual amounts (budgetary basis)	\$26,418,467	\$20,767,569
Differences – budget to GAAP:		
The appropriated fund balance is a budgetary revenue, but is not a current year revenue for financial reporting purposes.	(117,412)	(1,152,000)
The pension contributions made to the Employees Retirement System by the State on behalf of the Town of Scituate is not reported as a budgetary revenue, but is a current year revenue for financial reporting purposes.	---	882,908
Motor vehicle excise tax phase out revenue budgeted in the current year, but not received in fiscal year 2009 is reported as a budgetary revenue and is not a current year revenue for financial reporting purposes.	<u>(63,132)</u>	<u>---</u>
<b><i>Total revenues and other financing sources as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds</i></b>	<u><b>\$26,237,923</b></u>	<u><b>\$20,498,477</b></u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Notes to Required Supplementary Information**  
**March 31, 2009**

<u><b>Expenditures and Other Financing Uses</b></u>	<u><b>General Fund</b></u>	<u><b>School Unrestricted Fund</b></u>
Actual amounts (budgetary basis)	\$25,886,098	\$19,800,864
Differences – budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes.	58,894	---
The pension contributions made to the Employees Retirement System by the State on behalf of the Town of Scituate is not reported as a budgetary expenditure, but is a current year expenditure for financial reporting purposes.	---	882,908
<b><i>Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds</i></b>	<u><u>\$25,944,992</u></u>	<u><u>\$20,683,772</u></u>

**OTHER SUPPLEMENTARY INFORMATION**

**The information  
provided herein contains  
schedules which the Town deems  
necessary to provide additional disclosures.**

**THIS SECTION CONTAINS THE FOLLOWING:**

*Combining Fund Financial Statements for Nonmajor Governmental Funds*

*Combining Statement of Net Assets for Agency Funds*

*Other Supplementary Information*

**COMBINING FUND FINANCIAL STATEMENTS -  
NONMAJOR GOVERNMENTAL FUNDS**

**THE FOLLOWING FUNDS OF THE TOWN  
ARE REPORTED IN THIS SECTION:**

**Special Revenue Funds  
are used to account for  
resources allocated to specific  
purposes. A Special Revenue Fund  
continues in existence as long as governmental  
resources are allocated to its specific purpose.**

*School Restricted Fund* – was established to account for the receipt and disbursement of State and Federal grants for education.

*Food Service Fund* – accounts for the fees, Federal and State reimbursements and expenditures of the School's food service program.

*School Construction Rebate Fund* – was established by the School Department to account for energy efficient measures used in School construction projects.

*Community Development Block Grant* – accounts for activity of the Community Development Block Grant program.

*Substance Abuse Fund* – was established to account for the State's Bramley Grant for substance abuse.

*Revaluation Fund* – was established to account for the expenditures associated with property valuation.

*Master Plan/Codification Fund* – was established to comply with State's enabling legislation regarding land use and development.

*Civil Defense Fund* – was established as an emergency management contingency fund.

*Senior Citizens Van Fund* – was established to account for the purchase and maintenance of the senior services transportation vehicle.

*State Asset Forfeiture Fund* – accounts for funds provided by the State for seized properties.

*Revenue Sharing Fund* – was established to account for the State's revenue sharing program.

*Vital Statistics Surcharge* – was established to account for State mandated fees for records restoration.

*Health Insurance Fund* – was established to provide funds for escalating health costs.

*Historical Land Records* – was established by State Law for the preservation of historical public records.

*Recreation Camperships Fund* – was established to provide recreation program registration fees for needy families.

***Fire Department Insurance/Training*** – was established to benefit the Town's four volunteer fire departments and rescue.

***Probate Filing Records*** – was established by State Law for maintaining probate court records.

***Computer Upgrade*** – accounts for the expenditures associated with the upgrade of the Town's computer system.

***Fixed Assets Fund*** – accounts for expenditures associated with the purchase of new fixed asset software and the related conversion costs.

***Federal Asset Drug Forfeiture Fund*** – was established to account for funds provided by the Federal government from seized property.

***Recreation Capital Fund*** – was established to provide for future recreational capital expenditures.

***Animal Health Fund*** – was established by State Law for mandatory spaying and neutering for adopted dogs and cats.

***K-9 Truck Capital Fund*** – accounts for the purchase and maintenance of an animal control vehicle.

***State Police Computer Grant*** – was established to account for funds received to upgrade the Police Department's computer system.

***Police Substance Abuse Fund*** – accounts for the activity of the DARE program.

***Police Vehicle Escrow*** – was established to account for the purchase and maintenance of police vehicles outside the original five year vehicle replacement plan.

***Explorers Account-Post 1*** – was established to account for the junior policing program.

***Municipal Retirement Fund*** – was established to account for Town's future contributions to the Municipal Retirement System.

***Senior Center Donations*** – was established to account for donations to benefit the Town's senior center.

***Human Services Legislative Grant*** – was established to account for a human services grant from the State Legislature.

***Food Pantry Donations*** – was established to account for donations to benefit the Town's food pantry.

***Senior Center Grants*** – was established to account for State grants received for the senior center.

***Emergency Management Grants*** – was established to account for State and Federal grants received for emergency management activities.

***Homeland Security Grant*** – was established to account for Federal grants received by the Town for homeland security.

***Congregational Church Restoration*** – was established to account for expenditures for the restoration and care of Historical Congregational Church.

***Land Dedication Recreation Fund*** – was established to account for the fees in lieu of land dedication from subdivisions which will be used for the construction and improvement of Town recreational facilities.

***Green Area Beautification*** – was established to account for expenditures for the upkeep and care of Town village greens.

***Tax Certificate Fund*** – was established to account for revenues generated from tax sales.

***Unfunded Cemetery Fund*** – was established to account for the expenditures to care for Town cemeteries without perpetual care.

***Main Street Project*** – was established to account for funds received for the Main Street Project.

***Inspection Fee Fund*** – was established to account for the inspection fees required of developers of new subdivision construction.

***Cemetery Capital Fee Fund*** – was established to account for the fees required of developers for the maintenance of historical cemeteries in and around new subdivisions.

***Municipal Unemployment Fund*** – was established to account for the Town's self insured unemployment benefits.

***Recreation Fund*** – was established to account for the Recreation Department's special activities.

***Proposed Police Station*** – was established to account for expenditures to investigate building a new police station versus improving the existing building.

***RI Advanced Motor Vehicle Excise Tax Payments*** – was established to account for State payments for the motor vehicle excise tax phase out program.

***Spay Neuter Fund*** – was established to account for spay/neuter fees.

***Recording Tech. Scanning Fund*** – was established by State Law to provide for scanning technology for Town Clerk records.

***Citizens Police Academy Fund*** – was established to account for a private grant for the Citizens Police Academy.

***State Fiscal Year Transition Fund*** – was established to accumulate the funds necessary to enable the Town to change its fiscal year to June 30.

**The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.**



**The Capital Projects Funds**  
**account for all resources used for the acquisition**  
**and/or construction of capital items by the Town and School**  
**except those financed by the Proprietary Fund Types or Trust Funds.**

*Highway Department Capital Escrow* – was established to account for the Highway Department capital program.

*School Ballfield Fund* – was established to account for additional renovations to the School Department's ballfield.

*School Capital Construction Fund* – was established to account for non-bonded School construction projects.

*Highway Bridges Special Projects* – was established to account for the reconstruction and maintenance of bridges and other special projects.

*Police Vehicles Capital Fund* – was established to account for the purchase and maintenance of new police vehicles.

*Open Space* - was established to account for the purchase and maintenance of open space.

*Chopmist Hill Renovation Fund* – was established to account for bonded capital expenditures related to the renovation of Chopmist Hill Inn.

*Animal Shelter Bond Fund* – was established to account for bonded capital expenditures related to improvements of the Town's animal shelter.

*Public Works/Safety Bond Fund* – was established to account for bonded capital expenditures for Public Works and Public Safety.

*School Bond Fund* – was established to account for bonded capital expenditures related to the Town's schools.

*School Land Fund* – was established to account for the purchase of land by the School Department.

*School 2008, Hope School, N. Scituate School, and High School/Middle School Capital Funds* – were established to account for non-bonded school construction projects.

*School Loan Fund* – was established to account for School capital expenditures funded through a loan from RIHBEC.

*Town Properties Building Fund* – was established to account for the construction of a Town properties building.

*Fire Department Capital Fund* – was established to account for bond proceeds and Town appropriations devoted to financing Fire Department capital expenditures.

**The Permanent Funds**  
**account for all resources that are legally**  
**restricted to the extent that only earnings, and not**  
**principal, may be used for purposes that support Town programs.**

*Sam Tourtellot & Leslie Davis Fund* – was established to account for the assets held for the restoration and care of Historical Congregational Church.

*Elsie Gleason Fund* – was established to account for assets held for the restoration and care of Historical Congregational Church.

*Glenford Cemetery Fund* – was established to account for the assets held to provide special care to Historical Glenford Cemetery.

*Cemetery Fund* – was established to account for the general cemetery care of Town cemeteries inclusive of historical cemeteries.

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

**Special Revenue Funds**

	<i>School Restricted Fund</i>	<i>Food Service Fund</i>	<i>School Construction Rebate Fund</i>	<i>Community Development Block Grant</i>	<i>Substance Abuse Fund</i>	<i>Revaluation Fund</i>	<i>Master Plan/ Codification Fund</i>
<b>ASSETS</b>							
Cash	\$ 495,400	\$ 50,959	\$ 19	\$ 92,266	\$ 184	\$ 707	\$ 39,249
Accounts receivable	27,627	-	-	15,356	-	-	-
Due from federal and state governments	191,669	19,710	-	-	-	-	-
Due from other funds	50,562	571	-	-	32,965	117,377	-
<b>Total assets</b>	<b>\$ 765,258</b>	<b>\$ 71,240</b>	<b>\$ 19</b>	<b>\$ 107,622</b>	<b>\$ 33,149</b>	<b>\$ 118,084</b>	<b>\$ 39,249</b>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ 162,878	\$ 117,585	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	15,136	-	-	-	-	-	-
Deferred revenue	-	-	-	15,356	25,302	-	-
<b>Total liabilities</b>	<b>178,014</b>	<b>117,585</b>	<b>-</b>	<b>15,356</b>	<b>25,302</b>	<b>-</b>	<b>-</b>
 <b>Fund balances (deficits)</b>							
Reserved for cemetery care		-	-	-	-	-	-
Unreserved - undesignated	587,244	(46,345)	19	92,266	7,847	118,084	39,249
<b>Total fund balances (deficits)</b>	<b>587,244</b>	<b>(46,345)</b>	<b>19</b>	<b>92,266</b>	<b>7,847</b>	<b>118,084</b>	<b>39,249</b>
 <b>Total liabilities and fund balances</b>	<b>\$ 765,258</b>	<b>\$ 71,240</b>	<b>\$ 19</b>	<b>\$ 107,622</b>	<b>\$ 33,149</b>	<b>\$ 118,084</b>	<b>\$ 39,249</b>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Balance Sheet (Continued)  
 Nonmajor Governmental Funds  
 March 31, 2009

	<i>Special Revenue Funds</i>							
	<i>Civil Defense Fund</i>	<i>Senior Citizens Van Fund</i>	<i>State Asset Forfeiture Fund</i>	<i>Revenue Sharing Fund</i>	<i>Vital Statistics Surcharge</i>	<i>Health Insurance Fund</i>	<i>Historical Land Records</i>	<i>Recreation Camperships Fund</i>
<b>ASSETS</b>								
Cash	\$ 176	\$ 1,343	\$ 487	\$ 6,594	\$ 669	\$ 65,044	\$ 12,583	\$ 726
Accounts receivable	-	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 176</u>	<u>\$ 1,343</u>	<u>\$ 487</u>	<u>\$ 6,594</u>	<u>\$ 669</u>	<u>\$ 65,044</u>	<u>\$ 12,583</u>	<u>\$ 726</u>
 <b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>								
Reserved for cemetery care	-	-	-	-	-	-	-	-
Unreserved - undesignated	176	1,343	487	6,594	669	65,044	12,583	726
<b>Total fund balances (deficits)</b>	<u>176</u>	<u>1,343</u>	<u>487</u>	<u>6,594</u>	<u>669</u>	<u>65,044</u>	<u>12,583</u>	<u>726</u>
<b>Total liabilities and fund balances</b>	<u>\$ 176</u>	<u>\$ 1,343</u>	<u>\$ 487</u>	<u>\$ 6,594</u>	<u>\$ 669</u>	<u>\$ 65,044</u>	<u>\$ 12,583</u>	<u>\$ 726</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Balance Sheet (Continued)  
 Nonmajor Governmental Funds  
 March 31, 2009

	<i>Special Revenue Funds</i>							
	<i>Fire Department Insurance/ Training</i>	<i>Probate Filing Records</i>	<i>Computer Upgrade</i>	<i>Fixed Assets Fund</i>	<i>Federal Asset Drug Forfeiture Fund</i>	<i>Recreation Capital Fund</i>	<i>Animal Health Fund</i>	<i>K-9 Truck Capital Fund</i>
<b>ASSETS</b>								
Cash	\$ 160,928	\$ 1,292	\$ 20,109	\$ 11,565	\$ 26,090	\$ 11,487	\$ 9,036	\$ 124
Accounts receivable	-	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	20,331	8,400	-	18,500	-	-
<b>Total assets</b>	<u>\$ 160,928</u>	<u>\$ 1,292</u>	<u>\$ 40,440</u>	<u>\$ 19,965</u>	<u>\$ 26,090</u>	<u>\$ 29,987</u>	<u>\$ 9,036</u>	<u>\$ 124</u>
 <b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>								
Reserved for cemetery care	-	-	-	-	-	-	-	-
Unreserved - undesignated	160,928	1,292	40,440	19,965	26,090	29,987	9,036	124
<b>Total fund balances (deficits)</b>	<u>160,928</u>	<u>1,292</u>	<u>40,440</u>	<u>19,965</u>	<u>26,090</u>	<u>29,987</u>	<u>9,036</u>	<u>124</u>
<b>Total liabilities and fund balances</b>	<u>\$ 160,928</u>	<u>\$ 1,292</u>	<u>\$ 40,440</u>	<u>\$ 19,965</u>	<u>\$ 26,090</u>	<u>\$ 29,987</u>	<u>\$ 9,036</u>	<u>\$ 124</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

	<i>Special Revenue Funds</i>							
	<i>State Police Computer Grant</i>	<i>Police Substance Abuse Fund</i>	<i>Police Vehicle Escrow</i>	<i>Explorers Account Post 1</i>	<i>Municipal Retirement Fund</i>	<i>Senior Center Donations</i>	<i>Human Services Legislative Grant</i>	<i>Food Pantry Donations</i>
<b>ASSETS</b>								
Cash	\$ 4,186	\$ 4,742	\$ 113	\$ 3,523	\$ 133,028	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	67	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-	-
Due from other funds	2,195	-	-	-	-	8,428	854	1,273
<b>Total assets</b>	<b>\$ 6,381</b>	<b>\$ 4,742</b>	<b>\$ 113</b>	<b>\$ 3,590</b>	<b>\$ 133,028</b>	<b>\$ 8,428</b>	<b>\$ 854</b>	<b>\$ 1,273</b>
 <b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	162	-	-	22	-
Deferred revenue	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>
<b>Fund balances (deficits)</b>								
Reserved for cemetery care	-	-	-	-	-	-	-	-
Unreserved - undesignated	6,381	4,742	113	3,428	133,028	8,428	832	1,273
<b>Total fund balances (deficits)</b>	<b>6,381</b>	<b>4,742</b>	<b>113</b>	<b>3,428</b>	<b>133,028</b>	<b>8,428</b>	<b>832</b>	<b>1,273</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,381</b>	<b>\$ 4,742</b>	<b>\$ 113</b>	<b>\$ 3,590</b>	<b>\$ 133,028</b>	<b>\$ 8,428</b>	<b>\$ 854</b>	<b>\$ 1,273</b>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

	<i>Special Revenue Funds</i>						
	<i>Senior Center Grants</i>	<i>Emergency Management Grants</i>	<i>Homeland Security Grant</i>	<i>Congregational Church Restoration</i>	<i>Land Dedication Recreation Fund</i>	<i>Green Area Beautification</i>	<i>Tax Certificate Fund</i>
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ 5,273	\$ 193,527	\$ 548	\$ 61,050
Accounts receivable	-	-	-	-	-	-	-
Due from federal and state governments	-	-	19,427	-	-	-	-
Due from other funds	25,454	3,348	1,544	-	6,414	-	-
	<u>25,454</u>	<u>3,348</u>	<u>1,544</u>	<u>-</u>	<u>6,414</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u>\$ 25,454</u>	<u>\$ 3,348</u>	<u>\$ 20,971</u>	<u>\$ 5,273</u>	<u>\$ 199,941</u>	<u>\$ 548</u>	<u>\$ 61,050</u>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	20,971	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>20,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>20,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Fund balances (deficits)</b>							
Reserved for cemetery care	-	-	-	-	-	-	-
Unreserved - undesignated	25,454	3,348	-	5,273	199,941	548	61,050
	<u>25,454</u>	<u>3,348</u>	<u>-</u>	<u>5,273</u>	<u>199,941</u>	<u>548</u>	<u>61,050</u>
<b>Total fund balances (deficits)</b>	<u>25,454</u>	<u>3,348</u>	<u>-</u>	<u>5,273</u>	<u>199,941</u>	<u>548</u>	<u>61,050</u>
	<u>\$ 25,454</u>	<u>\$ 3,348</u>	<u>\$ 20,971</u>	<u>\$ 5,273</u>	<u>\$ 199,941</u>	<u>\$ 548</u>	<u>\$ 61,050</u>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

	<i>Special Revenue Funds</i>						
	<i>Unfunded Cemetery Fund</i>	<i>Main Street Project</i>	<i>Inspection Fee Fund</i>	<i>Cemetery Capital Fee Fund</i>	<i>Municipal Unemployment Fund</i>	<i>Recreation Fund</i>	<i>Proposed Police Station</i>
<b>ASSETS</b>							
Cash	\$ 19,762	\$ -	\$ 330	\$ 7,315	\$ 96,266	\$ 4,196	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-
Due from other funds	1,567	36,400	-	-	-	-	22,367
<b>Total assets</b>	<u>\$ 21,329</u>	<u>\$ 36,400</u>	<u>\$ 330</u>	<u>\$ 7,315</u>	<u>\$ 96,266</u>	<u>\$ 4,196</u>	<u>\$ 22,367</u>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99	\$ -
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99</u>	<u>-</u>
<b>Fund balances (deficits)</b>							
Reserved for cemetery care	-	-	-	-	-	-	-
Unreserved - undesignated	21,329	36,400	330	7,315	96,266	4,097	22,367
<b>Total fund balances (deficits)</b>	<u>21,329</u>	<u>36,400</u>	<u>330</u>	<u>7,315</u>	<u>96,266</u>	<u>4,097</u>	<u>22,367</u>
<b>Total liabilities and fund balances</b>	<u>\$ 21,329</u>	<u>\$ 36,400</u>	<u>\$ 330</u>	<u>\$ 7,315</u>	<u>\$ 96,266</u>	<u>\$ 4,196</u>	<u>\$ 22,367</u>

*(Continued)*



**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

	<i>Special Revenue Funds</i>					
	<i>RI Advanced Motor Vehicle Excise Tax Payments</i>	<i>Spay Neuter Fund</i>	<i>Recording Tech. Scanning Fund</i>	<i>Citizens Police Academy Fund</i>	<i>State Fiscal Year Transition Fund</i>	<i>Total Special Revenue Funds</i>
<b>ASSETS</b>						
Cash	\$ 19	\$ 1,366	\$ 52,737	\$ -	\$ -	\$ 1,595,018
Accounts receivable	-	-	-	-	-	43,050
Due from federal and state governments	-	-	-	-	-	230,806
Due from other funds	-	-	-	321	300,000	658,871
<b>Total assets</b>	<u>\$ 19</u>	<u>\$ 1,366</u>	<u>\$ 52,737</u>	<u>\$ 321</u>	<u>\$ 300,000</u>	<u>\$ 2,527,745</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 280,562
Due to other funds	-	-	-	-	-	36,291
Deferred revenue	-	-	-	-	-	40,658
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>357,511</u>
<b>Fund balances (deficits)</b>						
Reserved for cemetery care	-	-	-	-	-	-
Unreserved - undesignated	19	1,366	52,737	321	300,000	2,170,234
<b>Total fund balances (deficits)</b>	<u>19</u>	<u>1,366</u>	<u>52,737</u>	<u>321</u>	<u>300,000</u>	<u>2,170,234</u>
<b>Total liabilities and fund balances</b>	<u>\$ 19</u>	<u>\$ 1,366</u>	<u>\$ 52,737</u>	<u>\$ 321</u>	<u>\$ 300,000</u>	<u>\$ 2,527,745</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Balance Sheet (Continued)  
 Nonmajor Governmental Funds  
 March 31, 2009

	<u>Capital Project Funds</u>						
	<i>Debt Service Fund</i>	<i>Highway Department Capital Escrow</i>	<i>School Ball Field Fund</i>	<i>School Capital Construction Fund</i>	<i>Highway Bridges Special Projects</i>	<i>Police Vehicles Capital Fund</i>	<i>Open Space</i>
<b>ASSETS</b>							
Cash	\$ -	\$ 44,415	\$ 632	\$ 303	\$ 12,093	\$ -	\$ 47,343
Accounts receivable	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-
Due from other funds	-	22,000	-	-	53,422	492	20,263
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 66,415</u>	<u>\$ 632</u>	<u>\$ 303</u>	<u>\$ 65,515</u>	<u>\$ 492</u>	<u>\$ 67,606</u>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>							
Reserved for cemetery care	-	-	-	-	-	-	-
Unreserved - undesignated	-	66,415	632	303	65,515	492	67,606
<b>Total fund balances (deficits)</b>	<u>-</u>	<u>66,415</u>	<u>632</u>	<u>303</u>	<u>65,515</u>	<u>492</u>	<u>67,606</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 66,415</u>	<u>\$ 632</u>	<u>\$ 303</u>	<u>\$ 65,515</u>	<u>\$ 492</u>	<u>\$ 67,606</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

**Capital Project Funds**

	<i>Chopmist Hill Renovation Fund</i>	<i>Animal Shelter Bond Fund</i>	<i>Public Works/ Safety Bond Fund</i>	<i>School Bond Fund</i>	<i>School Land Fund</i>	<i>School 2008 Capital Fund</i>	<i>Hope School Capital Fund</i>
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-
Due from other funds	22	-	208,342	3,124	114,221	200,000	35,000
<b>Total assets</b>	<b>\$ 22</b>	<b>\$ -</b>	<b>\$ 208,342</b>	<b>\$ 3,124</b>	<b>\$ 114,221</b>	<b>\$ 200,000</b>	<b>\$ 35,000</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	8,450	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>8,450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances (deficits)</b>							
Reserved for cemetery care	-	-	-	-	-	-	-
Unreserved - undesignated	22	(8,450)	208,342	3,124	114,221	200,000	35,000
<b>Total fund balances (deficits)</b>	<b>22</b>	<b>(8,450)</b>	<b>208,342</b>	<b>3,124</b>	<b>114,221</b>	<b>200,000</b>	<b>35,000</b>
<b>Total liabilities and fund balances</b>	<b>\$ 22</b>	<b>\$ -</b>	<b>\$ 208,342</b>	<b>\$ 3,124</b>	<b>\$ 114,221</b>	<b>\$ 200,000</b>	<b>\$ 35,000</b>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

	<b>Capital Project Funds</b>					
	<i>N. Scituate School Capital Fund</i>	<i>High School/ Middle School Capital Fund</i>	<i>School Loan Fund</i>	<i>Town Properties Building Fund</i>	<i>Fire Department Capital Fund</i>	<i>Total Capital Project Funds</i>
<b>ASSETS</b>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ 889	\$ 105,675
Accounts receivable	-	-	-	-	-	-
Due from federal and state governments	-	-	-	-	-	-
Due from other funds	45,000	220,000	-	16,000	77,000	1,014,886
<b>Total assets</b>	<b>\$ 45,000</b>	<b>\$ 220,000</b>	<b>\$ -</b>	<b>\$ 16,000</b>	<b>\$ 77,889</b>	<b>\$ 1,120,561</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	124,395	-	-	132,845
Deferred revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>124,395</b>	<b>-</b>	<b>-</b>	<b>132,845</b>
<b>Fund balances (deficits)</b>						
Reserved for cemetery care	-	-	-	-	-	-
Unreserved - undesignated	45,000	220,000	(124,395)	16,000	77,889	987,716
<b>Total fund balances (deficits)</b>	<b>45,000</b>	<b>220,000</b>	<b>(124,395)</b>	<b>16,000</b>	<b>77,889</b>	<b>987,716</b>
<b>Total liabilities and fund balances</b>	<b>\$ 45,000</b>	<b>\$ 220,000</b>	<b>\$ -</b>	<b>\$ 16,000</b>	<b>\$ 77,889</b>	<b>\$ 1,120,561</b>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Combining Balance Sheet (Continued)*  
*Nonmajor Governmental Funds*  
*March 31, 2009*

	<b>Permanent Funds</b>					
	<i>Sam Tourtellot &amp; Leslie Davis Fund</i>	<i>Elsie Gleason Fund</i>	<i>Glenford Cemetery Fund</i>	<i>Cemetery Fund</i>	<i>Total Permanent Funds</i>	<i>Total All Nonmajor Governmental Funds</i>
<b>ASSETS</b>						
Cash	\$ 7,224	\$ 2,567	\$ 26,634	\$ 93,437	\$ 129,862	\$ 1,830,555
Accounts receivable	-	-	-	-	-	43,050
Due from federal and state governments	-	-	-	-	-	230,806
Due from other funds	-	-	-	-	-	1,673,757
<b>Total assets</b>	<u>\$ 7,224</u>	<u>\$ 2,567</u>	<u>\$ 26,634</u>	<u>\$ 93,437</u>	<u>\$ 129,862</u>	<u>\$ 3,778,168</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 280,562
Due to other funds	-	-	-	-	-	169,136
Deferred revenue	-	-	-	-	-	40,658
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>490,356</u>
<b>Fund balances (deficits)</b>						
Reserved for cemetery care	7,224	2,567	26,634	93,437	129,862	129,862
Unreserved - undesignated	-	-	-	-	-	3,157,950
<b>Total fund balances (deficits)</b>	<u>7,224</u>	<u>2,567</u>	<u>26,634</u>	<u>93,437</u>	<u>129,862</u>	<u>3,287,812</u>
<b>Total liabilities and fund balances</b>	<u>\$ 7,224</u>	<u>\$ 2,567</u>	<u>\$ 26,634</u>	<u>\$ 93,437</u>	<u>\$ 129,862</u>	<u>\$ 3,778,168</u>

**TOWN OF SCITUATE, RHODE ISLAND**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended March 31, 2009

	<b>Special Revenue Funds</b>						
	<i>School Restricted Fund</i>	<i>Food Service Fund</i>	<i>School Construction Rebate Fund</i>	<i>Community Development Block Grant</i>	<i>Substance Abuse Fund</i>	<i>Revaluation Fund</i>	<i>Master Plan/ Codification Fund</i>
<b>Revenues</b>							
State aid and grants	\$ 1,197,769	\$ 78,134	\$ -	\$ 120,743	\$ 21,184	\$ -	\$ -
Charges for services	109,259	274,816	-	-	-	-	-
Investment and interest income	-	7	-	729	3	12	629
Contributions and private grants	3,246	-	-	-	-	-	-
Other income	-	-	-	6,772	-	-	-
<b>Total revenues</b>	<u>1,310,274</u>	<u>352,957</u>	<u>-</u>	<u>128,244</u>	<u>21,187</u>	<u>12</u>	<u>629</u>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	16,920	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Social services	-	-	-	102,611	19,365	-	-
Education	1,377,955	410,408	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>1,377,955</u>	<u>410,408</u>	<u>-</u>	<u>102,611</u>	<u>19,365</u>	<u>16,920</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(67,681)</u>	<u>(57,451)</u>	<u>-</u>	<u>25,633</u>	<u>1,822</u>	<u>(16,908)</u>	<u>629</u>
<b>Other financing sources (uses)</b>							
Issuance of debt	-	-	-	-	-	-	-
Transfers from other funds	738,039	15,021	-	2,000	-	134,297	-
Transfers to other funds	(660,773)	-	-	(2,000)	-	-	-
<b>Total other financing sources (uses)</b>	<u>77,266</u>	<u>15,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,297</u>	<u>-</u>
<b>Net change in fund balance</b>	9,585	(42,430)	-	25,633	1,822	117,389	629
<b>Fund balances (deficits), beginning of year</b>	<u>577,659</u>	<u>(3,915)</u>	<u>19</u>	<u>66,633</u>	<u>6,025</u>	<u>695</u>	<u>38,620</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 587,244</u>	<u>\$ (46,345)</u>	<u>\$ 19</u>	<u>\$ 92,266</u>	<u>\$ 7,847</u>	<u>\$ 118,084</u>	<u>\$ 39,249</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended March 31, 2009

	<i>Special Revenue Funds</i>							
	<i>Civil Defense Fund</i>	<i>Senior Citizens Van Fund</i>	<i>State Asset Forfeiture Fund</i>	<i>Revenue Sharing Fund</i>	<i>Vital Statistics Surcharge</i>	<i>Health Insurance Fund</i>	<i>Historical Land Records</i>	<i>Recreation Camperships Fund</i>
<b>Revenues</b>								
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	2,038	-
Investment and interest income	3	22	-	106	10	1,041	200	12
Contributions and private grants	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>3</u>	<u>22</u>	<u>-</u>	<u>106</u>	<u>10</u>	<u>1,041</u>	<u>2,238</u>	<u>12</u>
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	-	-	2,731	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,731</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>3</u>	<u>22</u>	<u>-</u>	<u>106</u>	<u>10</u>	<u>1,041</u>	<u>(493)</u>	<u>12</u>
<b>Other financing sources (uses)</b>								
Issuance of debt	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	3	22	-	106	10	1,041	(493)	12
<b>Fund balances (deficits), beginning of year</b>	<u>173</u>	<u>1,321</u>	<u>487</u>	<u>6,488</u>	<u>659</u>	<u>64,003</u>	<u>13,076</u>	<u>714</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 176</u>	<u>\$ 1,343</u>	<u>\$ 487</u>	<u>\$ 6,594</u>	<u>\$ 669</u>	<u>\$ 65,044</u>	<u>\$ 12,583</u>	<u>\$ 726</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<i>Special Revenue Funds</i>							
	<i>Fire Department Insurance/ Training</i>	<i>Probate Filing Records</i>	<i>Computer Upgrade</i>	<i>Fixed Assets Fund</i>	<i>Federal Asset Drug Forfeiture Fund</i>	<i>Recreation Capital Fund</i>	<i>Animal Health Fund</i>	<i>K-9 Truck Capital Fund</i>
<b>Revenues</b>								
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	48	-	-	-	-	-	-
Investment and interest income	2,576	21	320	185	258	184	120	2
Contributions and private grants	-	-	-	-	-	-	3,147	-
Other income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>2,576</u>	<u>69</u>	<u>320</u>	<u>185</u>	<u>258</u>	<u>184</u>	<u>3,267</u>	<u>2</u>
<b>Expenditures</b>								
Current:								
General government	-	-	12,158	-	-	-	-	-
Public safety	-	-	-	-	5,700	-	-	-
Public works	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	733	-
Education	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>12,158</u>	<u>-</u>	<u>5,700</u>	<u>-</u>	<u>733</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>2,576</u>	<u>69</u>	<u>(11,838)</u>	<u>185</u>	<u>(5,442)</u>	<u>184</u>	<u>2,534</u>	<u>2</u>
<b>Other financing sources (uses)</b>								
Issuance of debt	-	-	-	-	-	13,000	-	-
Transfers from other funds	-	-	11,656	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>11,656</u>	<u>-</u>	<u>-</u>	<u>13,000</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>2,576</u>	<u>69</u>	<u>(182)</u>	<u>185</u>	<u>(5,442)</u>	<u>13,184</u>	<u>2,534</u>	<u>2</u>
<b>Fund balances (deficits), beginning of year</b>	<u>158,352</u>	<u>1,223</u>	<u>40,622</u>	<u>19,780</u>	<u>31,532</u>	<u>16,803</u>	<u>6,502</u>	<u>122</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 160,928</u>	<u>\$ 1,292</u>	<u>\$ 40,440</u>	<u>\$ 19,965</u>	<u>\$ 26,090</u>	<u>\$ 29,987</u>	<u>\$ 9,036</u>	<u>\$ 124</u>

(Continued)



**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<i>Special Revenue Funds</i>							
	<i>State Police Computer Grant</i>	<i>Police Substance Abuse Fund</i>	<i>Police Vehicle Escrow</i>	<i>Explorers Account Post 1</i>	<i>Municipal Retirement Fund</i>	<i>Senior Center Donations</i>	<i>Human Services Legislative Grant</i>	<i>Food Pantry Donations</i>
<b>Revenues</b>								
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-	-
Investment and interest income	67	76	2	-	2,121	-	-	-
Contributions and private grants	-	-	-	7,969	-	6,574	-	1,208
Other income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>67</u>	<u>76</u>	<u>2</u>	<u>7,969</u>	<u>2,121</u>	<u>6,574</u>	<u>-</u>	<u>1,208</u>
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	11,278	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	2,460	-	4,318
Education	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,278</u>	<u>-</u>	<u>2,460</u>	<u>-</u>	<u>4,318</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>67</u>	<u>76</u>	<u>2</u>	<u>(3,309)</u>	<u>2,121</u>	<u>4,114</u>	<u>-</u>	<u>(3,110)</u>
<b>Other financing sources (uses)</b>								
Issuance of debt	-	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	2,000
Transfers to other funds	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>
<b>Net change in fund balance</b>	<u>67</u>	<u>76</u>	<u>2</u>	<u>(3,309)</u>	<u>2,121</u>	<u>4,114</u>	<u>-</u>	<u>(1,110)</u>
<b>Fund balances (deficits), beginning of year</b>	<u>6,314</u>	<u>4,666</u>	<u>111</u>	<u>6,737</u>	<u>130,907</u>	<u>4,314</u>	<u>832</u>	<u>2,383</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 6,381</u>	<u>\$ 4,742</u>	<u>\$ 113</u>	<u>\$ 3,428</u>	<u>\$ 133,028</u>	<u>\$ 8,428</u>	<u>\$ 832</u>	<u>\$ 1,273</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<i>Special Revenue Funds</i>						
	<i>Senior Center Grants</i>	<i>Emergency Management Grants</i>	<i>Homeland Security Grant</i>	<i>Congregational Church Restoration</i>	<i>Land Dedication Recreation Fund</i>	<i>Green Area Beautification</i>	<i>Tax Certificate Fund</i>
<b>Revenues</b>							
State aid and grants	\$ 11,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment and interest income	-	-	-	57	3,100	9	978
Contributions and private grants	15	-	-	510	-	-	-
Other income	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>11,882</b>	<b>-</b>	<b>-</b>	<b>567</b>	<b>3,100</b>	<b>9</b>	<b>978</b>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Social services	560	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>560</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<b>11,322</b>	<b>-</b>	<b>-</b>	<b>567</b>	<b>3,100</b>	<b>9</b>	<b>978</b>
<b>Other financing sources (uses)</b>							
Issuance of debt	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>11,322</b>	<b>-</b>	<b>-</b>	<b>567</b>	<b>3,100</b>	<b>9</b>	<b>978</b>
<b>Fund balances (deficits), beginning of year</b>	<b>14,132</b>	<b>3,348</b>	<b>-</b>	<b>4,706</b>	<b>196,841</b>	<b>539</b>	<b>60,072</b>
<b>Fund balances (deficits), end of year</b>	<b>\$ 25,454</b>	<b>\$ 3,348</b>	<b>\$ -</b>	<b>\$ 5,273</b>	<b>\$ 199,941</b>	<b>\$ 548</b>	<b>\$ 61,050</b>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended March 31, 2009

	<b>Special Revenue Funds</b>						
	<i>Unfunded Cemetery Fund</i>	<i>Main Street Project</i>	<i>Inspection Fee Fund</i>	<i>Cemetery Capital Fee Fund</i>	<i>Municipal Unemployment Fund</i>	<i>Recreation Fund</i>	<i>Proposed Police Station</i>
<b>Revenues</b>							
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment and interest income	282	-	58	117	1,537	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>282</u>	<u>-</u>	<u>58</u>	<u>117</u>	<u>1,537</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Social services	-	-	-	-	-	8,585	-
Education	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,585</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>282</u>	<u>-</u>	<u>58</u>	<u>117</u>	<u>1,537</u>	<u>(8,585)</u>	<u>-</u>
<b>Other financing sources (uses)</b>							
Issuance of debt	-	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	8,500	-
Transfers to other funds	-	-	(1,236)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(1,236)</u>	<u>-</u>	<u>-</u>	<u>8,500</u>	<u>-</u>
<b>Net change in fund balance</b>	282	-	(1,178)	117	1,537	(85)	-
<b>Fund balances (deficits), beginning of year</b>	<u>21,047</u>	<u>36,400</u>	<u>1,508</u>	<u>7,198</u>	<u>94,729</u>	<u>4,182</u>	<u>22,367</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 21,329</u>	<u>\$ 36,400</u>	<u>\$ 330</u>	<u>\$ 7,315</u>	<u>\$ 96,266</u>	<u>\$ 4,097</u>	<u>\$ 22,367</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<b>Special Revenue Funds</b>					
	<i>RI Advanced Motor Vehicle Excise Tax Payments</i>	<i>Spay Neuter Fund</i>	<i>Recording Tech. Scanning Fund</i>	<i>Citizens Police Academy Fund</i>	<i>State Fiscal Year Transition Fund</i>	<i>Total Special Revenue Funds</i>
<b>Revenues</b>						
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,429,697
Charges for services	-	588	11,080	-	-	397,829
Investment and interest income	1	19	853	-	-	15,717
Contributions and private grants	-	-	-	1,000	-	23,669
Other income	-	-	-	-	-	6,772
<b>Total revenues</b>	<u>1</u>	<u>607</u>	<u>11,933</u>	<u>1,000</u>	<u>-</u>	<u>1,873,684</u>
<b>Expenditures</b>						
Current:						
General government	-	-	16,440	-	-	48,249
Public safety	-	-	-	679	-	17,657
Public works	-	-	-	-	-	-
Social services	-	-	-	-	-	138,632
Education	-	-	-	-	-	1,788,363
Debt service	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>16,440</u>	<u>679</u>	<u>-</u>	<u>1,992,901</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>1</u>	<u>607</u>	<u>(4,507)</u>	<u>321</u>	<u>-</u>	<u>(119,217)</u>
<b>Other financing sources (uses)</b>						
Issuance of debt	-	-	-	-	-	13,000
Transfers from other funds	-	-	-	-	300,000	1,211,513
Transfers to other funds	-	-	-	-	-	(664,009)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>560,504</u>
<b>Net change in fund balance</b>	1	607	(4,507)	321	300,000	441,287
<b>Fund balances (deficits), beginning of year</b>	<u>18</u>	<u>759</u>	<u>57,244</u>	<u>-</u>	<u>-</u>	<u>1,728,947</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 19</u>	<u>\$ 1,366</u>	<u>\$ 52,737</u>	<u>\$ 321</u>	<u>\$ 300,000</u>	<u>\$ 2,170,234</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<b>Capital Project Funds</b>						
	<i>Debt Service Fund</i>	<i>Highway Department Capital Escrow</i>	<i>School Ball Field Fund</i>	<i>School Capital Construction Fund</i>	<i>Highway Bridges Special Projects</i>	<i>Police Vehicles Capital Fund</i>	<i>Open Space</i>
<b>Revenues</b>							
State aid and grants	\$ 269,739	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment and interest income	-	711	10	5	282	-	757
Contributions and private grants	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>269,739</u>	<u>711</u>	<u>10</u>	<u>5</u>	<u>282</u>	<u>-</u>	<u>757</u>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	51,508	-
Public works	-	90,000	-	-	61,596	-	-
Social services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Debt service	1,634,758	-	-	-	-	-	-
<b>Total expenditures</b>	<u>1,634,758</u>	<u>90,000</u>	<u>-</u>	<u>-</u>	<u>61,596</u>	<u>51,508</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(1,365,019)</u>	<u>(89,289)</u>	<u>10</u>	<u>5</u>	<u>(61,314)</u>	<u>(51,508)</u>	<u>757</u>
<b>Other financing sources (uses)</b>							
Issuance of debt	-	90,000	-	-	-	52,000	-
Transfers from other funds	1,365,019	22,000	-	-	-	30,088	-
Transfers to other funds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>1,365,019</u>	<u>112,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,088</u>	<u>-</u>
<b>Net change in fund balance</b>	-	22,711	10	5	(61,314)	30,580	757
<b>Fund balances (deficits), beginning of year</b>	-	43,704	622	298	126,829	(30,088)	66,849
<b>Fund balances (deficits), end of year</b>	<u>\$ -</u>	<u>\$ 66,415</u>	<u>\$ 632</u>	<u>\$ 303</u>	<u>\$ 65,515</u>	<u>\$ 492</u>	<u>\$ 67,606</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
Nonmajor Governmental Funds  
For the Fiscal Year Ended March 31, 2009

	<b>Capital Project Funds</b>						
	<i>Chopmist Hill Renovation Fund</i>	<i>Animal Shelter Bond Fund</i>	<i>Public Works/ Safety Bond Fund</i>	<i>School Bond Fund</i>	<i>School Land Fund</i>	<i>School 2008 Capital Fund</i>	<i>Hope School Capital Fund</i>
<b>Revenues</b>							
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment and interest income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>							
Current:							
General government	-	-	1,554	-	-	-	-
Public safety	-	-	32,778	-	-	-	-
Public works	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-
Education	-	-	-	196,652	30,479	-	-
Debt service	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>34,332</u>	<u>196,652</u>	<u>30,479</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(34,332)</u>	<u>(196,652)</u>	<u>(30,479)</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>							
Issuance of debt	-	-	-	198,000	-	-	-
Transfers from other funds	-	-	-	-	-	-	35,000
Transfers to other funds	-	-	(11,656)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(11,656)</u>	<u>198,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>(45,988)</u>	<u>1,348</u>	<u>(30,479)</u>	<u>-</u>	<u>35,000</u>
<b>Fund balances (deficits), beginning of year</b>	<u>22</u>	<u>(8,450)</u>	<u>254,330</u>	<u>1,776</u>	<u>144,700</u>	<u>200,000</u>	<u>-</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 22</u>	<u>\$ (8,450)</u>	<u>\$ 208,342</u>	<u>\$ 3,124</u>	<u>\$ 114,221</u>	<u>\$ 200,000</u>	<u>\$ 35,000</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<b>Capital Project Funds</b>					
	<i>N. Scituate School Capital Fund</i>	<i>High School/ Middle School Capital Fund</i>	<i>School Loan Fund</i>	<i>Town Properties Building Fund</i>	<i>Fire Department Capital Fund</i>	<i>Total Capital Project Funds</i>
<b>Revenues</b>						
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Investment and interest income	-	-	-	-	14	1,779
Contributions and private grants	-	-	-	10,000	-	10,000
Other income	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>14</u>	<u>11,779</u>
<b>Expenditures</b>						
Current:						
General government	-	-	-	-	-	1,554
Public safety	-	-	-	-	-	84,286
Public works	-	-	-	11,236	-	162,832
Social services	-	-	-	-	-	-
Education	-	-	124,395	-	-	351,526
Debt service	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>124,395</u>	<u>11,236</u>	<u>-</u>	<u>600,198</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(124,395)</u>	<u>(1,236)</u>	<u>14</u>	<u>(588,419)</u>
<b>Other financing sources (uses)</b>						
Issuance of debt	-	-	-	-	77,000	417,000
Transfers from other funds	45,000	220,000	-	1,236	-	353,324
Transfers to other funds	-	-	-	-	-	(11,656)
<b>Total other financing sources (uses)</b>	<u>45,000</u>	<u>220,000</u>	<u>-</u>	<u>1,236</u>	<u>77,000</u>	<u>758,668</u>
<b>Net change in fund balance</b>	45,000	220,000	(124,395)	-	77,014	170,249
<b>Fund balances (deficits), beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>875</u>	<u>817,467</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 45,000</u>	<u>\$ 220,000</u>	<u>\$ (124,395)</u>	<u>\$ 16,000</u>	<u>\$ 77,889</u>	<u>\$ 987,716</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 Nonmajor Governmental Funds  
 For the Fiscal Year Ended March 31, 2009

	<u>Permanent Funds</u>					<i>Total All Nonmajor Permanent Funds</i>
	<i>Sam Tourtellot &amp; Leslie Davis Fund</i>	<i>Elsie Gleason Fund</i>	<i>Glenford Cemetery Fund</i>	<i>Cemetery Fund</i>	<i>Total Permanent Funds</i>	
<b>Revenues</b>						
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,699,436
Charges for services	-	-	-	-	-	397,829
Investment and interest income	142	42	435	1,438	2,057	19,553
Contributions and private grants	-	-	-	-	-	33,669
Other income	-	-	-	-	-	6,772
<b>Total revenues</b>	<u>142</u>	<u>42</u>	<u>435</u>	<u>1,438</u>	<u>2,057</u>	<u>2,157,259</u>
<b>Expenditures</b>						
Current:						
General government	-	-	-	-	-	49,803
Public safety	-	-	-	-	-	101,943
Public works	-	-	-	-	-	162,832
Social services	-	-	-	-	-	138,632
Education	-	-	-	-	-	2,139,889
Debt service	-	-	-	-	-	1,634,758
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,227,857</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>142</u>	<u>42</u>	<u>435</u>	<u>1,438</u>	<u>2,057</u>	<u>(2,070,598)</u>
<b>Other financing sources (uses)</b>						
Issuance of debt	-	-	-	-	-	430,000
Transfers from other funds	-	-	-	-	-	2,929,856
Transfers to other funds	-	-	-	-	-	(675,665)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,684,191</u>
<b>Net change in fund balance</b>	142	42	435	1,438	2,057	613,593
<b>Fund balances (deficits), beginning of year</b>	<u>7,082</u>	<u>2,525</u>	<u>26,199</u>	<u>91,999</u>	<u>127,805</u>	<u>2,674,219</u>
<b>Fund balances (deficits), end of year</b>	<u>\$ 7,224</u>	<u>\$ 2,567</u>	<u>\$ 26,634</u>	<u>\$ 93,437</u>	<u>\$ 129,862</u>	<u>\$ 3,287,812</u>



**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Balance Sheet*  
*March 31, 2009*

	<u>Literacy 2008</u>	<u>Literacy 2009</u>	<u>Medicaid 2008</u>	<u>Medicaid 2009</u>	<u>Medicaid Admin. 2008</u>	<u>Medicaid Admin. 2009</u>	<u>Professional Development 2008</u>	<u>Professional Development 2009</u>
<b>ASSETS</b>								
Cash	\$ -	\$ 76,784	\$ -	\$ 301,969	\$ -	\$ 52,483	\$ -	\$ 40,552
Due from federal and state governments	-	-	-	-	-	2,418	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Due from other funds	-	7,751	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 84,535</u>	<u>\$ -</u>	<u>\$ 301,969</u>	<u>\$ -</u>	<u>\$ 54,901</u>	<u>\$ -</u>	<u>\$ 40,552</u>
 <b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Account payable and accrued expenditures	-	14,463	-	9,198	-	3,777	-	164
Due to other funds	-	-	-	1,362	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>14,463</u>	<u>-</u>	<u>10,560</u>	<u>-</u>	<u>3,777</u>	<u>-</u>	<u>164</u>
<b>Fund balances (deficits)</b>	<u>-</u>	<u>70,072</u>	<u>-</u>	<u>291,409</u>	<u>-</u>	<u>51,124</u>	<u>-</u>	<u>40,388</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 84,535</u>	<u>\$ -</u>	<u>\$ 301,969</u>	<u>\$ -</u>	<u>\$ 54,901</u>	<u>\$ -</u>	<u>\$ 40,552</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Balance Sheet (Continued)*  
*March 31, 2009*

	<i>Early Childhood 2008</i>	<i>Early Childhood 2009</i>	<i>Technology 2008</i>	<i>Technology 2009</i>	<i>Arts Festival 2008</i>	<i>Arts Festival 2007</i>	<i>Art Festival 2006</i>
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ 29,029	\$ 2,024	\$ 153	\$ -
Due from federal and state governments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	6,955	-	3,758	-	-	-
	<u>-</u>	<u>6,955</u>	<u>-</u>	<u>3,758</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 6,955</u>	<u>\$ -</u>	<u>\$ 32,787</u>	<u>\$ 2,024</u>	<u>\$ 153</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Cash overdraft	\$ -	\$ 2,145	\$ -	\$ -	\$ -	\$ -	\$ -
Account payable and accrued expenditures	-	2,769	-	12,847	184	3	-
Due to other funds	-	-	-	-	234	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u>-</u>	<u>4,914</u>	<u>-</u>	<u>12,847</u>	<u>418</u>	<u>3</u>	<u>-</u>
<b>Fund balances (deficits)</b>	<u>-</u>	<u>2,041</u>	<u>-</u>	<u>19,940</u>	<u>1,606</u>	<u>150</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 6,955</u>	<u>\$ -</u>	<u>\$ 32,787</u>	<u>\$ 2,024</u>	<u>\$ 153</u>	<u>\$ -</u>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Balance Sheet (Continued)*  
*March 31, 2009*

	<i>Volunteers 2008</i>	<i>Volunteers 2009</i>	<i>Full- Day K 2008</i>	<i>Full- Day K 2009</i>	<i>Student Equity 2008</i>	<i>Student Equity 2009</i>	<i>FFA Gentian</i>
<b>ASSETS</b>							
Cash	\$ -	\$ 3,088	\$ -	\$ 16,702	\$ -	\$ 72,035	\$ 365
Due from federal and state governments	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	760	-	18,633	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 3,088</b>	<b>\$ -</b>	<b>\$ 17,462</b>	<b>\$ -</b>	<b>\$ 90,668</b>	<b>\$ 365</b>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Account payable and accrued expenditures	-	528	-	15,000	-	5,324	250
Due to other funds	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>528</b>	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>5,324</b>	<b>250</b>
<b>Fund balances (deficits)</b>	<b>-</b>	<b>2,560</b>	<b>-</b>	<b>2,462</b>	<b>-</b>	<b>85,344</b>	<b>115</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 3,088</b>	<b>\$ -</b>	<b>\$ 17,462</b>	<b>\$ -</b>	<b>\$ 90,668</b>	<b>\$ 365</b>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Balance Sheet (Continued)*  
*March 31, 2009*

	<i>Project J.O.B.S 2008</i>	<i>Project J.O.B.S 2009</i>	<i>Northwest Region 2008</i>	<i>Northwest Region 2009</i>	<i>Preschool 2008</i>	<i>Preschool 2009</i>	<i>IDEA Part B 2008</i>	<i>IDEA Part B 2009</i>
<b>ASSETS</b>								
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from federal and state governments	-	-	-	-	-	7,894	-	121,980
Accounts receivable	-	2,698	-	24,929	-	-	-	-
Due from other funds	-	1,798	-	7,797	-	-	-	720
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 4,496</b>	<b>\$ -</b>	<b>\$ 32,726</b>	<b>\$ -</b>	<b>\$ 7,894</b>	<b>\$ -</b>	<b>\$ 122,700</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Cash overdraft	\$ -	\$ 3,428	\$ -	\$ 21,630	\$ -	\$ 3,334	\$ -	\$ 63,011
Account payable and accrued expenditures	-	831	-	8,868	-	3,935	-	52,521
Due to other funds	-	237	-	2,228	-	625	-	7,168
<b>Total liabilities</b>	<b>-</b>	<b>4,496</b>	<b>-</b>	<b>32,726</b>	<b>-</b>	<b>7,894</b>	<b>-</b>	<b>122,700</b>
<b>Fund balances (deficits)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 4,496</b>	<b>\$ -</b>	<b>\$ 32,726</b>	<b>\$ -</b>	<b>\$ 7,894</b>	<b>\$ -</b>	<b>\$ 122,700</b>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Balance Sheet (Continued)*  
*March 31, 2009*

	<i>Title I 2008</i>	<i>Title I 2009</i>	<i>Title II 2008</i>	<i>Title II 2009</i>	<i>Title IV 2009</i>	<i>Title V 2009</i>	<i>UCOA</i>
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from federal and state governments	-	27,456	-	29,750	2,151	20	-
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 27,456</u>	<u>\$ -</u>	<u>\$ 29,750</u>	<u>\$ 2,151</u>	<u>\$ 20</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Cash overdraft	\$ -	\$ 18,918	\$ -	\$ 11,070	\$ 800	\$ -	\$ -
Account payable and accrued expenditures	-	5,730	-	18,206	1,351	20	-
Due to other funds	-	2,808	-	474	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>27,456</u>	<u>-</u>	<u>29,750</u>	<u>2,151</u>	<u>20</u>	<u>-</u>
<b>Fund balances (deficits)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 27,456</u>	<u>\$ -</u>	<u>\$ 29,750</u>	<u>\$ 2,151</u>	<u>\$ 20</u>	<u>\$ -</u>

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Balance Sheet (Continued)*  
*March 31, 2009*

	<i>Vocational Equity 2008</i>	<i>Vocational Equity 2009</i>	<i>Language Assistance 2008</i>	<i>Language Assistance 2009</i>	<i>RI Foundation</i>	<i>EPA 2009</i>	<i>Achieve Algebra</i>	<i>Total</i>
<b>ASSETS</b>								
Cash	\$ -	\$ -	\$ -	\$ 28,158	\$ -	\$ -	\$ -	\$ 623,342
Due from federal and state governments	-	-	-	-	-	-	-	191,669
Accounts receivable	-	-	-	-	-	-	-	27,627
Due from other funds	-	903	-	1,487	-	-	-	50,562
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 903</b>	<b>\$ -</b>	<b>\$ 29,645</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 893,200</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities</b>								
Cash overdraft	\$ -	\$ 3,606	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,942
Account payable and accrued expenditures	-	-	-	6,909	-	-	-	162,878
Due to other funds	-	-	-	-	-	-	-	15,136
<b>Total liabilities</b>	<b>-</b>	<b>3,606</b>	<b>-</b>	<b>6,909</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305,956</b>
<b>Fund balances (deficits)</b>	<b>-</b>	<b>(2,703)</b>	<b>-</b>	<b>22,736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>587,244</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 903</b>	<b>\$ -</b>	<b>\$ 29,645</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 893,200</b>

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 For the Fiscal Year Ended March 31, 2009

	<u>Literacy 2008</u>	<u>Literacy 2009</u>	<u>Medicaid 2008</u>	<u>Medicaid 2009</u>	<u>Medicaid Admin. 2008</u>	<u>Medicaid Admin. 2009</u>	<u>Professional Development 2008</u>	<u>Professional Development 2009</u>
<b>Revenues</b>								
Federal and state aid and grants	\$ 23,253	\$ 58,337	\$ -	\$ -	\$ 3,808	\$ 17,742	\$ 67,820	\$ -
Contributions and private grants	-	-	-	-	-	-	-	-
Charges for services	-	-	32,799	35,537	-	-	-	-
<b>Total revenues</b>	<u>23,253</u>	<u>58,337</u>	<u>32,799</u>	<u>35,537</u>	<u>3,808</u>	<u>17,742</u>	<u>67,820</u>	<u>-</u>
<b>Expenditures</b>								
Education	16,025	62,815	10,124	92,722	1,720	10,518	19,427	19,883
<b>Total expenditures</b>	<u>16,025</u>	<u>62,815</u>	<u>10,124</u>	<u>92,722</u>	<u>1,720</u>	<u>10,518</u>	<u>19,427</u>	<u>19,883</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>7,228</u>	<u>(4,478)</u>	<u>22,675</u>	<u>(57,185)</u>	<u>2,088</u>	<u>7,224</u>	<u>48,393</u>	<u>(19,883)</u>
<b>Other financing sources (uses)</b>								
Transfers from other funds	-	74,550	-	348,594	-	43,900	-	60,271
Transfers to other funds	(74,550)	-	(348,594)	-	(43,900)	-	(60,271)	-
<b>Total other financing sources (uses)</b>	<u>(74,550)</u>	<u>74,550</u>	<u>(348,594)</u>	<u>348,594</u>	<u>(43,900)</u>	<u>43,900</u>	<u>(60,271)</u>	<u>60,271</u>
<b>Net change in fund balance</b>	(67,322)	70,072	(325,919)	291,409	(41,812)	51,124	(11,878)	40,388
<b>Fund balances (deficits) - beginning of year</b>	<u>67,322</u>	<u>-</u>	<u>325,919</u>	<u>-</u>	<u>41,812</u>	<u>-</u>	<u>11,878</u>	<u>-</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ 70,072</u>	<u>\$ -</u>	<u>\$ 291,409</u>	<u>\$ -</u>	<u>\$ 51,124</u>	<u>\$ -</u>	<u>\$ 40,388</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 For the Fiscal Year Ended March 31, 2009

	<i>Early Childhood 2008</i>	<i>Early Childhood 2009</i>	<i>Technology 2008</i>	<i>Technology 2009</i>	<i>Arts Festival 2008</i>	<i>Arts Festival 2007</i>	<i>Art Festival 2006</i>
<b>Revenues</b>							
Federal and state aid and grants	\$ 20,866	\$ 52,345	\$ 11,272	\$ 28,284	\$ -	\$ -	\$ -
Contributions and private grants	-	-	-	-	1,100	-	-
Charges for services	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>20,866</u>	<u>52,345</u>	<u>11,272</u>	<u>28,284</u>	<u>1,100</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>							
Education	22,923	50,834	1,159	35,422	5,214	2,801	29
<b>Total expenditures</b>	<u>22,923</u>	<u>50,834</u>	<u>1,159</u>	<u>35,422</u>	<u>5,214</u>	<u>2,801</u>	<u>29</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(2,057)</u>	<u>1,511</u>	<u>10,113</u>	<u>(7,138)</u>	<u>(4,114)</u>	<u>(2,801)</u>	<u>(29)</u>
<b>Other financing sources (uses)</b>							
Transfers from other funds	-	530	-	27,078	-	-	-
Transfers to other funds	(530)	-	(27,078)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>(530)</u>	<u>530</u>	<u>(27,078)</u>	<u>27,078</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	(2,587)	2,041	(16,965)	19,940	(4,114)	(2,801)	(29)
<b>Fund balances (deficits) - beginning of year</b>	<u>2,587</u>	<u>-</u>	<u>16,965</u>	<u>-</u>	<u>5,720</u>	<u>2,951</u>	<u>29</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ 2,041</u>	<u>\$ -</u>	<u>\$ 19,940</u>	<u>\$ 1,606</u>	<u>\$ 150</u>	<u>\$ -</u>

(Continued)



**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 For the Fiscal Year Ended March 31, 2009

	<i>Volunteers 2008</i>	<i>Volunteers 2009</i>	<i>Full- Day K 2008</i>	<i>Full- Day K 2009</i>	<i>Student Equity 2008</i>	<i>Student Equity 2009</i>	<i>FFA Gentian</i>
<b>Revenues</b>							
Federal and state aid and grants	\$ -	\$ 3,200	\$ 2,280	\$ 5,720	\$ 42,614	\$ 96,883	\$ -
Contributions and private grants	-	-	-	-	-	-	500
Charges for services	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>3,200</u>	<u>2,280</u>	<u>5,720</u>	<u>42,614</u>	<u>96,883</u>	<u>500</u>
<b>Expenditures</b>							
Education	2,560	640	810	20,365	45,319	66,545	385
<b>Total expenditures</b>	<u>2,560</u>	<u>640</u>	<u>810</u>	<u>20,365</u>	<u>45,319</u>	<u>66,545</u>	<u>385</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(2,560)</u>	<u>2,560</u>	<u>1,470</u>	<u>(14,645)</u>	<u>(2,705)</u>	<u>30,338</u>	<u>115</u>
<b>Other financing sources (uses)</b>							
Transfers from other funds	-	-	-	17,107	-	55,006	-
Transfers to other funds	-	-	(17,107)	-	(55,006)	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(17,107)</u>	<u>17,107</u>	<u>(55,006)</u>	<u>55,006</u>	<u>-</u>
<b>Net change in fund balance</b>	(2,560)	2,560	(15,637)	2,462	(57,711)	85,344	115
<b>Fund balances (deficits) - beginning of year</b>	<u>2,560</u>	<u>-</u>	<u>15,637</u>	<u>-</u>	<u>57,711</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ 2,560</u>	<u>\$ -</u>	<u>\$ 2,462</u>	<u>\$ -</u>	<u>\$ 85,344</u>	<u>\$ 115</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
*Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)*  
*For the Fiscal Year Ended March 31, 2009*

	<i>Project J.O.B.S 2008</i>	<i>Project J.O.B.S 2009</i>	<i>Northwest Region 2008</i>	<i>Northwest Region 2009</i>	<i>Preschool 2008</i>	<i>Preschool 2009</i>	<i>IDEA Part B 2008</i>	<i>IDEA Part B 2009</i>
<b>Revenues</b>								
Federal and state aid and grants	\$ -	\$ -	\$ -	\$ -	\$ 5,768	\$ 9,791	\$ 81,927	\$ 384,262
Contributions and private grants	-	-	-	-	-	-	-	-
Charges for services	-	-	-	40,923	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,923</u>	<u>5,768</u>	<u>9,791</u>	<u>81,927</u>	<u>384,262</u>
<b>Expenditures</b>								
Education	1,226	4,491	18,830	93,642	5,768	9,791	81,927	384,262
<b>Total expenditures</b>	<u>1,226</u>	<u>4,491</u>	<u>18,830</u>	<u>93,642</u>	<u>5,768</u>	<u>9,791</u>	<u>81,927</u>	<u>384,262</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>(1,226)</u>	<u>(4,491)</u>	<u>(18,830)</u>	<u>(52,719)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>								
Transfers from other funds	1,226	4,491	18,830	52,719	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>1,226</u>	<u>4,491</u>	<u>18,830</u>	<u>52,719</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	-	-	-	-	-	-
<b>Fund balances (deficits) - beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 For the Fiscal Year Ended March 31, 2009

	<u>Title I 2008</u>	<u>Title I 2009</u>	<u>Title II 2008</u>	<u>Title II 2009</u>	<u>Title IV 2009</u>	<u>Title V 2009</u>	<u>UCOA</u>
<b>Revenues</b>							
Federal and state aid and grants	\$ 46,761	\$ 113,416	\$ 18,823	\$ 35,875	\$ 2,774	\$ 20	\$ 26,094
Contributions and private grants	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>46,761</u>	<u>113,416</u>	<u>18,823</u>	<u>35,875</u>	<u>2,774</u>	<u>20</u>	<u>26,094</u>
<b>Expenditures</b>							
Education	<u>46,761</u>	<u>113,416</u>	<u>18,823</u>	<u>35,875</u>	<u>2,774</u>	<u>20</u>	<u>26,094</u>
<b>Total expenditures</b>	<u>46,761</u>	<u>113,416</u>	<u>18,823</u>	<u>35,875</u>	<u>2,774</u>	<u>20</u>	<u>26,094</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>							
Transfers from other funds	-	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	-	-	-	-	-	-	-
<b>Fund balances (deficits) - beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Special Revenue Funds - School Restricted Fund*  
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)  
 For the Fiscal Year Ended March 31, 2009

	<u>Vocational Equity 2008</u>	<u>Vocational Equity 2009</u>	<u>Language Assistance 2008</u>	<u>Language Assistance 2009</u>	<u>RI Foundation</u>	<u>EPA 2009</u>	<u>Achieve Algebra</u>	<u>Total</u>
<b>Revenues</b>								
Federal and state aid and grants	\$ 2,703	\$ 6,797	\$ 4,466	\$ 11,191	\$ -	\$ 10,210	\$ 2,467	\$ 1,197,769
Contributions and private grants	-	-	-	-	1,646	-	-	3,246
Charges for services	-	-	-	-	-	-	-	109,259
<b>Total revenues</b>	<u>2,703</u>	<u>6,797</u>	<u>4,466</u>	<u>11,191</u>	<u>1,646</u>	<u>10,210</u>	<u>2,467</u>	<u>1,310,274</u>
<b>Expenditures</b>								
Education	-	9,500	-	22,192	1,646	10,210	2,467	1,377,955
<b>Total expenditures</b>	<u>-</u>	<u>9,500</u>	<u>-</u>	<u>22,192</u>	<u>1,646</u>	<u>10,210</u>	<u>2,467</u>	<u>1,377,955</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	<u>2,703</u>	<u>(2,703)</u>	<u>4,466</u>	<u>(11,001)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(67,681)</u>
<b>Other financing sources (uses)</b>								
Transfers from other funds	-	-	-	33,737	-	-	-	738,039
Transfers to other funds	-	-	(33,737)	-	-	-	-	(660,773)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(33,737)</u>	<u>33,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,266</u>
<b>Net change in fund balance</b>	2,703	(2,703)	(29,271)	22,736	-	-	-	9,585
<b>Fund balances (deficits) - beginning of year</b>	<u>(2,703)</u>	<u>-</u>	<u>29,271</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>577,659</u>
<b>Fund balances (deficits) - end of year</b>	<u>\$ -</u>	<u>\$ (2,703)</u>	<u>\$ -</u>	<u>\$ 22,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 587,244</u>

## **AGENCY FUNDS**

**Agency Funds account  
for assets held by the Town  
as an agent for individuals,  
organizations or other governmental units.**

*Student Activity Funds* – accounts for student activities such as field trips, yearbooks and proms.

*Town Council Sunshine Fund* – was established to account for expenditures of the Town Council for condolence purposes.

**TOWN OF SCITUATE, RHODE ISLAND**  
**Combining Statement of Net Assets**  
**Agency Funds**  
**March 31, 2009**

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	<u>Student Activities Fund</u>	<u>Town Council Sunshine Fund</u>	<u>Total Agency Funds</u>
<b>Assets</b>			
Cash	\$ 134,254	\$ 62	\$ 134,316
Due from other funds	<u>5,120</u>	<u>-</u>	<u>5,120</u>
<b>Total assets</b>	<u><u>\$ 139,374</u></u>	<u><u>\$ 62</u></u>	<u><u>\$ 139,436</u></u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	\$ 956	\$ -	\$ 956
Deposits held in custody for others	<u>138,418</u>	<u>62</u>	<u>138,480</u>
<b>Total liabilities</b>	<u><u>\$ 139,374</u></u>	<u><u>\$ 62</u></u>	<u><u>\$ 139,436</u></u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Fiscal Year Ended March 31, 2009**

	<u>Balance</u> <u>March 31, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>March 31, 2009</u>
<b>STUDENT ACTIVITY FUND</b>				
<i>Assets</i>				
Cash	\$ 103,408	\$ 276,508	\$ 245,662	\$ 134,254
Due from other funds	15,587	5,120	15,587	5,120
<b>Total assets</b>	<u>\$ 118,995</u>	<u>\$ 281,628</u>	<u>\$ 261,249</u>	<u>\$ 139,374</u>
<i>Liabilities</i>				
Accounts payable and accrued expenses	\$ -	\$ 956	\$ -	\$ 956
Deposits held in custody for others	118,995	281,627	262,204	138,418
<b>Total liabilities</b>	<u>\$ 118,995</u>	<u>\$ 282,583</u>	<u>\$ 262,204</u>	<u>\$ 139,374</u>
<b>TOWN COUNCIL SUNSHINE FUND</b>				
<i>Assets</i>				
Cash	\$ 61	\$ 1	\$ -	\$ 62
<b>Total assets</b>	<u>\$ 61</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 62</u>
<i>Liabilities</i>				
Deposits held in custody for others	\$ 61	\$ 1	\$ -	\$ 62
<b>Total liabilities</b>	<u>\$ 61</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 62</u>
<b>TOTAL AGENCY FUNDS</b>				
<i>Assets</i>				
Cash	\$ 103,469	\$ 276,509	\$ 245,662	\$ 134,316
Due from other funds	15,587	5,120	15,587	5,120
<b>Total assets</b>	<u>\$ 119,056</u>	<u>\$ 281,629</u>	<u>\$ 261,249</u>	<u>\$ 139,436</u>
<i>Liabilities</i>				
Accounts payable and accrued expenses	\$ -	\$ 956	\$ -	\$ 956
Deposits held in custody for others	119,056	281,628	262,204	138,480
<b>Total liabilities</b>	<u>\$ 119,056</u>	<u>\$ 282,584</u>	<u>\$ 262,204</u>	<u>\$ 139,436</u>

**TOWN OF SCITUATE, RHODE ISLAND**  
**Schedule of Tax Collections**  
**For the Fiscal Year Ended March 31, 2009**

**Real Estate and Personal Property Taxes**

<u>Year</u>	<u>Balance March 31, 2008</u>	<u>Current Year Assessment</u>	<u>Additions</u>	<u>Abatements and Adjustments</u>	<u>Amount to be Collected</u>	<u>Current Year Collections</u>	<u>Balance March 31, 2009</u>
2008	\$ -	\$ 23,459,585	\$ 29,626	\$ (3,391)	\$ 23,485,820	\$ 19,346,238	\$ 4,139,582
2007	3,650,869	-	-	564	3,651,433	3,492,865	158,568
2006	123,091	-	-	(2,836)	120,255	77,462	42,793
2005	60,769	-	-	(3,023)	57,746	24,764	32,982
2004	29,609	-	-	(1,924)	27,685	4,204	23,481
2003	10,337	-	-	(4,029)	6,308	37	6,271
2002	6,584	-	-	(2,225)	4,359	-	4,359
2001	7,769	-	-	(5,695)	2,074	-	2,074
2000	6,740	-	-	(4,103)	2,637	-	2,637
1999	4,628	-	-	(1,153)	3,475	-	3,475
1998	5,994	-	-	(3,390)	2,604	-	2,604
1997	1,579	-	-	135	1,714	-	1,714
1996	2,643	-	-	(473)	2,170	-	2,170
1995	1,783	-	-	819	2,602	-	2,602
1994	(999)	-	-	999	-	-	-
1993	(1,167)	-	-	1,167	-	-	-
1992	1	-	-	(1)	-	-	-
1991	(1,046)	-	-	1,046	-	-	-
1990	(132)	-	-	132	-	-	-
1989	(129)	-	-	129	-	-	-
1988	57	-	-	(57)	-	-	-
1987 and prior	(64)	-	-	64	-	-	-
	<u>\$ 3,908,916</u>	<u>\$ 23,459,585</u>	<u>\$ 29,626</u>	<u>\$ (27,245)</u>	<u>\$ 27,370,882</u>	<u>\$ 22,945,570</u>	<u>\$ 4,425,312</u>

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

<u>Description of Property</u>	<u>Net Assessed Valuations</u>	<u>Net Levy</u>
Real property	\$ 909,152,280	\$ 21,077,084
Motor vehicles	53,075,722	1,602,600
Tangible personal property	23,216,950	779,901
<b>Total</b>	<u>\$ 985,444,952</u>	<u>\$ 23,459,585</u>

**Reconciliation of Current Year Property Tax Revenue**

Current year collections	\$ 22,945,570
Payment adjustments and transfers	(10,136)
Revenue received 60 days subsequent to fiscal year ending March 31, 2009	3,658,740
	<u>26,594,174</u>
Prior year revenue received in current year	(3,168,938)
<b>Current year property tax revenue</b>	<u>\$ 23,425,236</u>



## **S T A T I S T I C A L   S E C T I O N**

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

# Statistical Section

This part of the Town of Scituate'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 Town's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Town's financial position has changed over time.	<b>93-96</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the Town's ability to generate its most significant local revenue sources, the real and personal property tax.	<b>97-101</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	<b>102-106</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the Town's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>107-108</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	<b>109-111</b>

**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 34 in 2004; schedules presenting government-wide information include information beginning in that year.

Table 1

**Town of Scituate, Rhode Island**  
**Net Assets by Component**  
**Last Six Fiscal Years**  
**(accrual basis of accounting)**  
**"Unaudited"**

	<i>Fiscal Year</i>					
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Governmental Activities:</b>						
Invested in Capital Assets, Net of Related Debt	\$ 2,927,420	\$ 3,819,077	\$ 4,327,936	\$ 4,804,205	\$ 10,256,196	\$10,590,989
Restricted	347,149	435,721	665,002	848,235	790,480	831,917
Unrestricted	3,299,985	2,942,109	3,049,935	3,684,371	3,614,351	3,841,863
<b>Total Governmental Activities Net Assets</b>	<b>\$ 6,574,554</b>	<b>\$ 7,196,907</b>	<b>\$ 8,042,873</b>	<b>\$ 9,336,811</b>	<b>\$ 14,661,027</b>	<b>\$ 15,264,769</b>

**Note: Prior to implementation of GASB 34 in 2004,  
this information was not compiled and is unavailable.**

**Source: Town of Scituate's Comprehensive Annual Financial Report**

**Table 2**

**Town of Scituate, Rhode Island  
Changes in Net Assets  
Last Six Fiscal Years  
(accrual basis of accounting)  
"Unaudited"**

	<i>Fiscal Year</i>					
	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
<b>Expenses</b>						
Governmental Activities:						
General Government	\$ 1,157,594	\$ 1,174,454	\$ 1,204,056	\$ 1,420,456	\$ 1,392,152	\$ 1,527,583
Public Safety	3,136,327	3,346,730	3,645,144	3,721,954	3,894,316	4,028,697
Public Works	1,892,267	2,115,489	1,935,820	2,137,812	2,662,898	2,639,938
Social Services	764,402	778,083	1,127,796	882,715	973,438	950,922
Education	17,718,169	18,859,956	19,662,683	20,852,589	22,077,741	22,305,360
Debt Service	504,214	450,610	434,520	436,920	427,637	363,291
<b>Total Governmental Activities Expenses</b>	<b>25,172,973</b>	<b>26,725,322</b>	<b>28,010,019</b>	<b>29,452,446</b>	<b>31,428,182</b>	<b>31,815,791</b>
<b>Program Revenues</b>						
Governmental Activities:						
Charges for services:						
General Government	437,537	520,092	522,603	488,834	463,327	449,735
Public Safety	165,393	151,842	181,887	218,481	172,696	178,825
Public Works	19,050	26,525	26,960	16,300	18,490	17,505
Social Services	29,226	23,894	27,739	193,225	37,905	42,367
Education	431,214	439,173	589,963	663,221	565,627	487,357
Operating Grants and Contributions	5,090,558	5,158,413	5,316,355	5,350,449	5,471,366	5,706,585
Capital Grants and Contributions	10,000	114,295	99,041	6,000	-	10,000
<b>Total Governmental Activities Program Revenues</b>	<b>6,182,978</b>	<b>6,434,234</b>	<b>6,764,548</b>	<b>6,936,510</b>	<b>6,729,411</b>	<b>6,892,374</b>
<b>Net (Expense) Revenue Governmental Activities</b>	<b>(18,989,995)</b>	<b>(20,291,088)</b>	<b>(21,245,471)</b>	<b>(22,515,936)</b>	<b>(24,698,771)</b>	<b>(24,923,417)</b>
<b>General Revenues and Other Changes in Net Assets</b>						
Governmental Activities:						
Property Taxes	17,587,760	18,798,893	20,110,590	21,394,953	22,416,562	23,572,025
State Aid and in lieu of taxes	1,350,117	2,026,074	1,874,426	2,106,982	2,149,821	1,885,405
Investment Earnings	90,091	60,949	105,421	167,126	185,515	69,729
Miscellaneous	-	-	-	140,813	-	-
<b>Total Governmental Activities</b>	<b>19,027,968</b>	<b>20,885,916</b>	<b>22,090,437</b>	<b>23,809,874</b>	<b>24,751,898</b>	<b>25,527,159</b>
<b>Change in Net Assets Governmental Activities</b>	<b>\$ 37,973</b>	<b>\$ 594,828</b>	<b>\$ 844,966</b>	<b>\$ 1,293,938</b>	<b>\$ 53,127</b>	<b>\$ 603,742</b>

**Note: Prior to implementation of GASB 34 in 2004 this information was not compiled and is unavailable.**

**Source: Town of Scituate's Comprehensive Annual Financial Report**

**Table 3**

***Town of Scituate, Rhode Island  
Fund Balances of Governmental Funds  
Last Six Fiscal Years  
(modified accrual basis of accounting)  
"Unaudited"***

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund						
Reserved	\$ -	\$26,035	\$448,054	\$171,664	\$58,894	\$ -
Unreserved	<u>1,565,536</u>	<u>1,481,449</u>	<u>935,681</u>	<u>1,316,007</u>	<u>1,502,327</u>	<u>1,854,152</u>
<b><i>Total General Fund</i></b>	<b><u>\$1,565,536</u></b>	<b><u>\$1,507,484</u></b>	<b><u>\$1,383,735</u></b>	<b><u>\$1,487,671</u></b>	<b><u>\$1,561,221</u></b>	<b><u>\$1,854,152</u></b>
All Other Governmental Funds						
Reserved	\$1,292,980	\$177,046	\$117,803	\$122,802	\$127,805	\$342,855
Unreserved						
Reported in:						
Special Revenue Funds	3,281,390	3,190,342	3,821,032	4,271,969	4,070,033	4,113,032
Capital Projects Funds	1,041,034	485,842	342,622	611,986	817,467	987,716
<b><i>Total All Other Governmental Funds</i></b>	<b><u>\$5,615,404</u></b>	<b><u>\$ 3,853,230</u></b>	<b><u>\$ 4,281,457</u></b>	<b><u>\$ 5,006,757</u></b>	<b><u>\$ 5,015,305</u></b>	<b><u>\$ 5,443,603</u></b>
<b><i>Total Governmental Funds</i></b>	<b><u>\$7,180,940</u></b>	<b><u>\$5,360,714</u></b>	<b><u>\$5,665,192</u></b>	<b><u>\$6,494,428</u></b>	<b><u>\$6,576,526</u></b>	<b><u>\$7,297,755</u></b>

**Note: Prior to implementation of GASB 34 in 2004  
this information was not compiled and is unavailable.**

**Source: Town of Scituate's Comprehensive Annual Financial Report**

**Table 4**

**Town of Scituate, Rhode Island**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**"Unaudited"**

	<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>Revenues</b>										
General Property Taxes	\$ 14,203,148	\$ 14,430,059	\$ 15,597,760	\$ 15,877,800	\$ 17,512,173	\$ 18,683,454	\$ 20,014,679	\$ 21,202,702	\$ 22,253,861	\$ 23,425,236
Federal and State Aid and grants	-	-	-	-	6,315,766	7,194,500	7,221,174	7,424,366	7,598,155	7,568,321
Charges for Services	-	-	-	-	977,878	1,087,306	1,274,271	1,487,161	1,139,958	987,254
Fines and penalties	-	-	-	-	104,542	73,552	68,881	80,011	52,044	45,335
Investment and interest income	240,244	277,151	128,532	125,090	177,845	134,539	197,356	294,371	294,804	189,690
Contributions and private grants	-	-	-	-	140,356	104,282	68,648	39,065	23,032	33,669
Intergovernmental Revenues	4,925,847	5,431,885	6,041,033	6,710,545	-	-	-	-	-	-
Town Clerk Revenue	140,783	145,407	167,985	204,525	-	-	-	-	-	-
Other Revenues	649,522	461,611	582,455	595,067	-	668	6,000	153,702	66,043	144,339
<b>Total Revenues</b>	<u>20,159,544</u>	<u>20,746,113</u>	<u>22,517,765</u>	<u>23,513,027</u>	<u>25,228,560</u>	<u>27,278,301</u>	<u>28,851,009</u>	<u>30,681,378</u>	<u>31,427,897</u>	<u>32,393,844</u>
<b>Expenditures</b>										
Current:										
General Government	766,935	814,406	823,272	852,074	886,014	906,809	936,694	1,142,136	1,034,386	1,065,681
Public Safety	1,575,781	1,584,470	1,799,145	1,748,144	2,180,646	3,795,382	2,724,448	2,806,773	2,963,325	2,751,355
Public Works	1,347,917	1,362,015	1,563,071	1,570,769	1,636,559	1,899,450	1,888,870	1,842,956	2,188,927	2,107,206
Social services	552,513	515,073	948,160	654,148	928,509	1,081,219	1,132,594	828,604	904,695	853,382
Fixed Charges	801,307	966,306	931,082	1,065,828	1,158,295	1,290,768	1,381,725	1,521,628	1,620,889	1,558,859
Education	13,232,589	13,791,190	14,641,534	15,492,672	17,524,046	18,616,852	19,540,910	20,740,580	21,908,212	22,131,374
Other	381,867	345,417	360,684	412,855	-	-	-	-	-	-
Debt Service:										
Principal	620,000	745,000	823,000	936,457	736,459	1,086,459	1,041,459	1,071,459	1,112,715	1,295,465
Interest	547,306	532,634	504,036	373,380	470,285	421,588	379,679	359,006	347,400	339,293
Capital Outlay	1,423,680	24,461	530,556	807,792	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>21,249,895</u>	<u>20,680,972</u>	<u>22,924,540</u>	<u>23,914,119</u>	<u>25,520,813</u>	<u>29,098,527</u>	<u>29,026,379</u>	<u>30,313,142</u>	<u>32,080,549</u>	<u>32,102,615</u>
<b>Excess of Revenues Over (Under) Expenditures</b>										
<b>Before other financing sources (uses)</b>	<u>(1,090,351)</u>	<u>65,141</u>	<u>(406,775)</u>	<u>(401,092)</u>	<u>(292,253)</u>	<u>(1,820,226)</u>	<u>(175,370)</u>	<u>368,236</u>	<u>(652,652)</u>	<u>291,229</u>
<b>Other Financing Sources (Uses)</b>										
Proceeds from issuance of bonds and notes	200,000	-	893,723	5,470,574	1,830,000	-	476,500	461,000	734,750	430,000
Premium on Bonds	-	-	-	-	31,035	-	-	-	-	-
Payment -Bond Refunding Agent	-	-	-	(4,710,574)	-	-	-	-	-	-
Transfers In	10,694,547	11,195,806	11,865,496	12,260,771	13,708,845	15,181,624	16,465,288	17,326,261	18,366,062	19,429,671
Transfers Out	(10,735,647)	(11,251,697)	(11,935,305)	(12,345,171)	(13,708,845)	(15,181,624)	(16,465,288)	(17,326,261)	(18,366,062)	(19,429,671)
<b>Total Other Financing Sources (Uses)</b>	<u>158,900</u>	<u>(55,891)</u>	<u>823,914</u>	<u>675,600</u>	<u>1,861,035</u>	<u>-</u>	<u>476,500</u>	<u>461,000</u>	<u>734,750</u>	<u>430,000</u>
<b>Net Change in Fund Balances</b>	<u>\$ (931,451)</u>	<u>\$ 9,250</u>	<u>\$ 417,139</u>	<u>\$ 274,508</u>	<u>\$ 1,568,782</u>	<u>\$ (1,820,226)</u>	<u>\$ 301,130</u>	<u>\$ 829,236</u>	<u>\$ 82,098</u>	<u>\$ 721,229</u>
<b>Debt Service as a percentage of noncapital expenditures</b>	5.89%	6.19%	5.93%	5.67%	4.78%	5.50%	5.02%	4.78%	4.66%	5.19%

Source: Town of Scituate Comprehensive Annual Financial Report

In fiscal year 2004 the Town reclassified certain revenue and expenditure categories

**TOWN OF SCITUATE, RHODE ISLAND**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Fiscal Years*  
*"Unaudited"*

Table 5

<i>Fiscal Year</i>	<i>Real Property</i>					<i>Personal Property Tangible</i>		
	<i>Residential</i>	<i>Commercial</i>	<i>Less Exemptions</i>	<i>Total Taxable Assessed Value</i>	<i>Direct Tax Rate</i>	<i>Estimated Actual Value</i>	<i>Tangible Personal Property</i>	<i>Tax Rate Personal Property</i>
1999	\$ 268,830,660	\$ 114,260,050	\$ 3,489,710	\$ 379,601,000	\$ 30.67	\$ 887,727,487	\$ 18,106,770	\$ 30.67
2000	273,375,930	114,323,370	3,461,790	384,237,510	30.67	918,797,949	18,809,800	30.67 / 27.60
2001	278,082,880	114,178,300	3,416,640	388,844,540	31.53	950,955,877	24,315,160	31.53
2002	338,527,380	158,082,110	3,530,524	493,078,966	27.75	993,218,980	24,002,560	27.75
2003	342,898,960	158,226,300	3,431,449	497,693,811	28.45	1,002,250,520	24,315,160	28.45
2004	347,719,380	158,554,740	3,447,948	502,826,172	31.33	1,012,548,240	24,529,920	31.33
2005	551,737,090	180,025,470	3,510,150	728,252,410	22.08	1,463,525,120	26,426,300	33.05
2006	560,248,530	180,222,570	3,516,500	736,954,600	23.29	1,480,942,200	27,638,350	34.87
2007	567,514,290	180,135,970	3,436,500	744,213,760	24.57	N/A	29,502,240	36.79
2008	694,016,310	213,839,710	3,576,000	904,280,020	21.42	N/A	23,775,070	32.13

Real property is valued in full every 3 years with a State mandated update of the current market value (statistical) in the third year following each reappraisal.

Source: Tax Assessor's Office

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Assessed and Estimated Actual Value of Taxable Property (Continued)*  
*Last Ten Fiscal Years*  
*"Unaudited"*

Table 5

<i>Fiscal Year</i>	<i>Personal Property Motor Vehicle</i>			<i>Tax Rate Motor Vehicles</i>	<i>Personal Property Estimates Actual Value</i>	<i>Total Assessed Value</i>	<i>Total Estimated Actual Value</i>	<i>Ratio</i>
	<i>Motor Vehicles</i>	<i>Less Exemptions</i>	<i>Total Motor Vehicle Taxable Assessed Value</i>					
1999	\$56,865,040	\$ 120,665	\$ 56,744,375	\$ 30.67	\$ 77,775,233	\$ 458,062,520	\$ 965,502,720	47.44%
2000	71,521,707	17,872,943	53,648,764	30.20	75,423,425	478,030,807	994,221,374	48.08%
2001	67,774,327	25,723,046	42,051,281	30.20	72,524,448	484,350,667	1,023,480,325	47.32%
2002	69,595,669	22,997,739	46,597,930	30.20	97,261,159	590,207,719	1,090,480,139	54.12%
2003	71,937,248	29,885,967	42,051,281	30.20	100,038,579	597,377,668	1,102,289,099	54.19%
2004	77,181,920	31,189,919	45,992,001	30.20	105,774,046	607,985,960	1,118,322,286	54.37%
2005	79,324,634	32,710,998	46,613,636	30.20	109,925,915	837,513,494	1,573,451,035	53.23%
2006	86,423,570	33,358,221	53,065,349	30.20	118,610,528	854,533,020	1,599,552,728	53.42%
2007	96,029,792	46,685,699	49,344,093	30.20	N/A	873,182,292	N/A	N/A
2008	96,975,747	47,715,845	49,259,902	30.20	N/A	1,028,606,837	N/A	N/A



**Table 6**

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

***Town Direct Rates***

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<b><i>Fiscal Year</i></b>	<b><i>Basic Rate</i></b>	<b><i>MV</i></b>	<b><i>PP</i></b>	<b><i>INV</i></b>	<b><i>Comm Mixed Use</i></b>
2000	\$30.67	\$30.20	\$30.67	\$27.60	
2001	31.53	30.20	31.53		
2002	27.75	30.20	27.75		
2003	28.45	30.20	28.45		
2004	31.33	30.20	31.33		
2005	22.08	30.20	33.05		\$27.75
2006	23.29	30.20	34.87		29.28
2007	24.57	30.20	36.79		30.89
2008	21.42	30.20	32.13		28.92
2009	22.395	30.20	33.592		30.233

Notes:

- (1) Real Estate is assessed at 50% value
- (2) Motor Vehicles are assessed at 95%
- (3) Full Revaluation was conducted as of December 31, 2006
- (4) Statistical Revaluation was conducted as of December 31, 2003
- (5) Motor Vehicle Phase-Out Exemptions began in fiscal Year 2000
- (6) Retail/Wholesale inventory Tax phased out completely in Fiscal Year 2001
- (7) The Town does not have any overlapping governments.

**Table 7**

**Town of Scituate, Rhode Island  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
"Unaudited"**

<b>Taxpayer</b>	<b>2009</b>			<b>Taxpayer</b>	<b>2000</b>		
	<b>Taxable Assessed Value</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Type of Business</b>		<b>Taxable Assessed Value</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Type of Business</b>
Providence Water Supply Board	\$187,487,680	18.07%	Utility/Watershed	Providence Water Supply Board	\$103,451,130	21.62%	Utility/Watershed
Narragansett Electric, Co.	9,047,540	0.87%	Utility/Electric	Narragansett Electric, Co.	6,731,130	1.41%	Utility/Electric
Providence Public Build Auth	4,678,540	0.45%	Utility/Watershed	Providence Public Build Auth	3,396,870	0.71%	Utility/Watershed
Cox Communications	3,753,330	0.36%	Utility/Cable	Ford Motor Credit Company	2,061,059	0.43%	Motor Vehicle Leasing
Scituate Village Shopping Cntr.	1,986,250	0.19%	Retail Shopping	General Motors Acceptance Co.	1,471,815	0.31%	Motor Vehicle Leasing
Cavanagh, Peter A., et us Theresa	1,648,950	0.16%	Residential	Nissan Motor Acceptance Corp	1,273,381	0.27%	Motor Vehicle Leasing
Hope Mill Village Associates LLC	1,929,550	0.12%	Industrial mill	Chase Manhattan Auto	1,271,173	0.27%	Motor Vehicle Leasing
CAB East LLC	1,184,389	0.11%	Motor Vehicle Leasing	Cox Communications	1,263,020	0.26%	Utility/Cable
Scituate Commons	911,570	0.90%	Residential Apartments	Scituate Village Shopping Cntr.	1,101,770	0.23%	Retail Shopping
Honda Lease Trust	865,773	0.80%	Motor Vehicle Leasing	Ciunci, Vincent R. ET UX Mary	735,610	0.15%	Residential
Totals	<u>\$213,493,572</u>	<u>22.03%</u>			<u>\$ 122,756,958</u>	<u>25.66%</u>	

Sources: Town of Scituate Tax Assessor

(1) Source: Tax Assessor's Data Base File

(2) Tax Roll

**Table 8**

**Town of Scituate, Rhode Island**  
**Property Tax Levies and Collections (1)**  
**Last Ten Fiscal Years**  
**"Unaudited"**

<b>Fiscal Year</b>	<b>Net Adjusted Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Current Taxes Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Ratio of Total Tax Collections to Net Tax Levy</b>	<b>Net Outstanding Delinquent Taxes</b>	<b>Ratio of Delinquent Taxes to Net Tax Levy</b>
2000	\$ 13,973,366	\$ 13,485,409	96.5%	\$ 591,017	\$ 14,076,426	101.7%	\$ 743,553	5.3%
2001	14,392,005	13,847,987	96.2%	484,998	14,332,985	99.6%	759,101	5.3%
2002	15,379,065	14,937,180	97.1%	554,342	15,491,522	100.7%	646,891	4.2%
2003	15,777,922	15,335,099	97.2%	443,564	15,778,663	100.0%	614,425	3.9%
2004	17,466,182	17,051,554	97.6%	460,619	17,512,173	100.3%	539,726	3.1%
2005	18,721,904	18,284,018	97.7%	399,436	18,683,454	99.8%	579,683	3.1%
2006	20,034,099	19,559,113	97.6%	455,566	20,014,679	99.9%	582,116	2.9%
2007	21,261,328	20,784,484	97.8%	418,218	21,202,702	99.7%	641,043	2.7%
2008	22,358,402	21,827,825	97.6%	426,036	22,253,861	99.5%	739,978	3.3%
2009	23,485,820	22,927,741	97.6%	497,495	23,425,236	99.7%	766,572	3.3%

## Notes:

- (1) Collection data has been adjusted to reflect accruals for "60 day rule" collections received subsequent to year-end.
- (2) Source: Treasurer's records

**Table 9**

***Town of Scituate, Rhode Island  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
"Unaudited"***

<b><i>Fiscal Year</i></b>	<b><i>Governmental Activities</i></b>			<b><i>Total Primary Government</i></b>	<b><i>Percentage of Personal Income</i></b>	<b><i>Per Capita</i></b>
	<b><i>General Obligation Bonds</i></b>	<b><i>Note Payable</i></b>	<b><i>Capital Lease</i></b>			
2000	\$ 10,350,000	\$ -	\$ 340,000	\$ 10,690,000	3.88% (a)	\$ 1,091.26
2001	9,710,000	-	235,000	9,945,000	3.43% (b)	963.29
2002	9,553,723	342,000	120,000	10,015,723	3.45% (b)	970.14
2003	9,800,266	304,000	-	10,104,266	3.48% (b)	978.72
2004	10,931,807	266,000	-	11,197,807	3.86% (b)	1,084.64
2005	9,883,348	228,000	-	10,111,348	3.49% (b)	979.40
2006	9,356,389	190,000	-	9,546,389	3.29% (b)	924.68
2007	8,783,930	152,000	-	8,935,930	3.08% (b)	865.55
2008	8,443,965	114,000	-	8,557,965	2.95% (b)	828.94
2009	7,616,500	76,000	-	7,692,500	2.65% (b)	745.10

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 1990 census year.  
(b) Ratio is calculated using personal income from 2000 census year.

**Table 10**

***Town of Scituate, Rhode Island  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years  
"Unaudited"***

<b><i>Fiscal Year</i></b>	<b><i>General Bonded Debt Outstanding</i></b>		<b><i>Percentage of Actual Taxable Value (a) of Property</i></b>	<b><i>Per Capita (b)</i></b>
	<b><i>General Obligation Bonds</i></b>	<b><i>Total</i></b>		
2000	\$ 10,350,000	\$ 10,350,000	2.27%	\$ 1,056.55
2001	9,710,000	9,710,000	2.12%	940.52
2002	9,553,723	9,553,723	1.75%	925.38
2003	9,800,266	9,800,266	1.79%	949.27
2004	10,931,807	10,931,807	1.95%	1,058.87
2005	9,883,348	9,883,348	1.23%	957.32
2006	9,356,389	9,356,389	1.14%	906.28
2007	8,783,930	8,783,930	1.07%	850.82
2008	8,443,965	8,443,965	0.86%	817.90
2009	7,616,500	7,616,500	0.77%	737.74

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

Source: Town of Scituate, Rhode Island Audited Financial Statements

(a) Actual taxable value equals gross assessed value less exemptions.

(b) Population data can be found in Schedule 14.

Table 11

*Town of Scituate, Rhode Island*  
*Direct and Overlapping Governmental Activities Debt*  
*As of March 31, 2009*  
*"Unaudited"*

The Town of Scituate, Rhode Island has no overlapping debt.

**Table 12**

***Town of Scituate, Rhode Island  
Legal Debt Margin Information  
Last Ten Fiscal Years  
"Unaudited"***

	<i>Fiscal Year</i>									
	<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	\$ 13,700,882	\$ 13,761,445	\$ 16,420,089	\$ 16,467,710	\$ 16,789,620	\$ 24,038,770	\$ 24,529,749	\$ 26,195,469	\$29,319,450	\$29,563,349
Total net debt applicable to limit	<u>475,000</u>	<u>370,000</u>	<u>768,723</u>	<u>1,435,266</u>	<u>3,041,807</u>	<u>2,663,348</u>	<u>2,751,389</u>	<u>2,813,930</u>	<u>3,138,965</u>	<u>3,011,500</u>
Legal debt margin	<u>\$ 13,225,882</u>	<u>\$ 13,391,445</u>	<u>\$ 15,651,366</u>	<u>\$ 15,032,444</u>	<u>\$ 13,747,813</u>	<u>\$ 21,375,422</u>	<u>\$ 21,778,360</u>	<u>\$ 23,381,539</u>	<u>\$26,180,485</u>	<u>\$26,551,849</u>
Total net debt margin as a percentage of debt limit	96.53%	97.31%	95.32%	91.28%	81.88%	88.92%	88.78%	89.26%	89.29%	89.81%

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.

\*Source: Town of Scituate, Rhode Island Audited Financial Statements

*Table 13*

*Town of Scituate, Rhode Island  
Pledged-Revenue Coverage  
Last Ten Years  
"Unaudited"*

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



**Table 14**

***Town of Scituate, Rhode Island  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
"Unaudited"***

<b><i>Fiscal Year Ended March</i></b>	<b><i>Population (1)</i></b>	<b><i>Median Family Income (1)</i></b>	<b><i>Per Capita Personal Income (1)</i></b>	<b><i>Median Age(1)</i></b>	<b><i>School Enrollment (2)</i></b>	<b><i>Unemployment Rate (3)</i></b>
2000	9,796	\$ 67,593	\$ 28,092	33.3	1,747	4.20%
2001	10,324	67,593	28,092	39.7	1,708	4.60%
2002	10,324	67,593	28,092	39.7	1,772	5.40%
2003	10,324	67,593	28,092	39.7	1,782	5.80%
2004	10,324	67,593	28,092	39.7	1,793	4.60%
2005	10,324	67,593	28,092	39.7	1,814	5.01%
2006	10,324	67,593	28,092	39.7	1,792	5.50%
2007	10,324	67,593	28,092	39.7	1,873	4.70%
2008	10,324	67,593	28,092	39.7	1,806	7.00%
2009	10,324	67,593	28,092	39.7	1,700	12.5%

Sources:

- (1) U.S. Census Bureau.
- (2) School enrollment provided by the Scituate School Department Business Offices.  
Enrollment includes students in Scituate Public Schools
- (3) Unemployment rates obtained from State of Rhode Island Dept. of Labor and Training.

Table 15

*Town of Scituate, Rhode Island  
Principal Employers  
Current Year and Nine Years Ago  
"Unaudited"*

<u>Employer</u>	<u>2009</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Town of Scituate Municipal /School	419	1	6.65%
Totrama Supermarkets DBA The Village IGA	73	2	1.16%
Providence Water Supply Board	52	3	0.83%
Atlas Insulation Co.	49	4	0.78%
McDonald's DBA LCC Food Inc.	30	5	0.48%
Rite-Aid DBA Brooks	30	6	0.48%
Next Level Fitness	20	7	0.32%
102 Scituate Corp DBA Dunkin Donuts	16	8	0.25%
Corner Bistro LLL	16	9	0.25%
Country Builders	17	10	0.27%
Total	<u>722</u>		<u>11.47%</u>

Source: Tax Assessor's Yearly Annual Tangible Return Town Businesses

**Note: Data is unavailable for 2000**

**Table 16**

**Town of Scituate, 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>
Central Administration										
Town Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Town Clerk	3.5	3.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0
Board of Canvassers	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Probate Court	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building/Zoning	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.5	3.0
Planning										
Wastewater										
Planning Board	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Zoning Board	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	7.0	7.0
Land Trust	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Historic District										
Town Sergeant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Administration										
Treasurer	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Treasurer's Office	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5	2.0
Tax Collection	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.0
Tax Assessor	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Public Safety										
Police										
Officers	18.0	18.0	18.0	18.0	18.0	18.0	17.0	17.0	16.0	17.0
Civilians	7.0	7.0	7.0	7.0	7.0	7.0	6.0	6.0	6.0	6.0
Animal Control										
Animal Control Officer	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	0.5	0.5	0.05
Emergency Management	0.3	0.3	0.3	0.3	1.0	1.0	1.0	1.0	0.5	0.05
Public Works Department										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Asst. Director	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.5
Highway										
Driver/Laborer/ Building/Grounds	7.0	7.0	7.3	7.4	7.4	6.4	6.4	6.4	5.0	6.0
Forman Driver/Laborer	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Maintenance										
Custodial	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Vehicles & Equipment	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
Recreation Department										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.3	1.3	0.0	*0.4
Summer Programs	55.0	70.0	68.0	74.0	69.0	75.0	75.0	75.0	82.0	93.0
Human Services Department										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Meal site	0.5	0.5	0.5	1.3	1.3	1.5	1.5	1.5	1.5	1.5
Senior Van Driver	0.5	0.5	0.5	0.8	0.8	0.8	0.8	0.1	0.8	0.8

Source: Comprehensive Annual Financial Report/ Miscellaneous Statistics Unaudited

\*Seasonal

**Table 17**

***Town of Scituate, Rhode Island  
Operating Indicators by Function/Program  
Last Ten Fiscal Years  
"Unaudited"***

<b><i>Function/Program</i></b>	<b><i>2000</i></b>	<b><i>2001</i></b>	<b><i>2002</i></b>	<b><i>2003</i></b>	<b><i>2004</i></b>	<b><i>2005</i></b>	<b><i>2006</i></b>	<b><i>2007</i></b>	<b><i>2008</i></b>	<b><i>2009</i></b>
Public Safety (1)										
Police										
Calls	7,923	7,755	8,053	8,937	8,572	8,396	7,720	9,144	7,904	10,202
Physical Arrests	259	224	343	303	239	243	245	280	164	176
Citations	1,051	861	1,042	1,566	1,733	1,601	1,339	1,888	1,056	1,086
Accidents	327	391	305	350	316	353	362	273	284	300
Animal Control										
Dog Licenses Issued	701	701	701	700	648	658	659	408	408	576
Building/Zoning (1)										
Commercial Construction Permits	0	1	0	1	0	0	1	0	0	3
Residential Construction Permits	39	36	46	51	40	10	22	2	2	9
2 -Family	0	0	0	0	0	0	0	0	0	1

Sources: Various Town departments.

(1) Statistics for Public Safety and Building Zoning are based on a calendar year.

**Table 18**

*Town of Scituate, Rhode Island*  
*Capital Asset Statistics by Function/Program*  
*Last Ten Fiscal Years*  
*"Unaudited"*

<i>Function/Program</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	7	7	7	7	7	7	7	7	7	7
Fire Stations	4	4	4	4	4	4	4	4	4	4
Animal Control										
Animal Shelters	1	1	1	1	1	1	1	1	1	1
Public Works										
Stations/Garage	1	1	1	1	1	1	1	1	1	1
Streets and Highways										
Street (miles - state paved)	56.70	56.70	56.70	56.70	56.70	56.70	56.70	56.70	56.70	56.70
Street (miles- local paved)	83.0	83.0	83.0	83.0	83.0	83.0	83.0	83.0	83.0	86.7
Parks and Recreation										
Playgrounds	4	4	4	4	4	4	4	4	4	4
Tennis Courts	8	8	8	8	8	8	8	8	8	8
Beaches	1	1	1	1	1	1	1	1	1	1
Baseball/Softball diamonds	1	1	1	1	1	1	1	1	1	5
Baseball/Hardball diamonds	6	6	6	6	6	6	6	6	6	6
Soccer/Football fields	7	7	7	7	7	7	7	7	7	6
Basketball Courts/Outdoor	2	2	2	2	2	2	2	2	2	2
Basketball Courts/ Indoor	4	4	4	4	4	4	4	4	4	4
Undeveloped Sites	2	2	2	2	2	2	2	2	2	2
Human Services										
Transit mini-bus	2	2	2	2	2	2	2	2	2	3
Senior Center	1	1	1	1	1	1	1	1	1	1
Buildings										
Town Hall	1	1	1	1	1	1	1	1	1	1
Community House	1	1	1	1	1	1	1	1	1	1
Congregational Church	1	1	1	1	1	1	1	1	1	1
Potterville School House	1	1	1	1	1	1	1	1	1	1
Clayville School House	1	1	1	1	1	1	1	1	1	1
Old Towne House	1	1	1	1	1	1	1	1	1	1

Sources: Various Town Departments  
Financial Report Miscellaneous Statistics

## **S I N G L E   A U D I T   S E C T I O N**

**This section contains information  
regarding grant activity for the year ended  
March 31, 2009 which was audited under the guidelines  
of the Single Audit Act of 1996 and the United States  
Office of Management and Budget's Circular A-133, "Audits  
of States, Local Governments, and Non-Profit Organizations".**

***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 President  
and Members of the Town Council  
Scituate, Rhode Island

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Scituate, Rhode Island, as of and for the year ended March 31, 2009, which collectively comprise the Town of Scituate, Rhode Island's basic financial statements and have issued our report thereon dated September 24, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

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

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 entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 09-1 to be a significant deficiency in internal control over financial reporting.

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 entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 09-1 to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Scituate, Rhode Island's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 matters that we reported to the management of the Town of Scituate, Rhode Island in a separate letter dated September 24, 2009.

This report is intended solely for the information and use of management, the Town Council, the School Committee, the State of Rhode Island Auditor General, 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.

  
Warwick, Rhode Island  
September 24, 2009



***REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133***

To the Honorable President  
and Members of the Town Council  
Scituate, Rhode Island

**Compliance**

We have audited the compliance of the Town of Scituate, Rhode Island with types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended March 31, 2009. The Town of Scituate, Rhode Island's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town of Scituate, Rhode Island's management. Our responsibility is to express an opinion on the Town of Scituate, Rhode Island's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Scituate, Rhode Island's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Scituate, Rhode Island's compliance with those requirements.

In our opinion, the Town of Scituate, Rhode Island complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended March 31, 2009.

### Internal Control Over Compliance

The management of the Town of Scituate, Rhode Island is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Scituate, Rhode Island's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Scituate, Rhode Island's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of management, the Town Council, the School Committee, the State of Rhode Island Auditor General, 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.



Warwick, Rhode Island  
September 24, 2009

**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Findings and Questioned Costs*  
*For the Fiscal Year Ended March 31, 2009*

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***Financial Statements***

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?   X   yes        no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        yes   X   none reported
- Noncompliance material to financial statements noted?        yes   X   no

***Federal Awards***

Internal control over major programs:

- Material weakness(es) identified?        yes   X   no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        yes   X   none reported

Type of auditor's report issued on compliance for major programs: unqualified

- Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?        yes   X   no

***Identification of major programs:***

<b><i>CFDA Number</i></b>	<b><i>Name of Federal Program or Cluster</i></b>
84.027	IDEA – Special Education Cluster
84.173	Preschool – Special Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

- Auditee qualified as low-risk auditee?        yes   X   no

*(Continued)*

**TOWN OF SCITUATE, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs (Continued)**  
**For the Fiscal Year Ended March 31, 2009**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**09-1 Criteria** – In order to properly safeguard and account for capital assets, the Town must have a system in place that provides an accurate list of capital assets and depreciation expense.

**Significant Deficiency** – The Town does not have policies and procedures in place to properly account for capital assets. Although a list of capital assets and depreciation expense were prepared as of March 31, 2009, the list was incomplete and several material audit adjustments were proposed to correct the list of capital assets and depreciation expense. The Town does not have procedures in place to maintain the list of capital assets on a perpetual basis or to provide for the periodic inventory of capital assets.

**Recommendation** – We recommend that the Town establish policies and procedures to account for additions, deletions and adjustments to the list of capital assets throughout the year. We also recommend that the Town inventory capital assets and compare the inventory to its list of capital assets at least bi-annually. This will ensure proper recording and safeguarding of capital assets.

**Management's Response** – The Town will establish and implement a policy to review capital assets quarterly.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

**TOWN OF SCITUATE, RHODE ISLAND**  
*Summary Schedule of Prior Audit Findings*  
*For the Fiscal Year Ended March 31, 2009*

**U.S. Department of Education**

**Finding:** 08-3

**Program:** Special Education Cluster – IDEA and Preschool

**Pass through entity:** R.I. Department of Education

**CFDA Number:** 84.027; 84.173

**Criteria** – Attachment B of OMB Circular A-87 “*Cost Principles for State, Local, and Indian Tribal Governments*” states that wages, salaries and fringe benefits charged to federal awards are allowable only to the extent that they are determined and documented as provided in Section 8(h). Specifically, where employees work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications must be prepared semi-annually and signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation. Personnel activity reports or equivalent documentation must reflect after-the-fact distribution of the actual activity of the employee and must account for the total activity for which the employee was compensated. Personnel activity reports must be prepared at least monthly and must coincide with one or more pay periods. Finally, personnel activity reports must be signed by the employee. Budget estimates or other distribution percentages determined before the services are performed **do not qualify** as support for the charges to Federal awards.

**Condition** – The School Department had a certification system in place for employees charged to Federal grants who worked on a single cost objective. The auditors noted eleven employees who did not have any certifications on file for school year 2007-2008 and four employees who did not have a certification for January – June 2008.

Employees charged to Federal grants who worked on multiple cost objectives and substitutes did not complete the required personnel activity reports for fiscal year 2007-2008.

**Questioned Costs** – None

**Recommendation** – The auditor recommended that the School Department ensure that all employees charged to Federal grants who work on a single cost objective complete semi-annual certifications. The auditor also recommended that the School Department require employees charged to Federal grants who work on multiple cost objectives to complete personnel activity reports as required by OMB Circular A-87.

**Current Status** – The School Department has implemented the prior year recommendation.

**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Expenditures of Federal Awards*  
*For the Fiscal Year Ended March 31, 2009*

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b><i>U.S. Department of Housing and Urban Development</i></b>			
Passed through R.I. Division of Planning, Office of Housing and Community Development:			
Community development block grant	14.228	04/30/18	\$ 1,521
Community development block grant	14.228	05/30/19	27,637
Community development block grant	14.228	07/30/21	66,932
Community development block grant	14.228	08/30/22	<u>8,521</u>
<b><i>Total U.S. Department of Housing and Urban Development</i></b>			<u>104,611</u>
<b><i>U.S. Department of Education</i></b>			
Passed through R.I. Department of Education: <i>Special Education Cluster (IDEA):</i>			
IDEA (07/08)	84.027A	1430-50500-801	81,927
IDEA (08/09)	84.027A	1430-50500-901	384,262
Preschool Sec. 619 (07/08)	84.173A	1430-50800-801	5,768
Preschool Sec. 619 (08/09)	84.173A	1430-50800-901	9,791
Title I (07/08)	84.010A	1420-51600-801	46,761
Title I (08/09)	84.010A	1420-51600-901	113,416
Title II (08/09)	84.367A	1420-54000-901	35,875
Title V (08/09)	84.298A	1420-51000-901	20
Title II (07/08)	84.367A	1420-54000-801	18,823
Title IV (08/09)	84.186A	1420-52900-901	<u>2,774</u>
<b><i>Total U.S. Department of Education</i></b>			<u>699,417</u>
<b><i>U.S. Department of Agriculture</i></b>			
Passed through R.I. Department of Education: <i>Child Nutrition Cluster:</i>			
National School Lunch Program	10.555	N/A	73,171
Federal commodities	10.550	N/A	<u>20,536</u>
<b><i>Total U.S. Department of Agriculture</i></b>			<u>93,707</u>

(Continued)

**TOWN OF SCITUATE, RHODE ISLAND**  
*Schedule of Expenditures of Federal Awards (Continued)*  
For the Fiscal Year Ended March 31, 2009

<i>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Federal Expenditures</i>
<i>U.S. Department of Justice</i>			
Direct Program:			
Federal Forfeited Funds	16.000	N/A	<u>5,700</u>
<i>Total U.S. Department of Justice</i>			<u>5,700</u>
 <i>U.S. Department of Homeland Security</i>			
Passed through R.I. Emergency Management Agency:			
<i>Homeland Security Cluster:</i>			
State Homeland Security Grant	97.067	30-107-FY07 PSIC	<u>46,305</u>
<i>Total U.S. Department of Homeland Security</i>			<u>46,305</u>
 <i>U.S. Environmental Protection Agency</i>			
Direct Program:			
Environmental Education Grant	66.951	NE-97143001-0	<u>10,210</u>
<i>Total U.S. Environmental Protection Agency</i>			<u>10,210</u>
 <i>Total Expenditures of Federal Awards</i>			<u><u>\$ 959,950</u></u>

***TOWN OF SCITUATE, RHODE ISLAND***  
***Notes to Schedule of Expenditures of Federal Awards***  
***March 31, 2009***

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Scituate, Rhode Island and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, ***Audits of States, Local Governments, and Non-Profit Organizations***. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.