

# **TOWN OF TIVERTON**

## **ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**



**James Goncalo**  
**Town Administrator**

**Philip A. DiMattia**  
**Treasurer**

**Prepared by: Finance Department**

**-----Tiverton, Rhode Island-----**

**TOWN OF TIVERTON, RHODE ISLAND  
AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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**AUDITED FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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## **INTRODUCTORY SECTION**

This Section Contains the Following Subsections:

List of Town Officials

# **TOWN OF TIVERTON, RHODE ISLAND**

## **TOWN COUNCIL**

Don Bollin, President  
Joanne M. Arruda, Vice President  
Hannibal F. Costa  
Louise Durfee  
Jay J. Lambert  
Cecil E. Leonard  
Edward A. Roderick

## **TOWN ADMINISTRATOR**

James Goncalo

## **TOWN TREASURER**

Philip A. DiMattia

## **FINANCIAL SECTION**

This Section Contains the Following Subsections:

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

The Honorable President and  
Members of the Town Council  
Town of Tiverton  
Tiverton, Rhode Island

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and 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 financial position of the governmental activities, business type activities, each major fund and the aggregate remaining fund information of the Town of Tiverton, Rhode Island as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

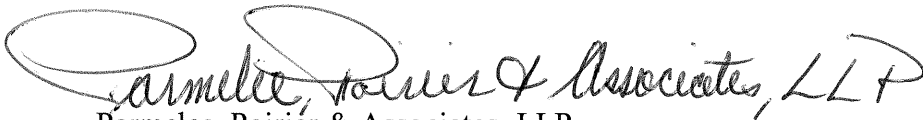
As described in Note 14 to the basic financial statements, the Town adopted GASB Statement 45 as of July 1, 2008.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 15, 2009 on our consideration of the Town of Tiverton, Rhode Island's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed

in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis, the budgetary comparison information and pension information on pages 3 through 12 and 59 through 69 respectively, are not a required part of the 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 performed for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual non-major fund statements, other schedules and statistical section 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 as required by 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. The combining and individual non-major fund statements and 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 presented in all material respects in relation to the basic financial statements taken as a whole. The other schedules and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Parmelee, Poirier & Associates, LLP

December 15, 2009



## **Management's Discussion and Analysis**

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

Our discussion and analysis of the Town of Tiverton, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2009.

**Financial Highlights**

- ❖ The Town's net assets decreased by \$1,946,771 as a result of this year's operations. Most of this decrease was attributable to the Town's implementation of GASB 45 other post retirement benefits, which required the Town to record the long-term liability for health benefits as a liability on the statement of net assets. The recognition of this liability caused a decrease in net assets of \$1,920,310. On a government-wide basis the assets of the Town of Tiverton exceeded its liabilities at the close of the most recent fiscal year by \$9,717,013. Net assets of business activities decreased by \$27,738, or .72%, while net assets of Governmental Activities decreased by \$1,919,033 or 24%.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$47,975,112 a 9% increase from the prior year, while revenues collected were \$46,071,312 a 5.2% increase.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,331,909. One hundred percent of this amount is unreserved and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general fund unreserved fund balance was \$675,671, or 1.9% of the total general fund expenditures and transfers out for the fiscal year. The current fiscal year's revenues and transfers exceeded expenditures and transfers by \$221,022. On a budgetary basis revenues exceeded expenditures and transfers by \$552,944.

**Overview of the Financial Statements**

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

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

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

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

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

**Government-wide financial statements** - are designed to provide readers with a broad overview of the Town's finances in a manner, which is similar to a private-sector business. They are presented on the accrual basis of accounting where revenues and expenditures are recognized on the date they occurred rather than on the date they were collected or paid.

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

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

Both government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government and administration, public safety, development services, cultural and recreational services. The Town's business activities include the Land Acquisition Fund and the Cafeteria Fund.

The government wide financial statements are reported on pages 13 through 14.

**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. All of the funds of the Town can be divided into two categories-governmental funds and proprietary funds.

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

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

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

The Town maintains governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, School Special Revenue Unrestricted Fund, Pocasset Renovation Fund and the Ft. Barton Renovation Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

**Proprietary Funds** - The Town's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has two enterprise funds, the Land Acquisition Fund and the Cafeteria Fund, both are considered to be major funds for financial statement purposes.

The basic proprietary fund financial statements are presented on pages 18 through 20.

**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 statement because resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 21 and 22.

**Notes to Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 23 through 56.

**Other Information** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary information is presented on pages 57 through 69.

The combining statements referred to earlier in connection with non-major governmental funds, proprietary funds and internal service funds are presented on pages 70 through 98.

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

**Government-wide Financial Analysis**

**Analysis of the Town of Tiverton's Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. The Town of Tiverton, governmental activities assets exceeded liabilities by \$9,717,013 as of June 30, 2009. This is a decrease of \$1,919,033 from the previous year current activities.

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

	<i>Town of Tiverton</i>					
	<i>Net Assets</i>					
	<u>June 30, 2008</u>			<u>June 30, 2009</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 37,464,981	\$ 308,027	\$ 37,773,008	\$ 14,874,475	\$ 312,414	\$ 15,186,889
Capital assets	<u>38,637,840</u>	<u>3,500,000</u>	<u>42,137,840</u>	<u>46,527,666</u>	<u>3,520,197</u>	<u>50,047,863</u>
Total Assets	<u>76,102,821</u>	<u>3,808,027</u>	<u>79,910,848</u>	<u>61,402,141</u>	<u>3,832,611</u>	<u>65,234,752</u>
Other Liabilities	8,777,931	-	8,777,931	6,988,445	52,322	7,040,767
Long-Term Liabilities	<u>59,409,073</u>	<u>-</u>	<u>59,409,073</u>	<u>48,476,972</u>	<u>-</u>	<u>48,476,972</u>
Total Liabilities	<u>68,187,004</u>	<u>-</u>	<u>68,187,004</u>	<u>55,465,417</u>	<u>52,322</u>	<u>55,517,739</u>
Net Assets:						
Invested in Capital						
Net of Related Debt	5,595,816	3,500,000	9,095,816	6,130,937	3,520,197	9,651,134
Unrestricted	<u>2,320,001</u>	<u>308,027</u>	<u>2,628,028</u>	<u>(194,213)</u>	<u>260,092</u>	<u>65,879</u>
Total Net Assets	<u>\$ 7,915,817</u>	<u>\$ 3,808,027</u>	<u>\$ 11,723,844</u>	<u>\$ 5,936,724</u>	<u>\$ 3,780,289</u>	<u>\$ 9,717,013</u>

An additional portion of the Town's net assets, \$9,651,134 consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

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

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

The following analysis provides a summary of the Town's operations for the year ended June 30, 2009. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year June 30, 2003. Therefore, comparative data is both available and presented in the following schedules. Governmental activities decreased the Town's net assets by \$1,919,033 for the current period, accounting for a 24 % decrease in the Town's governmental net assets, while business-type activities decreased the Town's net assets by \$27,738, accounting for .72% decrease in the business-type growth in net assets. Overall the Town's net assets decrease was \$1,946,771 which is a 17% decrease over the prior year.

In the fund statements the Town closed with a net change in fund balance (\$20,596,802). This reduction was mostly due to the completion of town capital projects and the payment of prior year BAN's. In the statement of activities, expenditures for capital items are not recorded as expenses but shown in the balance sheet, which resulted in an increase of \$7,932,797 net of depreciation; also revenues from the increase of deferred revenues and from bond payments that are not recorded as expenditures but shown in the balance sheet which resulted in an increases of \$185,231 and \$12,821,636 respectively. Other reductions were due to an increase in the Town's other post employment benefits of \$1,920,310 and an increase in the Town's net pension obligation of \$2,023. There were other changes resulting in a decrease of \$399,622. The overall effect was a decrease in the Town's net assets by \$1,979,093. Please see notes 8 and 9 to the financial statements for a more detailed presentation.

The following page presents the Changes in Net Assets for the current year's activity.

**TOWN OF TIVERTON, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2009**  
**(Un-audited)**  
*Town of Tiverton*  
*Changes in Net Assets*

	<u>June 30, 2008</u>			<u>June 30, 2009</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
<b>Revenues</b>						
<b>Program revenues</b>						
Charges for services	\$ 2,456,261	\$ 612,853	\$ 3,069,114	\$ 2,614,353	\$ 575,566	\$ 3,189,919
Federal/State grants	6,330,447	162,326	6,492,773	1,195,548	153,168	1,348,716
<b>General Revenues</b>						
Property taxes	28,127,573	-	28,127,573	31,230,978	-	31,230,978
State aid	2,271,446	-	2,271,446	1,945,325	-	1,945,325
Investment earnings	633,978	-	633,978	373,459	-	373,459
Miscellaneous	3,163,579	-	3,163,579	7,982,915	-	7,982,915
Transfers	(325,325)	325,325	-	-	-	-
Total revenues	<u>42,657,959</u>	<u>1,100,504</u>	<u>43,758,463</u>	<u>45,342,578</u>	<u>728,734</u>	<u>46,071,312</u>
<b>Expenses</b>						
General government	1,854,183	-	1,854,183	3,684,895	-	3,684,895
Financial administration	3,898,308	-	3,898,308	3,641,971	-	3,641,971
Public Safety	5,369,480	-	5,369,480	5,349,064	-	5,349,064
Grants, health & sanitation	1,075,848	-	1,075,848	919,004	-	919,004
Public works	2,906,066	-	2,906,066	1,961,077	-	1,961,077
Associated activities	118,790	-	118,790	104,413	-	104,413
Parks and Recreation	144,235	-	144,235	167,246	-	167,246
Education	25,896,054	-	25,896,054	28,506,125	-	28,506,125
Other	251,863	-	251,863	495,449	-	495,449
Interest	1,528,222	-	1,528,222	2,389,396	-	2,389,396
Land Acquisition Fund	-	11,239	11,239	-	-	-
Cafeteria Fund	-	797,193	797,193	-	756,472	756,472
Total expenses	<u>43,043,049</u>	<u>808,432</u>	<u>43,851,481</u>	<u>47,218,640</u>	<u>756,472</u>	<u>47,975,112</u>
Loss on disposal of capital asset	-	-	-	(42,971)	-	(42,971)
Change in net assets	(385,090)	292,072	(93,018)	(1,919,033)	(27,738)	(1,946,771)
Net assets - beginning	8,300,907	3,515,955	11,816,862	7,915,817	3,808,027	11,723,844
Prior period adjustments	-	-	-	(60,060)	-	(60,060)
Net assets - beginning restated	<u>8,300,907</u>	<u>3,515,955</u>	<u>11,816,862</u>	<u>7,855,757</u>	<u>3,808,027</u>	<u>11,663,784</u>
Net assets - ending	<u>\$ 7,915,817</u>	<u>\$ 3,808,027</u>	<u>\$ 11,723,844</u>	<u>\$ 5,936,724</u>	<u>\$ 3,780,289</u>	<u>\$ 9,717,013</u>

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

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

**Governmental Funds** - The focus of the Town of Tiverton's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,331,909. One hundred percent of the total amount constituted unreserved fund balances.

**Proprietary Funds** - The Town of Tiverton's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail.

Unrestricted net assets of the respective proprietary funds are \$260,092.

**General Fund Budgetary Highlights**

**Revenues:**

General Property Tax – collections were under budget by \$241,481. Actual collections were \$31,045,747.

License and Permits – fees were over budget by \$191,551. Actual receipts were \$1,887,162.

State Fiscal Stabilization Funds (SFSSF) – additional aid to education revenue of \$363,306 was issued for the first time by the Federal Government to replace Rhode Island State aid cuts.

**Expenses:**

Financial Administration – expenses were under budget by \$359,445 as a result of cost control savings

Public Works – expenses were under budget by \$131,151 as a result of cost control savings.

Capital Expenditures - were under budget by \$230,805 due to various projects that were postponed or not completed.



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

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

The Town of Tiverton's investment in capital assets for its governmental and business-type activities amounts to \$50,047,863 net of accumulated depreciation at June 30, 2009. Included are land, building and improvements, construction in progress, motor vehicles, furniture and equipment and infrastructure.

Additional information on the Town of Tiverton's capital assets is located in note 7 of the notes to the financial statements.

*Town of Tiverton*  
*Capital Assets (Net of Accumulated Depreciation)*

	<i>June 30, 2008</i>			<i>June 30, 2009</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land	4,077,513	3,500,000	7,577,513	4,077,513	3,520,197	7,597,710
Construction in Progress	14,253,826	-	14,253,826	-	-	-
Buildings and improvements	15,289,236	-	15,289,236	36,626,366	-	36,626,366
Motor vehicles	1,029,857	-	1,029,857	789,713	-	789,713
Infrastructure	3,087,435	-	3,087,435	2,783,235	-	2,783,235
Machinery and equipment	899,973	-	899,973	2,250,839	-	2,250,839
Total	<u>38,637,840</u>	<u>3,500,000</u>	<u>42,137,840</u>	<u>46,527,666</u>	<u>3,520,197</u>	<u>50,047,863</u>

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

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

At the end of the current fiscal year, the Town of Tiverton's Governmental Activities had a total bonded debt of \$29,900,000. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

*Town of Tiverton*  
*Outstanding Debt*  
*General Obligation and Capital Leases*

	<i>June 30, 2008</i>			<i>June 30, 2009</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
General Obligation Bonds	21,155,000	-	21,155,000	29,900,000	-	29,900,000
Bond Anticipation Notes Payable	31,420,000	-	31,420,000	10,307,500	-	10,307,500
Capital Leases	587,024	-	587,024	376,729	-	376,729
Totals	53,162,024	-	53,162,024	40,584,229	-	40,584,229

Additional information on the Town's long-term debt can be found in Note 10 of the Notes to the Financial Statements on pages 40 and 41.

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2006 is A2. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Tiverton's limit is \$81,792,888 at year-end. The Town's outstanding general obligation debt is \$40,020,000 at year-end, which is \$41,772,888 under the State imposed limitation.

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

The Town of Tiverton's total general fund budget for fiscal year 2010 amounts to \$41,632,960, which reflects an increase of \$79,722 over the fiscal 2009 budget of \$41,553,238. Of the Town's 2010 budget, \$24,803,892 or 60% is budgeted for educational purposes and \$16,829,068, or 40% is budgeted for other purposes.

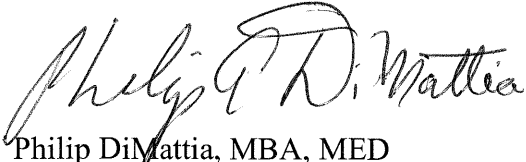
Non-recurring budget expenses for the fiscal year 2010 are \$276,475. The Town share was \$179,645 while the School Departments was \$96,830.

The Town's tax rate for fiscal 2010 is \$14.35 per \$1,000 of valuation, which represents a \$3.09 increase while in fiscal 2009 the Town's tax rate was \$11.26.

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

**Request for Information**

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Treasure's Office, Town of Tiverton, 343 Highland Road, Tiverton RI 02878.

A handwritten signature in black ink that reads "Philip DiMattia". The signature is written in a cursive style with a large, stylized initial "P".

Philip DiMattia, MBA, MED  
Town Treasurer

## **BASIC FINANCIAL STATEMENTS**

## **Government-Wide Financial Statements**

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Net Assets**  
**June 30, 2009**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,351,410	\$ 51,312	\$ 10,402,722
Investments	2,653,087	-	2,653,087
<b>Accounts receivable:</b>			
Accounts receivable net	1,486,229	-	1,486,229
Due from other governments	317,594	12,253	329,847
Other receivables	28,459	-	28,459
Internal balances	(248,849)	248,849	-
Other assets	286,545	-	286,545
<b>Capital assets:</b>			
Property, plant and equipment - net	42,450,153	-	42,450,153
Assets not being depreciated	4,077,513	3,520,197	7,597,710
<b>Total capital assets</b>	<b>46,527,666</b>	<b>3,520,197</b>	<b>50,047,863</b>
<b>TOTAL ASSETS</b>	<b>61,402,141</b>	<b>3,832,611</b>	<b>65,234,752</b>
 <b>LIABILITIES</b>			
Accounts payable	365,652	52,322	417,974
Accrued expenses	3,520,184	-	3,520,184
Unearned revenue	3,102,609	-	3,102,609
<b>Long-term liabilities</b>			
Due within one year	11,584,925	-	11,584,925
Due in more than one year	36,892,047	-	36,892,047
<b>Total liabilities</b>	<b>55,465,417</b>	<b>52,322</b>	<b>55,517,739</b>
 <b>NET ASSETS</b>			
Invested in capital assets, net of related debt	6,130,937	3,520,197	9,651,134
Unrestricted	(194,213)	260,092	65,879
<b>Total net assets</b>	<b>\$ 5,936,724</b>	<b>\$ 3,780,289</b>	<b>\$ 9,717,013</b>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Activities**  
**For the Year Ended June 30, 2009**

<u>Functions/ Programs</u>	<u>Program revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Primary Government Business-type Activities</u>	<u>Total</u>
<b>Primary government</b>						
Governmental activities:						
General government	\$ 3,684,895	\$ 1,612,451	\$ -	\$ (2,072,444)		\$ (2,072,444)
Financial administration	3,641,971	348,536	-	(3,293,435)		(3,293,435)
Public safety	5,349,064	514,631	-	(4,834,433)		(4,834,433)
Grants, health & sanitation	919,004	-	-	(919,004)		(919,004)
Public works	1,961,077	54,926	-	(1,906,151)		(1,906,151)
Associated activities	104,413	4,745	23,367	(76,301)		(76,301)
Parks and recreation	167,246	79,064	-	(88,182)		(88,182)
Education	28,506,125	-	1,172,181	(27,333,944)		(27,333,944)
Other	495,449	-	-	(495,449)		(495,449)
Interest	2,389,396	-	-	(2,389,396)		(2,389,396)
<b>Total governmental activities</b>	<u>47,218,640</u>	<u>2,614,353</u>	<u>1,195,548</u>	<u>(43,408,739)</u>		<u>(43,408,739)</u>
Business type activities:						
Land Acquisition Fund	-	-	-	-	\$ -	-
Cafeteria Fund	756,472	575,566	153,168	-	(27,738)	(27,738)
<b>Total business-type activities</b>	<u>756,472</u>	<u>575,566</u>	<u>153,168</u>	<u>-</u>	<u>(27,738)</u>	<u>(27,738)</u>
<b>Total primary government</b>	<u>\$ 47,975,112</u>	<u>\$ 3,189,919</u>	<u>\$ 1,348,716</u>	<u>(43,408,739)</u>	<u>(27,738)</u>	<u>(43,436,477)</u>
<b>General revenues:</b>						
Taxes:						
Property taxes, levied for general purposes				31,230,978	-	31,230,978
State aid, unrestricted				1,945,325	-	1,945,325
Unrestricted investment earnings				373,459	-	373,459
Miscellaneous				7,982,915	-	7,982,915
Loss on disposal of capital assets				(42,971)	-	(42,971)
Total general revenues and transfers				<u>41,489,706</u>	<u>-</u>	<u>41,489,706</u>
<b>Change in net assets</b>				<u>(1,919,033)</u>	<u>(27,738)</u>	<u>(1,946,771)</u>
Net assets-beginning				<u>7,915,817</u>	<u>3,808,027</u>	<u>11,723,844</u>
Prior period adjustment - (see note 20)				<u>(60,060)</u>	<u>-</u>	<u>(60,060)</u>
Net assets-ending				<u>\$ 5,936,724</u>	<u>\$ 3,780,289</u>	<u>\$ 9,717,013</u>

*See auditor's report and accompanying notes to these financial statements*

## **Fund Financial Statements**



**TOWN OF TIVERTON, RHODE ISLAND**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	<b>General Fund</b>	<b>School Unrestricted Fund</b>	<b>Pocasset Renovation</b>	<b>Ft. Barton Renovation</b>	<b>Other Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 8,386,269	\$ 4,295	\$ -	\$ 13,499	\$ 1,947,347	\$ 10,351,410
Investments	181,452	-	-		2,471,635	2,653,087
<b>Accounts receivable:</b>						
Real estate and personal property taxes	1,486,229	-	-	-	-	1,486,229
Due from other governments	186,713	-	-	-	130,881	317,594
Other receivables	28,459	-	-	-	-	28,459
Internal balances	215,027	2,469,889	-	690,992	1,725,292	5,101,200
<b>TOTAL ASSETS</b>	<b>\$ 10,484,149</b>	<b>\$ 2,474,184</b>	<b>\$ -</b>	<b>\$ 704,491</b>	<b>\$ 6,275,155</b>	<b>\$ 19,937,979</b>
 <b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 40,377	\$ 3,010	\$ -	\$ 188,461	\$ 133,804	\$ 365,652
Accrued expenditures	651,987	2,236,239	-	-	-	2,888,226
Internal balances	5,284,760	4	-	-	65,285	5,350,049
Deferred revenue	3,831,354	5,385	-	-	165,404	4,002,143
<b>Total liabilities</b>	<b>9,808,478</b>	<b>2,244,638</b>	<b>-</b>	<b>188,461</b>	<b>364,493</b>	<b>12,606,070</b>
 <b>Fund balances:</b>						
Reserve for:						
Unreserved	675,671	229,546	-	516,030	-	1,421,247
Unreserved, reported in non-major:						
Capital projects funds	-	-	-	-	3,951,132	3,951,132
Debt service	-	-	-	-	829,578	829,578
Special revenue funds	-	-	-	-	1,129,952	1,129,952
<b>Total fund balances</b>	<b>675,671</b>	<b>229,546</b>	<b>-</b>	<b>516,030</b>	<b>5,910,662</b>	<b>7,331,909</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 10,484,149</b>	<b>\$ 2,474,184</b>	<b>\$ -</b>	<b>\$ 704,491</b>	<b>\$ 6,275,155</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (see note 8)	46,527,666
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (see note 8)	554,121
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (see note 8)	(48,476,972)
<b>Net assets of governmental activities</b>	<b>\$ 5,936,724</b>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	General Fund	School Unrestricted Fund	Pocasset Renovation	Ft. Barton Renovation	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
General property tax	\$ 31,045,747	\$ -	\$ -	\$ -	\$ -	\$ 31,045,747
Intergovernmental and departmental revenues	2,587,889	5,939,880	-	-	1,243,340	9,771,109
Federal revenue - SFSF	363,306	-	-	-	-	363,306
License and permits	1,887,162	-	-	-	918,660	2,805,822
Fines and interest on late payments	228,170	-	-	-	-	228,170
Interest on investments	117,652	-	38,776	39,678	177,353	373,459
Other revenues	159,933	193,030	20,590	125,870	165,001	664,424
<b>Total revenues</b>	<u>36,389,859</u>	<u>6,132,910</u>	<u>59,366</u>	<u>165,548</u>	<u>2,504,354</u>	<u>45,252,037</u>
<b>Expenditures</b>						
Current:						
General government	1,064,834	-	-	-	723,543	1,788,377
Financial administration	3,828,778	-	-	-	-	3,828,778
Public safety	5,020,581	-	-	-	109,222	5,129,803
Grants, health & welfare	562,752	-	-	-	356,252	919,004
Public works	1,262,541	-	-	-	286,401	1,548,942
Associated activities	104,413	-	-	-	-	104,413
Parks and recreation	113,964	-	-	-	37,298	151,262
Education	-	27,154,055	-	104,344	811,176	28,069,575
Other	479,636	-	-	-	-	479,636
Capital	-	-	5,114,783	3,957,791	72,809	9,145,383
Debt service:						
Principal	872,500	-	11,300,000	10,000,000	445,000	22,617,500
Interest	1,055,249	-	199,039	214,910	536,908	2,006,106
<b>Total expenditures</b>	<u>14,365,248</u>	<u>27,154,055</u>	<u>16,613,822</u>	<u>14,277,045</u>	<u>3,378,609</u>	<u>75,788,779</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>22,024,611</u>	<u>(21,021,145)</u>	<u>(16,554,456)</u>	<u>(14,111,497)</u>	<u>(874,255)</u>	<u>(30,536,742)</u>
<b>Other financing sources (uses)</b>						
Transfers from other funds	372,000	20,351,834	27,138	-	1,588,327	22,339,299
Transfers to other funds	(21,812,283)	-	(33,599)	(95,923)	(397,494)	(22,339,299)
Transfer to School Unrestricted Fund - Federal SFSF	(363,306)	363,306	-	-	-	-
Issuance of debt	-	-	-	10,000,000	-	10,000,000
<b>Total other financing sources (uses)</b>	<u>(21,803,589)</u>	<u>20,715,140</u>	<u>(6,461)</u>	<u>9,904,077</u>	<u>1,190,833</u>	<u>10,000,000</u>
<b>Net change in fund balances</b>	221,022	(306,005)	(16,560,917)	(4,207,420)	316,578	(20,536,742)
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	(60,060)	(60,060)
<b>Fund balances - beginning</b>	454,649	535,551	16,560,917	4,723,450	5,654,144	27,928,711
<b>Fund balances - ending</b>	<u>\$ 675,671</u>	<u>\$ 229,546</u>	<u>\$ -</u>	<u>\$ 516,030</u>	<u>\$ 5,910,662</u>	<u>\$ 7,331,909</u>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2009**

Net change in fund balances-total governmental funds	\$ (20,536,742)
<p>Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:</p>	
<p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$9,238,962) exceed depreciation (\$1,306,165) in the current period.</p>	7,932,797
Loss on disposal of capital assets	(42,971)
<p>Reductions in deferred revenue that provide current financial resources to governmental funds are not reported as revenues in the statement of activities. State funded revenues that are not accrued for in the governmental funds are reported as revenues in the statement of activities.</p>	185,231
<p>Some expenditures reported in the governmental funds that require the use of current financial resources are not reported as expenditures in the statement of activities.</p>	(383,290)
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the net amount by which principal and proceeds were adjusted.</p>	12,821,636
<p>Other certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities.</p>	<u>(1,895,694)</u>
Change in net assets of governmental activities	<u>\$ (1,919,033)</u>

*Please see Notes 8 and 9 in the Notes to Financial Statements for a more detailed explanation of the differences between the Government-Wide Financial Statements and the Fund Financial Statements*

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2009**

	<b>Enterprise Funds</b>		
	<b>Land Acquisition Fund</b>	<b>Cafeteria Fund</b>	<b>Total</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ -	\$ 51,312	\$ 51,312
Due from other governments	-	12,253	12,253
Due from other funds	248,849	-	248,849
<b>Total current assets</b>	248,849	63,565	312,414
<b>Non-current assets</b>			
Capital assets (net)	3,500,000	20,197	3,520,197
<b>Total non-current assets</b>	3,500,000	20,197	3,520,197
<b>TOTAL ASSETS</b>	3,748,849	83,762	3,832,611
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	-	52,322	52,322
<b>Total current liabilities</b>	-	52,322	52,322
<b>Total liabilities</b>	-	52,322	52,322
<b>Net Assets</b>			
Invested in Capital assets, net of related debt	3,500,000	20,197	3,520,197
Unrestricted	248,849	11,243	260,092
<b>Total Net Assets</b>	\$ 3,748,849	\$ 31,440	\$ 3,780,289

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Enterprise Funds</u>		
	<u>Land Acquisition Fund</u>	<u>Cafeteria Fund</u>	<u>Total</u>
<b>Operating revenues</b>			
Charges for usage and service	\$ -	\$ 575,566	\$ 575,566
<b>Total operating revenues</b>	<u>-</u>	<u>575,566</u>	<u>575,566</u>
<b>Operating expenses</b>			
Operations	-	756,472	756,472
<b>Total operating expenses</b>	<u>-</u>	<u>756,472</u>	<u>756,472</u>
<b>Operating income (loss)</b>	<u>-</u>	<u>(180,906)</u>	<u>(180,906)</u>
<b>Non-operating revenues (expenses)</b>			
Intergovernmental revenue	-	153,168	153,168
<b>Total non-operating (expenses)</b>	<u>-</u>	<u>153,168</u>	<u>153,168</u>
<b>Income (loss) before transfers</b>	<u>-</u>	<u>(27,738)</u>	<u>(27,738)</u>
<b>Change in Net Assets</b>	<u>-</u>	<u>(27,738)</u>	<u>(27,738)</u>
<b>Total Net Assets - Beginning</b>	<u>3,748,849</u>	<u>59,178</u>	<u>3,808,027</u>
<b>Total Net Assets - Ending</b>	<u>\$ 3,748,849</u>	<u>\$ 31,440</u>	<u>\$ 3,780,289</u>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Cash Flows-Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Enterprise Funds</b>		
	<b>Land Acquisition Fund</b>	<b>Cafeteria Fund</b>	<b>Total</b>
<b>Cash flows from operating activities</b>			
Cash received from providing services	\$ -	\$ 570,538	\$ 570,538
Cash payments to suppliers for goods and services	-	(704,150)	(704,150)
<b>Net cash provided by (used for) operating activities</b>	<u>-</u>	<u>(133,612)</u>	<u>(133,612)</u>
<b>Cash flows from non-capital financing activities</b>			
Nonoperating grants received	-	153,168	153,168
<b>Net cash provided by (used for) non-capital financing activities</b>	<u>-</u>	<u>153,168</u>	<u>153,168</u>
<b>Cash flows from capital and related financing activities</b>			
Acquisition and construction of capital assets	-	(20,197)	(20,197)
<b>Net cash provided (used for) capital and related financing activities</b>	<u>-</u>	<u>(20,197)</u>	<u>(20,197)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	-	(641)	(641)
<b>Cash and cash equivalents at beginning of year</b>	-	51,953	51,953
<b>Cash and cash equivalents at end of year</b>	<u>\$ -</u>	<u>\$ 51,312</u>	<u>\$ 51,312</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>			
<b>Operating income (loss)</b>	\$ -	\$ (180,906)	\$ (180,906)
<b>Changes in assets and liabilities:</b>			
Decrease (increase) in other assets	-	(5,028)	(5,028)
Increase (decrease) in accounts payable and accrued expenses	-	52,322	52,322
<b>Total adjustments</b>	<u>-</u>	<u>47,294</u>	<u>47,294</u>
<b>Net cash provided by operating activities</b>	<u>\$ -</u>	<u>\$ (133,612)</u>	<u>\$ (133,612)</u>

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2009**

	<u>Police Pension Trust</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
<b>ASSETS</b>			
Cash & cash equivalents	\$ 910,609	\$ 101,392	\$ 216,936
<b>Investments, at fair value:</b>			
Cash management investment funds	-	426,780	-
Fixed income bond funds	1,150,019	-	-
Domestic stocks	3,124,740	-	-
Total investments	<u>4,274,759</u>	<u>426,780</u>	<u>-</u>
<b>Total Assets</b>	<u>5,185,368</u>	<u>528,172</u>	<u>216,936</u>
<b>LIABILITIES</b>			
Deposits payable to others	-	-	216,936
Total liabilities	<u>-</u>	<u>-</u>	<u>\$ 216,936</u>
<b>NET ASSETS</b>			
Held in trust for pension benefits and other purposes	<u>\$ 5,185,368</u>	<u>\$ 528,172</u>	

*See auditor's report and accompanying notes to these financial statements*

**TOWN OF TIVERTON, RHODE ISLAND**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Police Pension Trust</b>	<b>Private Purpose Trust Funds</b>
<b>Additions</b>		
Contributions		
Employer contributions	\$ 449,894	\$ -
Plan members contributions	155,825	-
Total contributions	605,719	-
<b>Investment earnings</b>		
Net increase (decrease) in fair value of investments	(1,235,578)	34,009
Interest and dividends	114,244	9,302
Total investment earnings	(1,121,334)	43,311
Less investment expense	34,839	-
Net investment earnings	(1,156,173)	43,311
<b>Total additions</b>	<b>(550,454)</b>	<b>43,311</b>
<b>Deductions</b>		
Benefits paid	585,126	-
Operating expenses	7,427	51,759
Total deductions	592,553	51,759
Change in net assets	(1,143,007)	(8,448)
Net assets beginning	6,328,375	536,620
<b>Net assets ending</b>	<b>\$ 5,185,368</b>	<b>\$ 528,172</b>

*See auditor's report and accompanying notes to these financial statements*



## **Notes to Financial Statements**

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

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

The financial statements of the Town of Tiverton, Rhode Island, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The government's significant accounting policies are described below.

**Reporting Entity**

The Town of Tiverton was founded in Massachusetts in 1694 and in Rhode Island in 1746. The Town is governed largely under the Tiverton Home Rule Charter. The Town operates under an elected Town Council, School Committee, Budget Committee, Town Clerk, and Town Treasurer form of government. The Town Council operates with assistance from a Town Administrator while the School Committee has assistance from a Superintendent of Schools. Both the Town Clerk and Town Treasurer have appropriate support staffs. The Budget Committee operates from the start of January until the annual Town Financial Meeting is held in early May. The Town provides the following services: Public Safety (police, fire, traffic safety, inspections, zoning and building), Public Works (recreation, sanitation, highways and streets, engineering and building maintenance), Education, Social Services, and General Administrative Services.

This report includes all of the funds of the Town of Tiverton. The reporting entity for the town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14. Under GASB Statement No. 14, the financial reporting entity includes both the primary government, which is the Town of Tiverton and all of its component units. Component units are legally separate entities that meet any one of the following three tests:

**Test 1-** the primary government appoints the voting majority of the board of the potential component unit and

- \* Is able to impose its will on the potential component unit and/or
- \* Is in a relationship of financial benefit or burden with the potential component unit;

**TOWN OF TIVERTON, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
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***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***

**Test 2-** the potential component unit is fiscally dependent upon the primary government; or

**Test 3 -** the financial statements would be misleading if data from the potential component unit was not included.

The following entities were considered for classification as component units for fiscal year 2009:

- \* Tiverton School System

Although the Tiverton School System meets certain criteria of the tests listed above, it is not deemed to have separate legal status apart from the Town. As a result, the financial data of these entities have been included as Special Revenue Funds within the Town's financial statements.

**BASIS OF PRESENTATION**

***Government-Wide Financial Statements***

The statement of net assets and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for *fiduciary funds* (the activity of these funds are reported in the statements of fiduciary net assets and changes in fiduciary net assets). The government-wide financial statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

***Fund Financial Statements***

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

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

**TOWN OF TIVERTON, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
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***BASIS OF PRESENTATION (continued)***

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users (for example, because of public interest or consistency) may be reported as a major fund.

**GOVERNMENTAL FUND TYPES**

***Major Governmental Funds***

**General Fund** - is used to account for resources devoted to financing the general services that the Town performs for its citizens. General tax revenues and other sources of revenues used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

**School Unrestricted Fund** - The School Unrestricted Fund is used to account for the budgeted resources devoted to financing the general operations of the school department.

**Pocasset Renovation Fund** - A capital project fund used to account for the construction activity associated with the Town's new elementary school.

**Ft Barton Renovation** - A capital project fund used to account for the construction activity associated with the renovation to the Town's elementary school.

**PROPRIETARY FUND TYPE**

This fund type accounts for operations that are organized to be self-supporting through user charges. The fund included in this category is as follows:

**Enterprise Funds** - are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy management control, accountability, or other purposes.

**Major Enterprise Funds** - The Land Acquisition Fund is used to account for the purchase of land for use by the town and the fees and the expenses associated with maintaining the land for future use. The Cafeteria Fund is used to account for the school lunch program and expenses related to providing breakfast and lunch to Tiverton students.

**TOWN OF TIVERTON, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
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**BASIS OF PRESENTATION (continued)**

**FIDUCIARY FUND TYPES**

These funds account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of governments. These funds are as follows:

**Agency Funds** - are used to account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties.

**Pension Trust Fund** - is used to account for funds that are to be used for the payment of retirement benefits to former employees. The Pension Committee oversees this fund.

**Private-Purpose Trust Funds** - are used to account for funds that are held by the town under various trust arrangements for the benefit of certain individuals.

**BASIS OF ACCOUNTING**

***Measurement Focus – Government Wide Financial Statements***

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

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. Fines, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between fiduciary fund types. These charges have been reclassified as other receivables or other liabilities.

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services, fines, or privileges provided, and 2) operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

***Measurement Focus – Fund Financial Statements***

The accounting and financial reporting treatment applied to the *fund financial statements* is determined by its measurement focus. All Governmental Fund Types accounted for using a “current financial resources” measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

**TOWN OF TIVERTON, RHODE ISLAND**  
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**BASIS OF ACCOUNTING (continued)**

All Proprietary Fund Types and Fiduciary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net assets) is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statements present increases (i.e., revenues) and decreases (i.e. expenses) in net assets.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges for services. Operating expenses for enterprise funds include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

All Governmental Fund Types are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Licenses and permits, charges for services, fines, forfeits, and miscellaneous revenue are recorded as revenues when received in cash. Those revenues susceptible to accrual are property taxes and investment earnings. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations, which are recognized when paid.

Non-current portions of long-term receivables of Governmental Fund Types are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate however, that they should not be considered "available expendable resources" since they do not represent net current assets. Recognition of Governmental Fund Type revenues represented by non-current receivables is deferred until they become current receivables.

Because of their spending measurement focus, expenditure recognition for Governmental Fund Types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as Governmental Fund Type expenditures or fund liabilities. They are instead reported as Long-term Liabilities – Governmental Activities.

In applying the "susceptible to accrual" concept to intergovernmental revenues the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of such revenues. For one type, amounts must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore revenues are recognized based upon the expenditures recorded.

For the other type, revenues are virtually unrestricted as to purpose of expenditure and revocable only for failure to comply with the prescribed requirements, such as a Community Development Block Grant. These resources are reflected as revenues at the time of receipt or earlier if they meet the "available" criteria.

All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

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

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**BASIS OF ACCOUNTING (continued)**

In accordance with Government Accounting Standards Board Statement No. 20, the Town of Tiverton has elected to apply to all Proprietary Fund Types and Similar Trust Funds all applicable GASB Pronouncements, as well as the following pronouncements issued on or before November 30, 1989; FASB Statements and Interpretations, APB opinions and ARBs unless these pronouncements conflict with or contradict GASB pronouncements.

**Cash Equivalents**

For the purpose of the Statement of Cash Flows, the Propriety Fund Types consider all highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

**Investments**

Investments are Government Securities, Commercial Paper and various types of corporate stocks and bonds held in the Governmental and Fiduciary Fund types, which are recorded at fair value. Fair value is determined wherever possible, by use of published quoted amounts, where quotes are not available, formal valuations are obtained.

When discounts or premiums are present, the Town will capitalize and amortize the amount over the period of the related investment.

**Receivables**

Accounts receivable are recorded in the General, Special Revenue and Enterprise funds. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

**Capital Assets**

Capital assets in Governmental Fund type operations are accounted for using the "current financial resources" measurement focus. Capital assets, which include property, plant and equipment, and infrastructure (e.g. road, curbs and gutters, streets and sidewalks, and drainage systems), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town defines capital assets as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1979) is included as part of the governmental capital assets reported in the government-wide statements. Donated assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are recorded as expenditures as incurred.

The Town capitalizes certain interest costs in accordance with GASB Code Section 1400 as part of constructed assets. Interest is capitalized throughout the construction period in the Capital projects fund prior to the assets being transferred to the governmental fund and placed in service.

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

**BASIS OF ACCOUNTING (continued)**

Property, plant and equipment for Proprietary Fund Types are valued at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred.

Property, plant and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (years)</u>
Autos and information processing equipment	5
Trucks	8
Equipment, furniture and fixtures	10
Heavy equipment	25
Buildings, infrastructure, water lines and fire hydrants	40
Sewer mains and certain water assets	75-100

**Bond Premiums and Debt Issuance Cost**

In the Governmental Fund Financial Statements, bond premiums and debt issuance costs are treated as period costs in the year of issuance. Debt issuance costs are shown as an “expenditure” and bond premiums are reflected as an “other financing source”.

In the Government-Wide Statements, bond premiums and debt issuance costs are deferred and amortized over the term of the related debt. Bond premiums are presented as an addition to the face amount of the bonds payable whereas debt issuance costs are recorded as other assets.

**Deferred Revenues**

Deferred revenues represent 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 property tax receivables, which were received prior to June 30th, plus delinquent balances less amounts due as of the balance sheet date and received sixty days thereafter.

**Designated Fund Balances**

Designated fund balances represent amounts, which the Town intends to use in future years to pay for non-contracted expenditures at year-end.

**Reserved Fund Balances**

Reserved fund balances represent amounts, which the Town is contractually obligated to pay but has not as of the balance sheet date received the goods or services.

**Fund Equity**

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved fund balances for governmental funds represent the amount that has been legally identified for specific purposes. Unreserved net assets for proprietary funds represent net assets available for future operations or distribution.



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

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**BASIS OF ACCOUNTING (continued)**

**Revenues, Expenditures and Expenses**

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues and expenses of proprietary fund types are recognized using the full accrual basis of accounting. Revenue is recognized when earned and expenses as incurred.

**Program Revenues and Expenses**

In the statement of activities specific revenues are allocated to program expenses due to their direct relationships. Collections for licenses, fees, tickets and fines are among some of the revenue sources that are program revenues. Indirect expenses are not allocated to functions in the statement of activities.

**Property Taxes**

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were 95.4% of the total December 31, 2007 levy. The Town's fiscal 2009 property taxes were levied in July of 2008 on assessed valuation as of December 31, 2007.

Upon levy, taxes are billed quarterly and are due on August 15, November 15, February 15, and May 15. Failure to mail payments by due dates will result in lien on taxpayer's property. Assessed values are established by Tax Assessor's Office and are currently calculated at 100% of assessed value for real estate and 100% of market value for motor vehicles.

**Vacation, Sick Leave, and Other Compensated Absences**

Town employees are granted vacation and sick leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rates of pay. The amount recorded is that unused days earned at the current rate of pay. For governmental activities the general fund is used to satisfy this liability as it becomes due, while the transfer station enterprise fund accounts for all settlement of business-type liabilities for compensated absences.

Town employees are entitled to vacation based on length of service. Up to two weeks of vacation days are allowed to carry over to succeeding years. Town employees are entitled to 1.5 sick days per month worked. Sick leave may be accumulated up to a maximum of 200 days. Upon retirement, employees have a vested interest in 50% of their accumulated sick time. Those employees hired after July 1, 1999 have a vested interest in 25% of their accumulated sick time.

Police employees are entitled to vacation based on length of service. Vacation days must be used within the fiscal year. Police are entitled to 1.25 days of sick leave for each month in which they work a minimum number of hours. Sick leave may be accumulated to a maximum of 245 days. Upon retirement, police have a vested interest in 100% of their first 100 days and 50% for each day in excess of 100 days.

Fire employees are entitled to vacation based on length of service. Vacation days must be used within the fiscal year. Fire employees are entitled to 2.5 days of sick leave each full month worked. Sick leave may be

**TOWN OF TIVERTON, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
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**BASIS OF ACCOUNTING (continued)**

accumulated to a maximum of 272 days. Upon retirement, Fire employees have a vested interest of 20% of their first 30 days and 50% for each day in excess of 30 days.

Public works employees are entitled to vacation based on length of service. Up to 25 days of vacation are allowed to carry over to succeeding years. Public works employees are entitled to 1.25 sick days per month worked. Sick leave is not cumulative.

**Inter-fund Transactions**

Inter-fund transactions except advances are accounted for as transfers. Nonrecurring or non-routine transfers of equity between funds are considered equity transfers. All other inter-fund transactions are treated as operating transfers.

**NOTE 2 – BUDGETARY DATA AND BUDGETARY COMPLIANCE**

The Town adopts an annual budget for the General Fund at the annual Financial Town meeting based on recommendations from the Budget Committee. The Town Council with some restrictions can transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by three taxpayers by a vote at the Financial Town Meeting. Management cannot make any transfers without prior Council approval. There were no supplemental budgetary appropriations during the fiscal year. The School Unrestricted Fund is subject to an annual operating budget approved by the School Committee and adopted in total by the Town Council as part of General Fund budget. The annual operating budgets' appropriation 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 General Fund and Special Revenue - School Unrestricted Fund's annual operating budgets are prepared on the budgetary basis of accounting which is not in conformity with Generally Accepted Accounting Principles. The budget to actual presentation in required supplementary information is reflected on the budgetary basis. The only Special Revenue fund that has a legally enacted budget is the School Unrestricted Fund. Therefore, the budget and actual figures presented for Special Revenue Funds in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual only include this fund.

The Town does not budget for the combined Special Revenue Funds or the Capital Project Funds, since budgetary control is maintained on an individual basis. Since grant periods may differ from the Town's fiscal year, a comparison of budgetary information may not be meaningful and has not been presented in the accompanying financial statements.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriation, is employed in the General Fund Budget. Open encumbrances are reported as reservations of fund balances. Encumbrances do not constitute expenditures or liabilities.

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

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

**Legal Debt Margin**

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$81,792,888 based on the December 31, 2007 assessment. As of June 30, 2009 the Town's debt is under the debt limit by \$40,020,000. In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of Tiverton can authorize bond issues pursuant to a special act of the RI General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit, but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt. See page 102 in the statistical section for computation of the legal debt margin.

***NOTE 4 - DEFICIT FUND BALANCE OR RETAINED EARNINGS OF INDIVIDUAL FUNDS***

Deficit fund balances existed in the following funds:

Stormwater Management	Special Revenue	\$ 18,000
Hydrants Fund	Special Revenue	1,427
Water Quality Improvement	Special Revenue	22,115
Dingy Dock	Special Revenue	321
Land Use Data	Special Revenue	20,246
Keep Tiverton Beautiful	Special Revenue	3,140
Old Stone Bridge	Capital Project	2,627

As of the audit date, the Town is discussing the best way to fund these deficits.

***NOTE 5 – CASH AND INVESTMENTS***

Deposits: The Town maintains deposits in various financial institutions that are carried at cost except for those amounts which are carried as petty cash. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and Cash Equivalents".

Investments: Investment of all idle funds is made through national banks or trust companies, providing that the financial conditions and integrity of these institution or institutions are verifiable and can be monitored. The investment of funds are in direct obligations of the United States Government and "money market instruments" rated "A" or better. Investments in any one institution can not exceed five (5) percent of that institutions capital and surplus as set forth in the institutions most recent audited financial statements. All investments are made as would be done by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and preservation of their capital.

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

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***NOTE 5 – CASH AND INVESTMENTS (continued)***

*Interest Rate Risk:* The Town limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools.

*Concentrations:* The Town policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

***Custodial Credit Risk***

*Deposits:* This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2009, \$868,298 of the Town's bank balance of \$11,631,659 was uninsured and uncollateralized.

*Investments:* This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

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

**NOTE 5 – CASH AND INVESTMENTS (continued)**

Cash and investments of the Town consist of the following at June 30, 2009

***Cash and Cash Equivalents***

Deposits with financial institutions	\$	11,631,659
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***Investments***

Government and agency obligations		2,653,087
Cash management investment funds		426,780
Fixed income funds		1,150,019
Domestic stocks		3,124,740

<b><i>Total Cash and Investments</i></b>	<b>\$</b>	<b><u>18,986,285</u></b>
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Cash and investments are classified in the accompanying financial statements as follows:

***Statement of Net Assets***

Cash and cash equivalents	\$	10,402,722
Investments		2,653,087

***Fiduciary Funds***

Cash		1,228,937
Investments		4,701,539

<b><i>Total Cash and Investments</i></b>	<b>\$</b>	<b><u>18,986,285</u></b>
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**Interest Rate Risk:** This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the town's debt type investments to this risk using the segment time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
U.S Government Securities	\$ 2,653,087	\$ 1,923,024	\$ 730,063	\$ -	\$ -
Total	\$ 2,653,087	\$ 1,923,024	\$ 730,063	\$ -	\$ -

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

**NOTE 5 – CASH AND INVESTMENTS (continued)**

**Credit Risk:** The Town's Pension Plan investment policy allows for investments in obligations of the U.S. Government and its agencies, state and municipal obligations, corporate debt securities, preferred stock, corporate debt, preferred stocks convertible to equities, repurchase agreements and commercial paper. These allowed investments are subject to the following limitations; at the time of purchase all investments must have a rating of A or higher from Moody's or a comparable established rating agency, fixed income investments must be rated at least Baa2 or its equivalent by at least one recognized bond rating service and at least 80% of the fixed income portfolio must carry a rating of A, and commercial paper must be rated P-1 or A-1 by Standards & Poor's or Moody's, respectively.

Average Rating	Corporate Bonds
Not Rated	\$ 1,150,019
	\$ 1,150,019

**NOTE 6 – PROPERTY TAXES**

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling state legislation.

All property taxes for fund statement purposes are recognized in compliance with NCGA Interpretation-3 (Revenue Recognition - Property Taxes), which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. The Town does not use an allowance method for bad debts. It directly writes off receivables as they become un-collectible as per state law.

**NOTE 7 – PROPERTY, PLANT & EQUIPMENT**

The Town defines capital assets as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). The following schedule list prior year balances and current year activity for all Governmental Fund capital asset transactions.

**TOWN OF TIVERTON, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7 – PROPERTY, PLANT & EQUIPMENT (continued)**

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

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 4,077,513	\$ -	\$ -	\$ 4,077,513
Construction in Progress	14,253,826	9,072,573	23,326,399	-
Total capital assets not being depreciated	<u>18,331,339</u>	<u>9,072,573</u>	<u>23,326,399</u>	<u>4,077,513</u>
Other capital assets:				
Buildings and improvements	25,318,619	21,935,677	1,120,891	46,133,405
Motor vehicles	3,878,146	49,439	119,750	3,807,835
Infrastructure	6,450,507	-	-	6,450,507
Machinery and equipment	1,445,709	1,507,672	64,573	2,888,808
Total other capital assets at historical cost	<u>37,092,981</u>	<u>23,492,788</u>	<u>1,305,214</u>	<u>59,280,555</u>
Less accumulated depreciation for:				
Buildings and improvements	10,029,383	596,840	1,119,184	9,507,039
Motor vehicles	2,848,289	289,583	119,750	3,018,122
Infrastructure	3,363,072	304,200	-	3,667,272
Machinery and equipment	545,736	115,542	23,309	637,969
Total accumulated depreciation	<u>16,786,480</u>	<u>1,306,165</u>	<u>1,262,243</u>	<u>16,830,402</u>
Governmental activities capital assets, net	<u>\$ 38,637,840</u>	<u>\$ 31,259,196</u>	<u>\$ 23,369,370</u>	<u>\$ 46,527,666</u>

Depreciation expense was charged to functions as follows:

<b>Governmental activities:</b>	
General government	\$ 13,181
Public safety	300,483
Public works	412,135
Parks and recreation	15,984
Education	564,382
Total governmental activities depreciation expense	<u>\$ 1,306,165</u>

**TOWN OF TIVERTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 8 DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSETS**

"Total fund balances" of the Towns' governmental funds (\$7,331,909) differs from "net assets" of governmental activities (\$5,936,724) reported in the statement of net assets. This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

**Balance Sheet/Statement of Net Assets**

	<b>Total Governmental Funds</b>	<b>Long-term Assets/ Liabilities (1)</b>	<b>Reclassifications and Eliminations</b>	<b>Statement Net Assets Totals</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 10,351,410	\$ -	\$ -	\$ 10,351,410
Investments	2,653,087	-	-	2,653,087
<b>Receivables:</b>				
Property taxes, net	1,486,229	-	-	1,486,229
Intergovernmental	317,594	-	-	317,594
Other	28,459	-	-	28,459
Internal balances	5,101,200	-	(5,350,049)	(248,849)
Deferred charges	-	286,545	-	286,545
Prepaid expenses	-	-	-	-
Property, plant and equipment - net	-	42,450,153	-	42,450,153
Assets not being depreciated	-	4,077,513	-	4,077,513
<b>Total assets</b>	<u>\$ 19,937,979</u>	<u>\$ 46,814,211</u>	<u>\$ (5,350,049)</u>	<u>\$ 61,402,141</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable and accrued items	\$ 365,652	\$ -	\$ -	\$ 365,652
Accrued expenses	2,888,226	631,958	-	3,520,184
Internal balances	5,350,049	-	(5,350,049)	-
Deferred revenue	4,002,143	(899,534)	-	3,102,609
<b>Long-term liabilities</b>				
Due within one year	-	11,584,925	-	11,584,925
Due in more than one year	-	36,892,047	-	36,892,047
<b>Total liabilities</b>	<u>12,606,070</u>	<u>48,209,396</u>	<u>(5,350,049)</u>	<u>55,465,417</u>
<b>Fund Balances/Net Assets</b>				
Total fund balances/net assets	7,331,909	(1,395,185)	-	5,936,724
Total liabilities and fund balances/net assets	<u>\$ 19,937,979</u>	<u>\$ 46,814,211</u>	<u>\$ (5,350,049)</u>	<u>\$ 61,402,141</u>

(1) When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the Town as a whole.

Cost of capital assets	\$ 63,358,068
Accumulated depreciation	(16,830,402)
	<u>\$ 46,527,666</u>

Because the focus of governmental funds is on short term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance. Also some expenditures in the governmental activities do not reflect current period charges.

Adjustment of deferred revenue	\$ 1,318,281
Deferred bond cost	286,545
Premium on bond	(418,747)
Accrued interest	(631,958)
	<u>\$ 554,121</u>

Long-term liabilities applicable to the Towns' governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net assets.

Bonds payable	\$ 29,900,000
BAN payable	10,120,000
Capital leases payable	376,729
Loan payable	187,500
Landfill closure	4,651,127
Accrued compensated absences	1,127,301
Net OPEB obligation	1,920,310
Net pension obligation	194,005
	<u>\$ 48,476,972</u>



**TOWN OF TIVERTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 9. DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES**

The "net change in the fund balances" for governmental funds \$20,596,802 differs from the "change in net assets" for governmental activities \$(1,979,093) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences are illustrated below with explanations on page 39.

**Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities**

	<u>Total Governmental Funds</u>	<u>Long-term Revenues/ Expenses (1)</u>	<u>Capital- related Items (2)</u>	<u>Long-term Debt Transactions (3)</u>	<u>Statement of Activities Totals</u>
<b>Revenues</b>					
General property tax	\$ 31,045,747	\$ 185,231	\$ -	\$ -	\$ 31,230,978
Intergovernmental and departmental revenues	9,771,109	-	-	-	9,771,109
Federal revenue - SFSF	363,306	-	-	-	363,306
License and permits	2,805,822	-	-	-	2,805,822
Fines and interest on late payments	228,170	-	-	-	228,170
Interest on investments	373,459	-	-	-	373,459
Other revenues	664,424	-	-	(94,690)	569,734
<b>Total revenues</b>	<u>45,252,037</u>	<u>185,231</u>	<u>-</u>	<u>(94,690)</u>	<u>45,342,578</u>
<b>Expenditures</b>					
<b>Current:</b>					
General government	1,788,377	-	824	1,895,694	3,684,895
Financial administration	3,828,778	-	-	(186,807)	3,641,971
Public safety	5,129,803	-	219,261	-	5,349,064
Grants, health & sanitation	919,004	-	-	-	919,004
Public works	1,548,942	-	412,135	-	1,961,077
Associated activities	104,413	-	-	-	104,413
Parks and recreation	151,262	-	15,984	-	167,246
Education	28,069,575	-	564,382	(127,832)	28,506,125
Other	479,636	-	-	15,813	495,449
Capital	9,145,383	-	(9,145,383)	-	-
<b>Long-term obligations:</b>					
Principal	22,617,500	-	-	(22,617,500)	-
Interest	2,006,106	383,290	-	-	2,389,396
<b>Total expenditures</b>	<u>75,788,779</u>	<u>383,290</u>	<u>(7,932,797)</u>	<u>(21,020,632)</u>	<u>47,218,640</u>
<b>Other financing sources (uses)</b>					
Transfers from other funds	22,339,299	-	-	-	22,339,299
Transfers to other funds	(22,339,299)	-	-	-	(22,339,299)
Issuance of debt	10,000,000	-	-	(10,000,000)	-
Loss on disposal of capital assets	-	-	(42,971)	-	(42,971)
<b>Total other financing sources (uses)</b>	<u>10,000,000</u>	<u>-</u>	<u>(42,971)</u>	<u>(10,000,000)</u>	<u>(42,971)</u>
Prior period adjustment	(60,060)	-	-	-	(60,060)
<b>Net change for the year</b>	<u>\$ (20,596,802)</u>	<u>\$ (198,059)</u>	<u>\$ 7,889,826</u>	<u>\$ 10,925,942</u>	<u>\$ (1,979,093)</u>

**TOWN OF TIVERTON**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

**NOTE 9. DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES (continued)**

- (1) Reductions in deferred revenues that provide current financial resources to governmental funds are not reported as revenues in the statement of activities. State funded public service corporation tax revenues that are not accrued for in the governmental funds are reported as revenues in the statement of activities.

Deferred revenue property tax	<u>\$ 185,231</u>
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Interest expense in the statement of activities differs from the amount reported in the governmental funds for two reasons. Accrued interest was reduced on the calculation for bonds payable and bond issuance cost are reported as expenditures in governmental funds while in the government-wide financial statements they are capitalized and amortized over the life of the bond.

Accrued interest	<u>\$ (383,290)</u>
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- (2) When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decrease by the amount of depreciation expense charged for the year.

Capital outlay	\$ 9,238,962
Depreciation expense	<u>(1,306,165)</u>
Difference	<u>\$ 7,932,797</u>

Loss on disposal of capital assets	<u>\$ (42,971)</u>
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- (3) Bond and capital lease proceeds provide current financial resources to governmental funds but the issuance of bonds and obtaining capital lease financing increases long-term liabilities in the statement of net assets. Repayments of bond principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities.

Bond proceeds	\$ (10,000,000)
Premium on bond	(117,843)
Amortization premium on bond	23,153
Bond issuance cost	104,344
Amortization of bond issuance cost	(15,813)
Principal payments made	22,617,500
Lease payments made	210,295
	<u>\$ 12,821,636</u>

Certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the in statement of activities these accrued expenses are recognized and charged to current activities.

Net decrease in compensated absences	\$ 26,639
Net increase in the other post employment benefit obligation	(1,920,310)
Net incrise to net pension obligation	(2,023)
Change	<u>\$ (1,895,694)</u>

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

**NOTE 10 - LONG-TERM DEBT**

Governmental long-term liabilities do not appear in the fund financial statements but rather are a reconciling item in the presentation of the government-wide financial statements and are included in the statement of net assets. Long-Term liabilities directly related to and intended to be paid from the Proprietary Fund Types are included in the accounts of such fund.

The town reports a long-term liability of the primary government in either governmental type activities or business type activities.

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

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>	<u>Amounts Due within One Year</u>
<b>Governmental Activities</b>					
Bonds and notes payable:					
Bonds Payable	\$ 21,155,000	\$ 10,000,000	\$ 1,255,000	\$ 29,900,000	\$ 1,245,000
Bond Anticipation Notes Payable	31,420,000	-	21,300,000	10,120,000	10,120,000
Notes Payable	250,000	-	62,500	187,500	62,500
Total bonds and notes payable	<u>52,825,000</u>	<u>10,000,000</u>	<u>22,617,500</u>	<u>40,207,500</u>	<u>11,427,500</u>
Other liabilities:					
Accrued compensated absences	1,153,940	69,005	95,644	1,127,301	-
Landfill closure and postclosure care costs	4,651,127	-	-	4,651,127	-
Capital Leases	587,024	-	210,295	376,729	157,425
Net OPEB Obligation	-	1,920,310	-	1,920,310	-
Net Pension Obligation	191,982	2,023	-	194,005	-
Total other liabilities	<u>6,584,073</u>	<u>1,991,338</u>	<u>305,939</u>	<u>8,269,472</u>	<u>157,425</u>
Governmental Activities long-term liabilities	<u>\$ 59,409,073</u>	<u>\$ 11,991,338</u>	<u>\$ 22,923,439</u>	<u>\$ 48,476,972</u>	<u>\$ 11,584,925</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds and notes payable	0% - 6.875%	\$ 40,207,500	2010-2028
<b>Total All Funds</b>		<u>\$ 40,207,500</u>	

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

**NOTE 10 - LONG-TERM DEBT (continued)**

The debt service through maturity for the above Governmental bonds and notes payable are as follows:

<b>Fiscal Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2010	11,427,500	1,835,425	13,262,925
2011	1,362,500	1,490,900	2,853,400
2012	1,422,500	1,428,294	2,850,794
2013	1,415,000	1,362,082	2,777,082
2014	1,475,000	1,291,857	2,766,857
2015	1,535,000	1,217,038	2,752,038
2016	1,610,000	1,139,808	2,749,808
2017	1,690,000	1,057,255	2,747,255
2018	1,765,000	964,762	2,729,762
Thereafter	16,505,000	4,239,813	20,744,813
<b>TOTALS</b>	<b><u>\$ 40,207,500</u></b>	<b><u>\$ 16,027,234</u></b>	<b><u>\$ 56,234,734</u></b>

The Town and school capital leases consist of computer and office equipment and are as follows:

Capital Leases	Town's <u>Lease Payments</u>	School's <u>Lease Payments</u>	<u>Totals</u>
Year End			
2010	141,062	16,363	157,425
2011	115,091	17,403	132,494
2012	86,810	-	86,810
Future minimum rental payments	342,963	33,766	376,729
Interest portion of payments	57,665	6,770	64,435
Obligation under capital leases	<b><u>\$ 400,628</u></b>	<b><u>\$ 40,536</u></b>	<b><u>\$ 441,164</u></b>

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

**NOTE 11 - INTERFUND RECEIVABLES AND PAYABLES**

Inter-fund receivables represent loans to various funds for use in operations. These amounts are expected to be repaid at certain future dates. Below are balances at June 30, 2009.

	<u>Due from other funds</u>	<u>Due to other funds</u>
<b>General Fund</b>	\$ 215,027	\$ 5,284,760
<b>Special Revenue Funds:</b>		
School Unrestricted	2,469,889	4
School Restricted	23,173	12,114
Town Restricted	623,534	45,020
<b>Capital Projects:</b>	3,116,596	57,138
<b>Enterprise Funds</b>	1,769,577	8,151
Land Acquisition	248,849	
<b>Totals</b>	<u>\$ 5,350,049</u>	<u>\$ 5,350,049</u>

Transfers are made to provide revenue for annual expenditures of various funds. Transfers are not expected to be repaid to the originating (source) fund. Listed below is the transfer activity for fiscal year ended June 30, 2009.

<u>Fund / Department</u>	<u>Transfers from other funds</u>	<u>Tranfers to other funds</u>
General Fund	\$ 372,000	\$ 22,175,589
Special Revenue SRUF	20,715,140	-
Pocaset	87,138	33,599
Special Revenue Town	413,583	374,200
Capital Project Funds	1,174,744	155,923
Debt Service Fund	-	23,294
Totals	<u>\$ 22,762,605</u>	<u>\$ 22,762,605</u>

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

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***NOTE 12 – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS***

The Town accounts for its closure and postclosure care costs under GASB Statement No. 18. This Statement is based on the October 9, 1991, U.S. Environmental Protection Agency (EPA) rule, “Solid Waste Disposal Facility Criteria”, which establishes closure requirements for all municipal solid waste landfills (MSWLF’s) that receive solid waste after October 9, 1991. The EPA rule also establishes thirty-year postclosure care requirements for MSWLF’s that accept solid waste after October 9, 1993. The effect of this EPA rule and similar state laws or regulations is to obligate MSWLF owners and operators to perform certain closing functions and postclosure monitoring and maintenance functions as a condition for the right to operate the MSWLF in the current period.

State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after its closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Town reports a portion of these closure and postclosure care costs as an operating expense in each period based on budget appropriations. The \$4,651,127 reported as landfill closure and postclosure care liability at June 30, 2009, represents the cumulative amount reported to date. These amounts are based on what it would cost to perform all closure and postclosure care in 2008. The Town expects to close the landfill in 2014. Actual costs may be higher due to inflation, changes in technology or changes in regulations.

The town intends to finance these closure and postclosure costs over the remaining life of the landfill through general fund contributions. As of June 30, 2009, the Town has accumulated \$3,549,294 in the Landfill Closure Capital Project Fund for this purpose.

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

**Litigation**

The following is a summary of the current litigation.

In 2005, over 100 residents sued the Fall River Gas Company, in four different lawsuits in federal court in Rhode Island and Massachusetts and in Rhode Island Superior Court. These cases have all been consolidated in the United States District Court for the District of Rhode Island.

Town of Tiverton was brought in as a Third Party Defendant by Southern Union. This past September the Town of Tiverton received \$550,000 to be used to remediate roadways and right of ways with contamination levels exceeding industrial standards. RIDEM is requiring this remediation be completed within two years unless it will be done as part of a town infrastructure upgrade. In that event, the remediation must be completed within five years. The estimated cost to clean the areas of town property that have contamination exceeding industrial levels is \$485,000. The \$550,000 settlement money is in a separate account and will be used for the remediation.

Also, during the ordinary course of its operations, the Town is a party to various claims, other legal actions and complaints. These various legal actions include disputes in property valuations and torts for which the Town has been named as a defendant. In the opinion of the Town’s management and legal counsel they do not anticipate any of them to have a material financial impact or at this time their legal counsel has been unable to assess a liability, if any, on the part of the Town.

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

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**NOTE 14 – OTHER POST RETIREMENT BENEFITS**

**Plan Description**

In addition to the pension benefits described below, the Town provides post employment health care benefits in accordance with Town union contracts. These benefits are for continued full family or individual health care for the employee groups as described below.

**Plan Types**

Medical: Blue Cross Classic/Blue Cross Blue Shield RI or Healthmate Coast to Coast

Dental: Delta Dental of Rhode Island

Life: \$50,000 Term Life Insurance

**Eligibility – Medical, Dental**

Police employees: Any age with 20 years.

Fire employees: 20 years of service or attainment of age 55, whichever comes first.

School employees: Age 55 with 10 years of service

Town Employees: Age 58 with 10 years, (those hired after July 1, 1993 shall not receive retiree medical coverage). Members covered by the Teamsters contract shall receive retiree medical insurance upon attainment of age 58 with 25 years of service, which shall end upon attainment of age 65. (those hired after July 1, 1994 shall not receive retiree medical coverage)

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

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**NOTE 14 – OTHER POST RETIREMENT BENEFITS (continued)**

**Benefit/Cost Sharing -Medical**

Police Employees: Family and Individual plans employee pays \$400.00 per year.

Fire Employees: Individual Plan employee pays \$520 per year, Family Plan employee pays \$1,040 per year.

Town Employees: Members of Teamsters Union, no cost sharing, all others individual plan is \$525 per year, Family Plan is \$1,100 per year.

School Employees: Individual Plan, 25% to 50% based on age & service, Family Plan 25% to 50% based on age and service.

**Benefit/Cost Sharing – Dental**

Police Employees: None

Fire Employees: None

Town Employees: None

School Employees: Individual Plan, 25% to 50% based on age & service, Family Plan 25% to 50% based on age and service.

**Eligibility – Life**

Police employees: Any age with 20 years.

Fire employees: 20 years of service or attainment of age 55, whichever comes first.

School employees: Age 55 with 10 years of service

Town Employees: Age 58 with 10 years,

Cost Sharing: Non-Contributory

**Membership**

	Medical	Dental	Life
Active	394	394	394
Retirees	<u>118</u>	<u>118</u>	<u>118</u>
Total	512	512	512

**Funding Policy**

Contribution requirements are negotiated between the Town and the respective unions and employees. For the year-ended June 30, 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 June 30, 2009 the Town contributed \$1,255,056 to the plan.



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

**NOTE 14 – OTHER POST RETIREMENT BENEFITS (continued)**

**Annual OPEB Funded Status and net OPEB Obligation**

Actuarial Actuarial Valuation Date <u>July 1,</u>	Actuarial Value of Assets <u>(a)</u>	Accrued Liability (AAL) <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
2008	\$ -0-	\$34,838,000	\$(34,838,000)	0.0%	N/A	N/A

*Annual OPEB Cost and Net OPEB Obligation:* Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2009.

Annual required contribution	\$3,175,366
Interest on OPEB obligation	-0-
Adjustment to annual required contribution	<u>( -0- )</u>
Annual pension cost	3,175,366
Contributions made	<u>1,255,056</u>
Increase (decrease) in OPEB obligation	<u>1,920,310</u>
Net OPEB obligation beginning of year	-0-
Net OPEB obligation end of year	<u>\$1,920,310</u>

**Required Contributions:**

<u>Years Ending June 30</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2007	N/A	N/A
2008	N/A	N/A
2009	\$ 3,175,366	39.50%

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

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**NOTE 14 – OTHER POST RETIREMENT BENEFITS (continued)**

**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 types of benefits provided at the time of each valuation and the historical pattern of sharing benefit cost between the employer and the 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. Below are the actuarial assumptions used to project future cost of the plan.

Valuation Date:	July 1, 2008
Interest Rate	3.50%
2009 Medical Trend Rate	10.00%
2009 Dental Trend Rate	8.0%
General Inflation Assumption	3.50%
Annual Compensation Increases	4.50%
Actuarial Value of Assets	Market Value
Amortization of UAAL	30 Years
Remaining Amortization Period	30 Years

**NOTE 15 - PENSION PLANS**

**A. Employees' Retirement System of the State of Rhode Island (ERS)**

Town of Tiverton certified school personnel participate in the Employees' Retirement System of the State of Rhode Island ("System"), a cost-sharing multiple-employer public employee retirement system.

The plan issues a stand-alone, publicly available financial report that includes financial statements and required supplementary information. A copy of the report can be obtained from the State's Employee Retirement Board, 40 Fountain Street, Providence, Rhode Island, 02903, or by accessing the Retirement Board's website at [www.ersri.org](http://www.ersri.org).

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

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**NOTE 15 - PENSION PLANS (continued)**

**Plan Description**

The Town of Tiverton school certified personnel are eligible to participate in the System if the Board of Regents certifies that they're engaged in teaching as principal occupation and are regularly employed on at least a half time basis. Schedule A benefits are available to members who possess 10 years or more of contributory service on or before July 1, 2005, Schedule A provides unreduced benefits of 1.7% of earnings for each of the first ten years of service; 1.9% for each of the next ten years; 3.0% per year for each of the next fourteen years; and 2.0% for the 35<sup>th</sup> year. Joint and survivor options are available as well as the service Retirement Allowance (SRA) Plus option that provides for the payment of a larger benefit before the attainment of age sixty-two (62) and a reduced amount thereafter. The reduced amount is equal to the benefit before age sixty-two (62), including cost-of-living increases, minus the member's estimated social security benefit payable at age sixty-two (62). The maximum benefit is 80% of final average earnings after 35 years of service. Such benefits are available to members at least age 60 with 10 years of service, or after 28 years at any age. Benefits for all employees are based on the average of the highest three consecutive years' earnings, exclusive of overtime. On the third January after retirement, a cost-of-living increase of 3.0% (compounded annually) is provided independent of actual changes in the consumer price index. The plan also provides nonservice-connected disability benefits after five years of service; service-connected disability pensions with no minimum service requirement; vested benefits after ten years of service; survivor's benefits for service-connected death; and certain lump sum death benefits. There were changes in the method and assumptions in the June 30, 2006 actuarial valuation to determine plan cost.

Schedule B benefits are provided to members who have less than 10 years of contributory service on or before July 1, 2005. For Schedule B members, the plan provides unreduced benefits of 1.6% of earnings for each of the first ten years of service; 1.8% for each of the next ten years; 2.0% per year for years 21 through 25 inclusive; 2.25% per year for years 26 through 30 inclusive; 2.5% per year for years 31 through 37 inclusive and 2.25% for the 38<sup>th</sup> year. Only single life, and joint and survivor options are available. The maximum benefit is 75% of his or her average highest three (3) years of compensation after 38 years of service. Such benefits are available to members at least age 65 with 10 years of service, or after 29 years of service and age 59. Actuarially reduced retirement is available at age 55 and 20 years of service, the benefit is reduced actuarially for each month that the age of the member is less than sixty-five (65) years. On the month following the third anniversary date of the retirement, and on the month following the anniversary date of each succeeding year, a cost-of-living increase of 3.0% (compounded annually) or the percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as published by the United States Department of Labor Statistics, determined as of September 30 of the prior calendar year, whichever is less is provided for Schedule B members. There were changes in the method and assumptions in the June 30, 2006 actuarial valuation to determine plan cost.

The plan provides a survivor benefit to public school teachers via a "Teachers Survivor Benefits Fund" in lieu of Social Security. Not all school districts participate in the plan. The cost of the benefits provided by the plan are two percent (3%) of the member's annual salary up to but not exceeding an annual salary of \$9,600; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the respective city, town or school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

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

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**NOTE 15 - PENSION PLANS (continued)**

**Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the System are prepared on the accrual basis of accounting. Under this method revenues are recorded when earned and expenses are recorded when incurred. Plan member contributions are recognized in the period in which the contributions withheld from payroll. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Dividend income is recorded on the ex-dividend date. Investment transactions are recorded on a trade date basis. The gains or losses on foreign currency exchange contracts are included in income in the period in which the exchange rates change. Gains and losses on contracts which hedge specific foreign currency denominated commitments are deferred and recognized in the period in which the transaction is completed. The Governmental Accounting Standards Board (GASB) has the responsibility for establishing generally accepted accounting principles for fiduciary type activities.

**Method Used to Value Investments**

Investments are recorded in the financial statements at fair value. Fair value is the amount that a plan can reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller – that is, other than a forced liquidation sale. The fair value of fixed income and domestic and international stocks are generally based on published market prices and quotations from national security exchanges and securities pricing services. Commingled funds consist of institutional domestic and international equity index funds and a short duration fixed income fund. The fair value of the commingled funds is based on the reported share value of the respective fund. Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Other investments that are not traded on a national security exchange (primarily private equity and real estate investments) are generally valued based on audited December 31 net asset values adjusted for cash flows for the period January 1 to June 30 (which principally include additional investments and partnership distributions).

**Contributions and Reserves**

Contribution requirements for plan members and employers are established pursuant to Rhode General Laws. Employers are required to contribute at an actuarially determined rate. Plan member contributions are fixed by statute.

**Concentrations**

There is no single issuer exposure within the System's portfolio that comprises 5% of the overall portfolio and, therefore, there is no concentration of credit risk.

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

**NOTE 15 - PENSION PLANS (continued)**

**Funding Policy**

The Employees Retirement System of Rhode Island maintains authority to establish contribution rates for its plan members. The current required contribution rates for active plan members are, 9.5% for employees and 11.89% for employers on covered payroll paid based on the 2009 state pension reform. The annual required contribution amount, which equals annual pension cost, for the District was determined as described above and was based on an actuarial valuation as of June 30, 2009. Significant actuarial assumptions used on the June 30, 2008 valuation which is the most current available include the following:

- Investment return - 8.25% compounded annually
- Inflation rate - 3.00%
- Net real rate of return - 5.25%
- Projected salary increases – 4.50% to 9.00%
- Cost of living adjustment – Schedule A - 3%, compounded, Schedule B – 2.5% non-compounded
- Actuarial value of assets - market value

As prescribed by the Rhode Island general law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years plus 40% of contributions assessed to employers on payroll not reimbursable through Federal programs. This resulted in contribution rates paid by the State on behalf of the School Department of 10.17% of non-federally reimbursable payrolls totaling \$978,900 for the fiscal year ended June 30, 2009. The School Department does not have any investments or related party investment with the State Plan.

**Required Contributions:**

<u>Years Ending June 30</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2007	\$ 1,399,805	100%
2008	\$ 1,250,286	100%
2009	\$ 1,499,666	100%

**B. Municipal Employees' Retirement System (Town Plan)**

The Town of Tiverton participates in the Municipal Employees' Retirement System of the State of Rhode Island (MERS), an agent multiple employer defined benefit plan administered by the State of Rhode Island. All full-time Town and non-certified School Department general employees participate in the System as general employees. The Tiverton full-time firemen participate in the System as fire employees.

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

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**NOTE 15 – PENSION PLANS (continued)**

The plan issues a stand-alone, publicly available financial report that includes financial statements and required supplementary information. The Municipal Employee's Retirement System of the State of Rhode Island (MERS) issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of Rhode Island Employee Retirement Board, 40 Fountain Street, Providence, Rhode Island, 02903, or by accessing the Retirement Board's website at [www.ersri.org](http://www.ersri.org).

**Plan Description**

The MERS was established under section one of chapter 2784 of the Rhode Island Public Laws of 1951 and placed under the management of the Retirement Board for the purpose of providing retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. The plan generally provides retirement benefits equal to 2.0% of a member's final average salary multiplied by the number of years of total service up to a maximum of 75%. Joint and survivor options are available as well as the Service Retirement Allowance (SRA) Plus option that provides for the payment of a larger benefit before the attainment of age sixty-two (62) and a reduced benefit thereafter. The reduced amount is equal to the benefit before age sixty-two (62), including cost-of-living increases minus the member's estimated social security benefit payable at age sixty-two (62). Such benefits are available to members at least age 58 with 10 years of service or after 30 years of service at any age. Police and fire personnel may retire at age 55 if they have 10 years of service or after 25 years of service at any age. An optional cost-of-living provision may be elected for police and fire personnel and general employees. An option may be elected to provide a 20 year service pension with a benefit equal to 2.5% for each year of service up to a maximum of 75% for police and fire personnel. Benefits are based on the average of the highest three consecutive years' earnings, exclusive of overtime. The plan also provides nonservice-connected disability benefits after 5 years of service; service-connected disability pensions with no minimum service requirement; vested benefits after 10 years of service; survivor's benefits; and certain lump sum death benefits.

**Basis of Accounting**

The financial statements of the System are prepared on the accrual basis of accounting. Under this method revenues are recorded when earned and expenses are recorded when incurred. Plan member contributions are recognized in the period in which the contributions withheld from payroll. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Dividend income is recorded on the ex-dividend date. Investment transactions are recorded on a trade date basis. The gains or losses on foreign currency exchange contracts are included in income in the period in which the exchange rates change. Gains and losses on contracts which hedge specific foreign currency denominated commitments are deferred and recognized in the period in which the transaction is completed. The Governmental Accounting Standards Board (GASB) has the responsibility for establishing generally accepted accounting principles for fiduciary type activities.

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

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**NOTE 15 – PENSION PLANS (continued)**

**Method Used to Value Investments**

Investments are recorded in the financial statements at fair value. Fair value is the amount that a plan can reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller – that is, other than a forced liquidation sale. The fair value of fixed income and domestic and international stocks are generally based on published market prices and quotations from national security exchanges and securities pricing services. Commingled funds consist of institutional domestic and international equity index funds and a short duration fixed income fund. The fair value of the commingled funds is based on the reported share value of the respective fund. Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded. Other investments that are not traded on a national security exchange (primarily private equity and real estate investments) are generally valued based on audited December 31 net asset values adjusted for cash flows for the period January 1 to June 30 (which principally include additional investments and partnership distributions).

**Contributions and Reserves**

Contribution requirements for plan members and employers are established pursuant to Rhode General Laws. Employers are required to contribute at an actuarially determined rate. Plan member contributions are fixed by statute.

**Concentrations**

There is no single issuer exposure within the System's portfolio that comprises 5% of the overall portfolio and, therefore, there is no concentration of credit risk.

**Funding Policy**

The Municipal Employees Retirement System (MERS) maintains authority to establish contribution rates for its plan members. The current required contribution rates for active general plan members are, 7.0% for employees and 2.35% for employers on covered payroll paid. The current contribution rates for active fire plan members are, 10% for employees and 11% for employers on covered payroll.

The annual required contribution amount, which equals annual pension cost, for the Town was determined as described above and was based on an actuarial valuation as of June 30, 2006. Significant actuarial assumptions used on the June 30, 2006 valuation include the following:

- Investment return - 8.25% compounded annually
- Inflation rate - 3.00%
- Net real rate of return - 5.25%
- Projected salary increases general employees – 4.50% - 8.50%
- Projected salary increases Police & Fire – 4.75% - 14.75%
- Cost of living adjustment - 3%, non-compounded
- Actuarial value of assets - market value

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

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**NOTE 15 - PENSION PLANS (continued)**

The annual required contribution for the Town which equals the annual pension cost for the year ended June 30, 2009 was \$89,757 for general employees. This contribution represents 5.59% of covered payroll.

The annual required contribution for the Town which equals the annual pension cost for the year ended June 30, 2009 was \$159,351 for fire employees. This contribution represents 10.42% of covered payroll.

**Required contributions for general employees:**

<u>Fiscal Year</u>	<u>Pension Cost (APC)</u>	<u>of APC Contributed</u>
2007	\$ 62,444	100%
2008	\$ 96,726	100%
2009	\$ 89,757	100%

**Required contributions for fire employees:**

<u>Fiscal Year</u>	<u>Pension Cost (APC)</u>	<u>of APC Contributed</u>
2007	\$ 263,460	100%
2008	\$ 186,726	100%
2009	\$ 159,351	100%

**C. Police Pension Plan**

**Plan Description**

The Policemen's Pension Plan of the Town of Tiverton (the Plan) is a contributory, single-employer, defined benefit plan. Bank of America is the trustee of the Plan's investment funds. All funds remain in custody of Bank of America which is also responsible for maintenance of primary accounting records.



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

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***NOTE 15 - PENSION PLANS (continued)***

Administration of the Plan is the responsibility of the Town Administrator. Accordingly, he reviews the records of the Plan, prepares and accumulates the actuarial data, and prepares periodic reports for submission to the Town Council. The costs of administering the Plan are paid by the Plan. All members of the Police Department of the Town of Tiverton are covered by this Plan.

**Plan Provisions**

The Plan provides retirement as well as death and disability benefits. Participants in the Plan are eligible for retirement on the earlier of their 55<sup>th</sup> birthday or upon completion of 20 or more years of service. The normal retirement benefit is equal to 2.5% of average compensation multiplies by the years of credited service for the first 20 years plus an additional 2% for years in excess of 20 years, subject to a maximum of 75% of average compensation.

Participants are eligible for disability benefits after 7 years of service or immediately if the disability results from performance of duties. The benefit is 66.67% of average compensation or 50% if disability is due to non-occupational causes.

Death benefits will be paid to the beneficiary in the amount of \$400 for each year of service, subject to a minimum of \$2,000 and a maximum of \$8,000. After retirement, this benefit will be reduced by 25% per year but not less than \$2,000.

**Contributions**

Employees in the Police Pension Fund are required to contribute 10% of their pay. The Town contribution is based on the amount determined by the actuarial valuation.

***Summary of Significant Accounting Policies***

**Basis of Accounting**

The Police Pension Fund's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Method Used to Value Investments**

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value.

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

**NOTE 15 - PENSION PLANS (continued)**

**Annual Pension Cost and Net Pension Obligations**

The Town's net pension obligation for fiscal year ended 2009 to the Police Pension Fund is as follows:

Annual required contribution	\$ 711,225
Interest on net pension obligation	13,439
Adjustment to annual required contribution	<u>(11,416)</u>
Annual pension cost	713,248
Contributions made	<u>711,225</u>
Increase (decrease) in net pension obligation	2,023
Net pension obligation beginning of year	<u>191,982</u>
Net pension obligation end of year	<u>\$194,005</u>

For 2009, (the most recent available information) the Town's annual pension cost was \$713,248 for the Police Pension Fund and actual contributions were \$711,225. The required contribution was determined as part of the July 1, 2009 actuarial valuation using the entry age normal cost method with frozen initial liability. Significant actuarial assumptions included (a) net investment return of 7 percent compounded annually, (b) projected salary increases of 5 percent compounded annually, (c) mortality rates based on the RP 2000 Mortality Table for males and females, and (d) a retirement age of 55, or completion of service requirements, if later. The adjusted market value method has been used to determine the actuarial value of asset. Under this method, fluctuations in market values of assets are smoothed out by utilizing a five-year average of realized and unrealized investment gains and losses to calculate the actuarial value of assets.

**Participant information:**

Active employees	24
Retirees & beneficiaries	<u>26</u>
	<u>50</u>

**Trend Information**

**Police Pension Plan**

<u>Fiscal</u> <u>Year</u>	<u>Annual</u> <u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>	<u>Actual</u> <u>Contribution</u>
2007	\$647,343	92%	\$189,980	\$597,225
2008	\$597,226	100%	\$191,982	\$597,226
2009	\$ 711,225	100%	\$194,005	\$711,225

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

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***NOTE 16 - RISK MANAGEMENT***

The Town of Tiverton is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a non-profit, public entity risk pool (Rhode Island Inter-local Risk Management Trust, Inc.) that provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement that outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust, retains internally for payment from the pooled contributions of its Members. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. There were no reductions in the insurance coverage during the fiscal year up and through the report date.

There are several lawsuits pending against the Town. The Town Solicitor estimates that judgment against the Town from such other litigation not covered by insurance would not be material in relation to the Town's financial position.

***NOTE 17 - RELATED PARTIES***

The Town reviews its records on an annual basis to determine if any related party transactions exist that would represent a conflict of interest with parties related to its officers and department heads. No such transactions were noted in the fiscal year ended June 30, 2009.

***NOTE 18 - SUBSEQUENT EVENTS***

In July of 2009 the Town received a Public School Revenue Bond issued for \$10,100,000 to re-pay the prior year Bond Anticipation Notes for the new elementary school construction.

In September 2009 the Town received \$550,000 from the settlement of the Bay Street Contamination case. The settlement money is in a separate account and will be used to remediate roadways and right of ways with contamination levels exceeding industrial standards.

***NOTE 19 - PRIOR PERIOD ADJUSTMENTS***

In prior years, the Lydia Essex Library Fund (a special revenue fund) included a cash account for Citizens Union Savings bank. During the fiscal year 2009 audit it was discovered that this account is not part of the Town's reporting entity but that of a separate entity, the Tiverton Library Realty, Inc. The entry to remove the asset and the corresponding equity balance is for \$60,060.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**Town of Tiverton, Rhode Island**

**Schedule of Funding Progress for the Town of Tiverton Police Department Pension Plan  
June 30, 2009  
(Unaudited)**

(\$ amounts + 000)

	<b>Actuarial Valuation Date (1)</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as Percentage of Covered Payroll</b>
Police Department Pension Plan	7/1/2005	\$ 5,491	\$ 11,007	\$ 5,516	50%	\$ 1,150	480%
	7/1/2006	\$ 6,094	\$ 10,705	\$ 4,611	57%	\$ 1,275	362%
	7/1/2007	\$ 7,182	\$ 11,322	\$ 4,140	63%	\$ 1,338	309%
	7/1/2008	\$ 6,926	\$ 12,155	\$ 5,230	57%	\$ 1,512	346%
	7/1/2009	\$ 5,733	\$ 14,243	\$ 8,510	40%	\$ 1,716	496%

**Town of Tiverton, Rhode Island**

**Pension Plan Required Supplemental Information**

**June 30, 2009**

**(Unaudited)**

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

Additional information as of the latest actuarial valuation (1) follows:

			Town of Tiverton Police Department <u>Pension Plan</u>
Valuation Date	7/1/2009		
Actuarial Cost Method	Individual Entry Age		
Amortization Method	Level Percent Closed		
Remaining Amortization Period	25 Years		
Asset Valuation Method	Market Value		
Actuarial assumptions:			
Investment rate of return	7.0%		
Projected Salary Increases	5.0%		
Participant Information	Active Employees	24	
	Retirees and beneficiaries	<u>26</u>	
		<u>50</u>	

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Revenues and Expenditures**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Transfers</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>					
General property tax	\$ 31,287,228	\$ -	\$ 31,287,228	\$31,045,747	\$ (241,481)
Intergovernmental and departmental revenue	2,810,004	-	2,810,004	2,587,889	(222,115)
Federal revenue - SFSF	-	-	-	363,306	363,306
License and permits	1,695,611	-	1,695,611	1,887,162	191,551
Fines and interest on late payments	185,000	-	185,000	228,170	43,170
Interest on investments	165,000	-	165,000	117,652	(47,348)
Other revenue	103,800	-	103,800	97,433	(6,367)
<b>Total Revenues</b>	<u>36,246,643</u>	<u>-</u>	<u>36,246,643</u>	<u>36,327,359</u>	<u>80,716</u>
<b>Expenditures</b>					
General government	1,131,825	14,036	1,145,861	1,064,834	81,027
Financial administration	4,172,392	15,831	4,188,223	3,828,778	359,445
Public safety	4,999,914	-	4,999,914	5,020,581	(20,667)
Grants, health & sanitation	568,741	-	568,741	562,752	5,989
Public works	1,345,106	48,586	1,393,692	1,262,541	131,151
Associated activities	110,900	1,637	112,537	104,413	8,124
Parks and recreation	114,870	-	114,870	113,964	906
Capital budget	458,609	251,832	710,441	479,636	230,805
Debt service - principal	810,000	-	810,000	810,000	-
Debt service - interest	1,570,736	-	1,570,736	1,055,249	515,487
<b>Total expenditures</b>	<u>15,283,093</u>	<u>331,922</u>	<u>15,615,015</u>	<u>14,302,748</u>	<u>1,312,267</u>
<b>Excess of revenues over expenditures before operating transfers</b>	<u>20,963,550</u>	<u>(331,922)</u>	<u>20,631,628</u>	<u>22,024,611</u>	<u>1,392,983</u>
<b>Operating transfers</b>					
Operating transfers to other funds	(21,272,550)	-	(21,272,550)	(21,812,283)	(539,733)
School Unrestricted - Federal SFSF	-	-	-	(363,306)	(363,306)
Operating transfers from other funds	309,000	-	309,000	372,000	63,000
Appropriated fund balance	-	331,922	331,922	331,922	-
<b>Total operating transfers</b>	<u>(20,963,550)</u>	<u>331,922</u>	<u>(20,631,628)</u>	<u>(21,471,667)</u>	<u>(840,039)</u>
<b>Excess of revenues over expenditures and operating transfers</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 552,944</u>	<u>\$ 552,944</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Revenues - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Original Budget Revenues</u>	<u>Transfers</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
<b>General property taxes</b>					
Real estate and personal property tax	\$ 31,287,228	\$ -	\$ 31,287,228	\$ 31,045,747	\$ (241,481)
<b>Total general property taxes</b>	<u>31,287,228</u>	<u>-</u>	<u>31,287,228</u>	<u>31,045,747</u>	<u>(241,481)</u>
<b>Intergovernmental and departmental revenues</b>					
State of Rhode Island	2,810,004	-	2,810,004	2,587,889	(222,115)
Federal revenue - SFSF	-	-	-	363,306	363,306
<b>Total intergovernmental and departmental revenue</b>	<u>2,810,004</u>	<u>-</u>	<u>2,810,004</u>	<u>2,951,195</u>	<u>141,191</u>
<b>Licenses, permits and usage fees</b>					
Business fees	694,900	-	694,900	902,404	207,504
Usage fees	1,000,711	-	1,000,711	984,758	(15,953)
<b>Total licenses, permits and usage fees</b>	<u>1,695,611</u>	<u>-</u>	<u>1,695,611</u>	<u>1,887,162</u>	<u>191,551</u>
<b>Fines and interest on late payments</b>	185,000	-	185,000	228,170	43,170
<b>Interest on investments</b>	165,000	-	165,000	117,652	(47,348)
<b>Other revenues</b>	103,800	-	103,800	97,433	(6,367)
<b>Total revenues</b>	<u>36,246,643</u>	<u>-</u>	<u>36,246,643</u>	<u>36,327,359</u>	<u>80,716</u>
<b>Other financing sources</b>					
Transfer from ambulance & rescue	300,000	-	300,000	372,000	72,000
Transfer from school renovation bond	9,000	-	9,000	-	(9,000)
Appropriated fund balance	-	331,922	331,922	331,922	-
<b>Total other financing sources</b>	<u>309,000</u>	<u>331,922</u>	<u>640,922</u>	<u>703,922</u>	<u>63,000</u>
<b>Total revenue and other financing sources</b>	<u>\$ 36,555,643</u>	<u>\$ 331,922</u>	<u>\$ 36,887,565</u>	<u>\$ 37,031,281</u>	<u>\$ 143,716</u>



**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Original Budgeted Expenditures</u>	<u>Transfers</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
<b><i>Town Clerk's Office - 101</i></b>					
Town Clerk Salary	51,889	-	51,889	50,134	1,755
Clerical	126,230	-	126,230	125,192	1,038
Longevity	4,600	-	4,600	8,400	(3,800)
Supplies & expenses	8,400	-	8,400	8,136	264
Photocopier Lease	7,000	-	7,000	6,219	781
Recording expenses	35,000	-	35,000	29,999	5,001
Recode Town Code	3,000	9,925	12,925	11,183	1,742
<b><i>Total Town Clerk</i></b>	<b>236,119</b>	<b>9,925</b>	<b>246,044</b>	<b>239,263</b>	<b>6,781</b>
<b><i>Town Council - 102</i></b>					
Personal Services	17,300	-	17,300	17,300	-
Supplies & expenses	2,000	-	2,000	1,289	711
Future needs	54,000	-	54,000	13,236	40,764
Contingency	30,000	-	30,000	24,417	5,583
Advertising/Ordinances	20,000	-	20,000	15,270	4,730
<b><i>Total Town Council</i></b>	<b>123,300</b>	<b>-</b>	<b>123,300</b>	<b>71,512</b>	<b>51,788</b>
<b><i>Town Administrator - 112</i></b>					
Town Administrator Salary	83,900	-	83,900	81,318	2,582
Clerical	36,000	-	36,000	35,900	100
Office Supplies	4,000	-	4,000	2,986	1,014
Grants/Matching Funds	5,000	-	5,000	-	5,000
Computer service	8,000	-	8,000	1,791	6,209
League of Cities/Towns	6,500	-	6,500	6,500	-
Expense Account	2,000	-	2,000	1,000	1,000
Vehicle Expense	2,000	-	2,000	1,261	739
Photocopier Lease	2,500	-	2,500	2,319	181
Town-Wide Internet	3,200	-	3,200	3,200	-
Tiverton Web Site	3,300	-	3,300	3,300	-
<b><i>Total Town Administrator</i></b>	<b>156,400</b>	<b>-</b>	<b>156,400</b>	<b>139,575</b>	<b>16,825</b>
<b><i>Board of Canvassers - 103</i></b>					
Personnel Services	3,000	-	3,000	3,000	-
Elections	22,000	-	22,000	22,000	-
Printing & Supplies	5,600	-	5,600	3,828	1,772
Computer Services	2,000	-	2,000	1,744	256
<b><i>Total board of canvassers</i></b>	<b>32,600</b>	<b>-</b>	<b>32,600</b>	<b>30,572</b>	<b>2,028</b>
<b><i>Town Hall Operating - 104</i></b>					
Heat	5,200	-	5,200	5,192	8
Electric	13,000	-	13,000	13,000	-
Telephone	4,000	-	4,000	3,791	209
Water & Supplies	900	-	900	900	-
Repairs	8,800	-	8,800	8,537	263
<b><i>Total Town Hall Operating</i></b>	<b>31,900</b>	<b>-</b>	<b>31,900</b>	<b>31,420</b>	<b>480</b>
<b><i>Legal Services - 105</i></b>					
Town Solicitor	96,000	-	96,000	96,000	-
Legal Zoning	15,000	-	15,000	13,409	1,591
Litigation	129,500	3,306	132,806	137,097	(4,291)
Prosecutors	24,000	-	24,000	24,000	-
Labor	12,000	-	12,000	12,000	-
<b><i>Total Legal Services</i></b>	<b>276,500</b>	<b>3,306</b>	<b>279,806</b>	<b>282,506</b>	<b>(2,700)</b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	Original Budgeted Expenditures	Transfers	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Municipal Court - 196</b>					
Judge	12,500	-	12,500	13,365	(865)
Clerical Assistant	8,978	-	8,978	8,908	70
Bailiff	1,200	-	1,200	1,200	-
Telephone	350	-	350	320	30
Office Supplies & Expense	500	-	500	496	4
<b>Total Municipal Court</b>	<b>23,528</b>	<b>-</b>	<b>23,528</b>	<b>24,289</b>	<b>(761)</b>
<b>Probate Court - 197</b>					
Judge	8,500	-	8,500	8,758	(258)
Office Supplies	1,000	-	1,000	991	9
Recording and Microfilming	3,000	-	3,000	1,385	1,615
<b>Total Probate Court</b>	<b>12,500</b>	<b>-</b>	<b>12,500</b>	<b>11,134</b>	<b>1,366</b>
<b>Building and Zoning Inspector - 106</b>					
Building Inspector Salary	55,806	-	55,806	57,115	(1,309)
Clerical	34,206	-	34,206	35,131	(925)
Longevity	1,600	-	1,600	3,200	(1,600)
Automobile Expenses	3,000	-	3,000	2,998	2
Telephone	1,400	-	1,400	1,400	-
Software maintenance	1,560	-	1,560	1,599	(39)
Office Supplies	3,500	-	3,500	2,500	1,000
Boarding for Buildings	400	-	400	-	400
<b>Total Building and Zoning Inspector</b>	<b>101,472</b>	<b>-</b>	<b>101,472</b>	<b>103,943</b>	<b>(2,471)</b>
<b>Planning Board - 107 &amp; 115</b>					
Personnel Services	69,288	-	69,288	76,223	(6,935)
Planning Dept Personnel	32,718	-	32,718	33,652	(934)
Longevity	1,000	-	1,000	2,000	(1,000)
Telephone	700	-	700	697	3
Supplies and Postage	3,500	-	3,500	480	3,020
Publications	300	-	300	3,300	(3,000)
Professional/Technical Services	16,500	-	16,500	1,500	15,000
Photocopier	1,000	-	1,000	1,000	-
<b>Total Planning Board</b>	<b>125,006</b>	<b>-</b>	<b>125,006</b>	<b>118,852</b>	<b>6,154</b>
<b>Zoning Board of Review - 108</b>					
Telephone	400	-	400	284	116
Public Stenographer	4,500	805	5,305	4,416	889
Supplies	2,100	-	2,100	1,623	477
<b>Total Zoning Board</b>	<b>7,000</b>	<b>805</b>	<b>7,805</b>	<b>6,323</b>	<b>1,482</b>
<b>Town Sergeant - 109</b>					
	1,500	-	1,500	1,500	-
<b>Town Financial Meeting - 110</b>					
	4,000	-	4,000	3,945	55
<b>Total General Government</b>	<b>1,131,825</b>	<b>14,036</b>	<b>1,145,861</b>	<b>1,064,834</b>	<b>81,027</b>
<b>Finance and Administration</b>					
<b>Tax Assessors - 212</b>					
Personnel Services	65,100	-	65,100	65,942	(842)
Clerical	51,469	-	51,469	51,231	238
Longevity	3,500	-	3,500	6,200	(2,700)
Telephone	1,800	-	1,800	634	1,166
Mileage	2,500	-	2,500	1,962	538
Professional Services	3,100	-	3,100	3,100	-
Supplies	4,900	-	4,900	3,702	1,198
Computers	6,000	-	6,000	1,784	4,216
Printing/Postage	3,300	-	3,300	2,465	835
Publications and Periodicals	500	-	500	451	49
<b>Total Board of Assessment Review</b>	<b>142,169</b>	<b>-</b>	<b>142,169</b>	<b>137,471</b>	<b>4,698</b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Original Budgeted Expenditures</u>	<u>Transfers</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
<b>Treasurer - 214</b>					
Personnel Services	62,000	-	62,000	60,092	1,908
Clerical	86,192	-	86,192	85,677	515
Longevity	3,100	-	3,100	6,800	(3,700)
Telephone	1,200	-	1,200	1,143	57
Computer/Software Maintenance	11,900	15,831	27,731	37,003	(9,272)
Supplies	7,000	-	7,000	4,826	2,174
Computer	1,200	-	1,200	1,035	165
Computerized Payroll	10,000	-	10,000	9,818	182
Treasurer's Report	900	-	900	551	349
Office Equipment	1,000	-	1,000	1,172	(172)
Consultants	10,000	-	10,000	9,861	139
<b>Total Treasurer</b>	<u>194,492</u>	<u>15,831</u>	<u>210,323</u>	<u>217,978</u>	<u>(7,655)</u>
<b>Tax Collector - 215</b>					
Part time Tax Collector	30,160	-	30,160	22,577	7,583
Clerical	51,106	-	51,106	51,165	(59)
Longevity	3,500	-	3,500	6,200	(2,700)
Telephone	1,000	-	1,000	552	448
Supplies and Tax Bill Printing	8,400	-	8,400	8,375	25
Reserve for Uncollectable	243,863	-	243,863	-	243,863
Collection Service	10,000	-	10,000	7,219	2,781
Computer Services	3,000	-	3,000	3,000	-
Postage	6,000	-	6,000	6,000	-
<b>Total Tax Collector</b>	<u>357,029</u>	<u>-</u>	<u>357,029</u>	<u>105,088</u>	<u>251,941</u>
<b>Tax Sale - 217</b>	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>745</u>	<u>2,255</u>
<b>Insurance - 219</b>					
Liability/Property/Workers Comp	255,000	-	255,000	254,268	732
Group Insurance/Health	1,905,000	-	1,905,000	1,903,967	1,033
<b>Total Insurance</b>	<u>2,160,000</u>	<u>-</u>	<u>2,160,000</u>	<u>2,158,235</u>	<u>1,765</u>
<b>Audit of Town Accounts - 220</b>	<u>17,880</u>	<u>-</u>	<u>17,880</u>	<u>17,880</u>	<u>-</u>
<b>Pension Plans - 222</b>					
Municipal	93,505	-	93,505	89,757	3,748
Police	509,894	-	509,894	449,894	60,000
Fire	177,923	-	177,923	159,351	18,572
Special retirement	16,500	-	16,500	16,500	-
<b>Total Pension Plans</b>	<u>797,822</u>	<u>-</u>	<u>797,822</u>	<u>715,502</u>	<u>82,320</u>
<b>Social Security - 225</b>	<u>445,000</u>	<u>-</u>	<u>445,000</u>	<u>441,235</u>	<u>3,765</u>
<b>Unemployment Security - 227</b>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>29,644</u>	<u>20,356</u>
<b>Unfunded Liability -230</b>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<b>Total Financial Administration</b>	<u>4,172,392</u>	<u>15,831</u>	<u>4,188,223</u>	<u>3,828,778</u>	<u>359,445</u>
<b>Public Safety</b>					
<b>Fire Department - 331</b>					
Chief	76,952	-	76,952	72,187	4,765
Personal services	1,528,244	-	1,528,244	1,529,054	(810)
Overtime	165,000	-	165,000	154,683	10,317
Differential	5,750	-	5,750	4,587	1,163
Paid Holidays	72,408	-	72,408	72,408	-
Longevity	68,843	-	68,843	77,637	(8,794)
Educational Allowance	2,500	-	2,500	2,496	4
Clothing Allowance	38,000	-	38,000	38,000	-
EMS Incentive	51,350	-	51,350	50,645	705
Fire Marshall Inspections	40,000	-	40,000	39,833	167
<b>Total Fire Salaries</b>	<u>2,049,047</u>	<u>-</u>	<u>2,049,047</u>	<u>2,041,530</u>	<u>7,517</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	Original Budgeted Expenditures	Transfers	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Fire Operating Expenses - 331</b>					
Heat	23,204	-	23,204	23,204	-
Fuel, Oil, Tires	31,250	-	31,250	31,250	-
Electric	10,500	-	10,500	10,345	155
Telephone	12,400	-	12,400	11,255	1,145
Water	1,250	-	1,250	1,211	39
Office Supplies	4,900	-	4,900	4,900	-
Firefighters Training	5,000	-	5,000	5,000	-
Minor Equipment Replacements	9,500	-	9,500	9,568	(68)
Hazardous Equipment	2,000	-	2,000	1,971	29
Station/Building Maintenance	21,400	-	21,400	21,500	(100)
Apparatus Maintenance	37,000	-	37,000	35,544	1,456
Equipment Service Contract	19,500	-	19,500	19,510	(10)
Radio Maintenance	10,500	-	10,500	10,498	2
Medical Supplies	18,000	-	18,000	19,412	(1,412)
Personal & Protective Gear	16,000	-	16,000	14,167	1,833
Medical Physicals	9,000	-	9,000	8,555	445
Recruiting process	1,500	-	1,500	1,500	-
Software Maintenance	5,200	-	5,200	4,644	556
Pagers	4,000	-	4,000	3,954	46
<b>Total Fire Operating Expenses</b>	<b>242,104</b>	<b>-</b>	<b>242,104</b>	<b>237,988</b>	<b>4,116</b>
<b>Total Fire Department</b>	<b>2,291,151</b>	<b>-</b>	<b>2,291,151</b>	<b>2,279,518</b>	<b>11,633</b>
<b>Police Department Salaries - 333</b>					
Chief	80,725	-	80,725	75,106	5,619
Personal services	1,705,087	-	1,705,087	1,632,106	72,981
Deputy Chief	71,967	-	71,967	88,300	(16,333)
Overtime Patrol	102,000	-	102,000	93,256	8,744
Shift Differential	14,000	-	14,000	13,842	158
Out of Rank Pay	3,092	-	3,092	2,852	240
Holiday Pay	102,848	-	102,848	102,848	-
Longevity	84,601	-	84,601	154,355	(69,754)
Sick Leave Buyback	12,000	-	12,000	12,000	-
Education Incentive	38,000	-	38,000	38,000	-
<b>Total Police Salaries</b>	<b>2,214,320</b>	<b>-</b>	<b>2,214,320</b>	<b>2,212,665</b>	<b>1,655</b>
<b>Police General Expenses - 333</b>					
Prisoner Meals	350	-	350	350	-
Chief's Misc. Expenses	1,500	-	1,500	1,500	-
State Education Mandated	28,000	-	28,000	28,100	(100)
State Psychological Tests	1,000	-	1,000	1,000	-
State Qualifications	1,500	-	1,500	1,500	-
Clothing Allowance	44,000	-	44,000	75,875	(31,875)
Uniform/Equipment Replacement	3,800	-	3,800	3,691	109
Medical Expenses	1,000	-	1,000	1,000	-
In-Service Training	12,000	-	12,000	11,860	140
<b>Total Police General Expenses</b>	<b>93,150</b>	<b>-</b>	<b>93,150</b>	<b>124,876</b>	<b>(31,726)</b>
<b>Police Operations - 333</b>					
Heat	9,000	-	9,000	9,000	-
Gas & Oil	78,500	-	78,500	78,410	90
Electricity	17,500	-	17,500	17,499	1
Telephones	13,800	-	13,800	12,909	891
Water	500	-	500	482	18
Photographic Supplies	9,700	-	9,700	11,849	(2,149)
Office Supplies	12,000	-	12,000	11,788	212
Building Maintenance	7,000	-	7,000	6,972	28
Vehicle Parts & Maintenance	17,500	-	17,500	20,772	(3,272)
Radio Communications	12,000	-	12,000	11,876	124
Photo Copier Lease	11,025	-	11,025	11,025	-
<b>Total Police Operations</b>	<b>188,525</b>	<b>-</b>	<b>188,525</b>	<b>192,582</b>	<b>(4,057)</b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	Original Budgeted Expenditures	Transfers	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b><i>Animal Control - 334</i></b>					
Animal Control Officer	38,043	-	38,043	36,849	1,194
Animal Control - Misc	33,000	-	33,000	1,000	32,000
Animal Shelter	1,000	-	1,000	32,996	(31,996)
<b><i>Total Animal Control</i></b>	<b>72,043</b>	<b>-</b>	<b>72,043</b>	<b>70,845</b>	<b>1,198</b>
<b><i>Total Police Department</i></b>					
	<b>2,568,038</b>	<b>-</b>	<b>2,568,038</b>	<b>2,600,968</b>	<b>(32,930)</b>
<b><i>Harbor and Coastal Management - 335</i></b>					
Harbor Commission	125	-	125	125	-
<b><i>Harbor Master - 336</i></b>					
Salaries	5,000	-	5,000	5,000	-
Boat Operations	7,000	-	7,000	6,929	71
Communication Devices	300	-	300	278	22
Uniforms/Clothing	300	-	300	300	-
Supplies	700	-	700	688	12
Removal of Moorings	800	-	800	275	525
<b><i>Total Harbor Master</i></b>	<b>14,100</b>	<b>-</b>	<b>14,100</b>	<b>13,470</b>	<b>630</b>
<b><i>Miscellaneous Public Safety - 338 &amp; 339</i></b>					
Street Lights	125,000	-	125,000	125,000	-
Stone Bridge Water Hydrants	1,500	-	1,500	1,500	-
<b><i>Total Miscellaneous Public Safety</i></b>	<b>126,500</b>	<b>-</b>	<b>126,500</b>	<b>126,500</b>	<b>-</b>
<b><i>Total Public Safety</i></b>					
	<b>4,999,914</b>	<b>-</b>	<b>4,999,914</b>	<b>5,020,581</b>	<b>(20,667)</b>
<b><i>Grants, Health &amp; Sanitation</i></b>					
Economic Development Commission	1,300	-	1,300	120	1,180
Newport County Mental Health Assoc.	2,500	-	2,500	-	2,500
Visiting Nurses	5,500	-	5,500	5,500	-
Little Compton Nursing Association	4,000	-	4,000	4,000	-
New Visions of Newport County	5,500	-	5,500	5,500	-
Newport County Women's Resources	500	-	500	500	-
Rubbish/Recycling Collection	549,441	-	549,441	547,132	2,309
<b><i>Total Grants, Health &amp; Sanitation</i></b>	<b>568,741</b>	<b>-</b>	<b>568,741</b>	<b>562,752</b>	<b>5,989</b>
<b><i>Public Works - 554</i></b>					
Superintendent	80,000	-	80,000	80,092	(92)
Maintenance Workers/DPW Clerk	366,414	-	366,414	370,715	(4,301)
Overtime	52,000	-	52,000	50,901	1,099
Longevity	12,657	-	12,657	29,297	(16,640)
Sick Leave	11,500	-	11,500	10,086	1,414
<b><i>Public Works Salaries</i></b>	<b>522,571</b>	<b>-</b>	<b>522,571</b>	<b>541,091</b>	<b>(18,520)</b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	Original Budgeted Expenditures	Transfers	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Public Works Operations - 554</b>					
Sand/Salt/Gravel	110,000	22,787	132,787	132,498	289
Operating Supplies	18,650	-	18,650	18,383	267
Heat	12,250	1,919	14,169	14,169	-
Fuel/Oil/Gas	49,000	1,152	50,152	50,151	1
Electricity	7,500	-	7,500	7,325	175
Community Center Expenses	8,000	-	8,000	8,000	-
Telephone/Centrex	1,700	-	1,700	1,696	4
Water	2,200	-	2,200	2,155	45
Repairs/Tires	45,000	-	45,000	45,157	(157)
Highway Signs	3,000	-	3,000	2,989	11
Drainage & paving account	135,000	22,728	157,728	67,491	90,237
Tree Removal	5,000	-	5,000	5,000	-
Roadside Grass and Brush Cutting	19,800	-	19,800	9,880	9,920
Shop Equipment	1,000	-	1,000	1,000	-
Communications	5,000	-	5,000	4,996	4
Snow Removal	55,000	-	55,000	55,000	-
<b>Total Public Works Operations</b>	<b>478,100</b>	<b>48,586</b>	<b>526,686</b>	<b>425,890</b>	<b>100,796</b>
<b>Landfill Operations</b>					
Stormwater Management	7,000	-	7,000	7,000	-
Landfill Workers	79,581	-	79,581	75,929	3,652
Overtime	750	-	750	750	-
Longevity	3,558	-	3,558	3,558	-
Sick Leave	3,000	-	3,000	3,000	-
Uniforms	1,100	-	1,100	1,100	-
Electricity	150	-	150	75	75
Landfill Equipment Rent	50,000	-	50,000	7,432	42,568
On-site Wastewater Management	15,000	-	15,000	14,324	676
Gas/Oil	19,720	-	19,720	19,720	-
Bulldozer Repairs	12,000	-	12,000	11,541	459
Engineering Testing/Permits	45,000	-	45,000	45,000	-
<b>Total Landfill Operations</b>	<b>236,859</b>	<b>-</b>	<b>236,859</b>	<b>189,429</b>	<b>47,430</b>
<b>Building Maintenance</b>					
Maintenance Foreman	45,448	-	45,448	45,848	(400)
Custodial Personnel	34,674	-	34,674	29,278	5,396
Mileage	5,000	-	5,000	4,350	650
Longevity	3,500	-	3,500	7,000	(3,500)
Clothing Allowance	1,700	-	1,700	1,677	23
Tool Replacement	200	-	200	178	22
Expenses - Rental	2,860	-	2,860	2,860	-
Maintenance/Laborer - Seasonal	14,194	-	14,194	14,940	(746)
<b>Total Building Maintenance</b>	<b>107,576</b>	<b>-</b>	<b>107,576</b>	<b>106,131</b>	<b>1,445</b>
<b>Total Public Works</b>	<b>1,345,106</b>	<b>48,586</b>	<b>1,393,692</b>	<b>1,262,541</b>	<b>131,151</b>
<b>Associated Activities - Misc</b>					
Veterans Plot - Pocasset Cemetery	150	-	150	150	-
Historical Cemetery Commission	2,000	-	2,000	1,995	5
Historical Society	100	-	100	-	100
Garden Club	500	-	500	500	-
Arts Council	300	1,637	1,937	1,858	79
Fire/Rescue Comm. Training	625	-	625	623	2
Open Space Commission	1,500	-	1,500	1,500	-
Conservation Commission	600	-	600	591	9
Ft. Barton Park Maintenance	2,250	-	2,250	2,049	201
Tree Commission	500	-	500	500	-
Recycling Committee	125	-	125	-	125
Cooperative Extension of URI	600	-	600	600	-
<b>Total Associated Activities - Misc</b>	<b>9,250</b>	<b>1,637</b>	<b>10,887</b>	<b>10,366</b>	<b>521</b>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Expenditures - Budget and Actual (Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2009**

	Original Budgeted Expenditures	Transfers	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Senior Citizens Services</b>					
Elderly Services Busing	14,000	-	14,000	12,100	1,900
Director's Salary	46,193	-	46,193	45,281	912
Assistant Director	15,307	-	15,307	14,654	653
Longevity	1,900	-	1,900	1,900	-
Travel	440	-	440	301	139
Agency Dues	975	-	975	381	594
Telephone	1,000	-	1,000	720	280
Heat	5,200	-	5,200	4,283	917
Electric	4,200	-	4,200	3,140	1,060
Water	135	-	135	91	44
Building Maintenance	3,600	-	3,600	3,046	554
Supplies/Activities	8,700	-	8,700	8,150	550
<b>Total Senior Services</b>	<u>101,650</u>	<u>-</u>	<u>101,650</u>	<u>94,047</u>	<u>7,603</u>
<b>Total Associated Activities</b>	<u>110,900</u>	<u>1,637</u>	<u>112,537</u>	<u>104,413</u>	<u>8,124</u>
<b>Parks and Recreation</b>					
Beach Salaries	33,000	-	33,000	33,000	-
Beach Expenses	5,000	-	5,000	4,884	116
Directors and Counselors	21,000	-	21,000	21,992	(992)
Transportation/Fees/Equipment	6,800	-	6,800	6,800	-
Supplies	800	-	800	800	-
Winter Recreation	800	-	800	791	9
Field Rehabilitation	5,000	-	5,000	5,000	-
Personnel Mowing Services	24,870	-	24,870	24,870	-
Fertilizer/Seed/Lime/Sand/Stone	4,000	-	4,000	4,000	-
Preventive Maintenance	3,000	-	3,000	3,000	-
Swim Instructors	2,000	-	2,000	-	2,000
Supplies - Swim Program	300	-	300	208	92
Recreation Coordinator	8,300	-	8,300	8,619	(319)
<b>Total Parks and Recreation</b>	<u>114,870</u>	<u>-</u>	<u>114,870</u>	<u>113,964</u>	<u>906</u>
<b>Debt service</b>					
Principal	810,000	-	810,000	810,000	-
Interest	1,570,736	-	1,570,736	1,055,249	515,487
<b>Total Debt Service</b>	<u>2,380,736</u>	<u>-</u>	<u>2,380,736</u>	<u>1,865,249</u>	<u>515,487</u>
<b>Capital expenditures - Town -098</b>	361,779	89,049	450,828	318,549	132,279
<b>Capital expenditures - School</b>	96,830	162,783	259,613	161,087	98,526
<b>Other financing uses</b>					
<i>Transfer to other funds</i>					
Transfer to Library Services	405,355	-	405,355	411,383	(6,028)
Transfer to TIF Debt Service	881,050	-	881,050	880,762	288
Transfer to Landfill	168,304	-	168,304	168,304	-
Federal revenue - SFSF	-	-	-	363,306	(363,306)
Tiverton school appropriation	19,817,841	-	19,817,841	20,351,834	(533,993)
<b>Total other financing uses</b>	<u>21,272,550</u>	<u>-</u>	<u>21,272,550</u>	<u>22,175,589</u>	<u>(903,039)</u>
<b>Total other financing uses</b>					
<b>Total Town Budget</b>	<u>\$ 36,555,643</u>	<u>\$ 331,922</u>	<u>\$ 36,887,565</u>	<u>\$ 36,478,337</u>	<u>\$ 409,228</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Budgetary Comparison Schedule - School Unrestricted Fund**  
**Schedule of Revenues and Expenditures**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>				
Intergovernmental revenue	\$ 5,241,458	\$ 5,241,458	\$ 4,371,217	\$ (870,241)
Other	-	-	150,000	150,000
<b>Total revenue</b>	<u>5,241,458</u>	<u>5,241,458</u>	<u>4,521,217</u>	<u>(720,241)</u>
<b>Expenditures</b>				
Salaries	14,229,078	14,229,078	14,436,978	(207,900)
Benefits	5,513,567	5,513,567	5,264,147	249,420
Purchased Services	3,163,919	3,163,919	3,762,060	(598,141)
Supplies	731,425	731,425	727,875	3,550
Capital Outlay	15,232	15,232	13,509	1,723
Other	1,406,078	1,406,078	1,343,740	62,338
<b>Total expenditures</b>	<u>25,059,299</u>	<u>25,059,299</u>	<u>25,548,309</u>	<u>(489,010)</u>
<b>Excess of revenues over (under) expenditures before other financing sources</b>	<u>(19,817,841)</u>	<u>(19,817,841)</u>	<u>(21,027,092)</u>	<u>(1,209,251)</u>
<b>Other financing sources</b>				
Operating transfer from other funds	19,817,841	19,817,841	20,351,834	533,993
Transfer from general - Federal revenue	-	-	363,306	363,306
<b>Total other financing sources</b>	<u>19,817,841</u>	<u>19,817,841</u>	<u>20,715,140</u>	<u>897,299</u>
<b>Excess revenues and other sources over (under) expenditures and other sources</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (311,952)</u>	<u>\$ (311,952)</u>



**TOWN OF TIVERTON, RHODE ISLAND**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2009**

The accompanying Statement of Revenues, Expenditures / Expenses (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2009 is presented below:

	General <u>Fund</u>	School <u>Unrestricted</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis)	\$ 552,944	\$ (311,952)
Transfer from fund balance in revenues	(331,922)	-
Non-budgeted revenues	-	5,947
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis)	<u>\$ 221,022</u>	<u>\$ (306,005)</u>

## **SUPPLEMENTARY INFORMATION**

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**June 30, 2009**

	<b>Town Special Revenue Funds</b>	<b>School Special Revenue Funds</b>	<b>Debt Service</b>	<b>Capital Projects Funds</b>	<b>Total Non-Major Governmental Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 589,477	\$ 11,192	\$ 829,578	\$ 517,100	\$ 1,947,347
Investments	-	-	-	2,471,635	2,471,635
Due from other governments	120,017	10,864	-	-	130,881
Due from other funds	623,534	23,173	-	1,078,585	1,725,292
<b>Total assets</b>	<b>\$ 1,333,028</b>	<b>\$ 45,229</b>	<b>\$ 829,578</b>	<b>\$ 4,067,320</b>	<b>\$ 6,275,155</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenses	\$ 20,246	\$ 5,521	\$ -	\$ 108,037	\$ 133,804
Due to other funds	45,020	12,114	-	8,151	65,285
Deferred Revenue	137,810	27,594	-	-	165,404
<b>Total liabilities</b>	<b>203,076</b>	<b>45,229</b>	<b>-</b>	<b>116,188</b>	<b>364,493</b>
<b>Fund balances (deficits)</b>					
Unreserved, reported in:					
Special revenue funds	1,129,952	-	-	-	1,129,952
Debt service	-	-	829,578	-	829,578
Capital projects funds	-	-	-	3,951,132	3,951,132
<b>Total fund balances</b>	<b>1,129,952</b>	<b>-</b>	<b>829,578</b>	<b>3,951,132</b>	<b>5,910,662</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,333,028</b>	<b>\$ 45,229</b>	<b>\$ 829,578</b>	<b>\$ 4,067,320</b>	<b>\$ 6,275,155</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Comining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Town Special Revenue Funds</b>	<b>School Special Revenue Funds</b>	<b>Debt Service</b>	<b>Capital Projects Funds</b>	<b>Total Non-Major Governmental Funds</b>
<b>Revenues</b>					
Intergovernmental revenue	\$ 436,847	\$ 806,493	\$ -	\$ -	\$ 1,243,340
Charges for services	918,660	-	-	-	918,660
Earnings on investments	13,600	-	19,689	144,064	177,353
Other revenue	129,674	2,382	-	32,945	165,001
<b>Total revenues</b>	<u>1,498,781</u>	<u>808,875</u>	<u>19,689</u>	<u>177,009</u>	<u>2,504,354</u>
<b>Expenditures</b>					
<b>Current:</b>					
General government	723,543	-	-	-	723,543
Public safety	109,222	-	-	-	109,222
Public works	233,270	-	-	53,131	286,401
Health & welfare	356,252	-	-	-	356,252
Parks & recreation	37,298	-	-	-	37,298
Education	-	810,659	-	517	811,176
Debt service	-	-	-	445,000	445,000
Interest expense	-	-	-	536,908	536,908
Capital expenditures	-	-	-	72,809	72,809
<b>Total expenditures</b>	<u>1,459,585</u>	<u>810,659</u>	<u>-</u>	<u>1,108,365</u>	<u>3,378,609</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	39,196	(1,784)	19,689	(931,356)	(874,255)
<b>Other financing sources (uses)</b>					
Operating transfers from other funds	413,583	-	-	1,174,744	1,588,327
Operating transfers to other funds	(374,200)	-	(23,294)	-	(397,494)
<b>Total other financing sources (uses)</b>	<u>39,383</u>	<u>-</u>	<u>(23,294)</u>	<u>1,174,744</u>	<u>1,190,833</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>78,579</u>	<u>(1,784)</u>	<u>(3,605)</u>	<u>243,388</u>	<u>316,578</u>
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	1,111,433	1,784	833,183	3,707,744	5,654,144
<b>Prior Period Adjustment (See Note 19)</b>	(60,060)	-	-	-	(60,060)
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ 1,129,952</u>	<u>\$ -</u>	<u>\$ 829,578</u>	<u>\$ 3,951,132</u>	<u>\$ 5,910,662</u>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<u>Stormwater Management</u>	<u>Comprehensive Planning</u>	<u>Hydrants Fund</u>	<u>Gazebo Fund</u>	<u>Senior Center</u>	<u>Essex Library Fund</u>	<u>Substance Abuse Drug Taskforce</u>
<b>ASSETS</b>							
Cash & equivalents & equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 497,452	\$ -
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	9,799	-	312	3,070	46,350	43,947
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 9,799</u>	<u>\$ -</u>	<u>\$ 312</u>	<u>\$ 3,070</u>	<u>\$ 543,802</u>	<u>\$ 43,947</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-	-
Due to other funds	18,000	-	1,427	-	-	-	-
<b>Total liabilities</b>	<u>18,000</u>	<u>-</u>	<u>1,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>							
Unreserved:							
Undesignated	(18,000)	9,799	(1,427)	312	3,070	543,802	43,947
<b>Total fund balances (deficits)</b>	<u>(18,000)</u>	<u>9,799</u>	<u>(1,427)</u>	<u>312</u>	<u>3,070</u>	<u>543,802</u>	<u>43,947</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 9,799</u>	<u>\$ -</u>	<u>\$ 312</u>	<u>\$ 3,070</u>	<u>\$ 543,802</u>	<u>\$ 43,947</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<b>Community Development Block Grant</b>	<b>Ambulance and Rescue</b>	<b>Historical Records</b>	<b>Tree Planting</b>	<b>Economic Development</b>	<b>Water Quality Improvement</b>	<b>Recreation</b>
<b>ASSETS</b>							
Cash & equivalents	\$ 61,763	\$ 1,841	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	115,000	-	-	-	-	-	-
Due from other funds	-	-	17,262	195	1,101	-	5
<b>Total assets</b>	<b>\$ 176,763</b>	<b>\$ 1,841</b>	<b>\$ 17,262</b>	<b>\$ 195</b>	<b>\$ 1,101</b>	<b>\$ -</b>	<b>\$ 5</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	137,810	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	22,115	-
<b>Total liabilities</b>	<b>137,810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,115</b>	<b>-</b>
<b>Fund balances (deficits)</b>							
Unreserved:							
Undesignated	38,953	1,841	17,262	195	1,101	(22,115)	5
<b>Total fund balances (deficits)</b>	<b>38,953</b>	<b>1,841</b>	<b>17,262</b>	<b>195</b>	<b>1,101</b>	<b>(22,115)</b>	<b>5</b>
<b>Total liabilities and fund balances</b>	<b>\$ 176,763</b>	<b>\$ 1,841</b>	<b>\$ 17,262</b>	<b>\$ 195</b>	<b>\$ 1,101</b>	<b>\$ -</b>	<b>\$ 5</b>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<u>Dingy Dock</u>	<u>Police Computer Improvement</u>	<u>Land Evidence</u>	<u>Crime Prevention</u>	<u>Open Space Acquisition</u>	<u>Economic Development TH Chambers</u>
<b>ASSETS</b>						
Cash & equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	-	1	112,665	9,588	79,402	122
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 112,665</u>	<u>\$ 9,588</u>	<u>\$ 79,402</u>	<u>\$ 122</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Due to other funds	321	-	-	-	-	-
<b>Total liabilities</b>	<u>321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>						
Unreserved:		-				
Undesignated	(321)	1	112,665	9,588	79,402	122
<b>Total fund balances (deficits)</b>	<u>(321)</u>	<u>1</u>	<u>112,665</u>	<u>9,588</u>	<u>79,402</u>	<u>122</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 112,665</u>	<u>\$ 9,588</u>	<u>\$ 79,402</u>	<u>\$ 122</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<u>Salt Shed</u>	<u>Kennedy Grant</u>	<u>Library Memorial Gifts</u>	<u>Fire Detection</u>	<u>Vicious Dog</u>	<u>Keep Tiverton Beautiful</u>
<b>ASSETS</b>						
Cash & equivalents	\$ -	\$ -	\$ 2,491	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	4,728	10	-	3,753	49,436	-
<b>Total assets</b>	<u>\$ 4,728</u>	<u>\$ 10</u>	<u>\$ 2,491</u>	<u>\$ 3,753</u>	<u>\$ 49,436</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	3,140
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,140</u>
<b>Fund balances (deficits)</b>						
Unreserved:						
Undesignated	4,728	10	2,491	3,753	49,436	(3,140)
<b>Total fund balances (deficits)</b>	<u>4,728</u>	<u>10</u>	<u>2,491</u>	<u>3,753</u>	<u>49,436</u>	<u>(3,140)</u>
<b>Total liabilities and fund balances</b>	<u>\$ 4,728</u>	<u>\$ 10</u>	<u>\$ 2,491</u>	<u>\$ 3,753</u>	<u>\$ 49,436</u>	<u>\$ -</u>

(continued)



**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<u>Skateboard Park</u>	<u>Police Homeland Security</u>	<u>Statistical Revaluation</u>	<u>Drug Forefiture</u>	<u>Open Space Stewardship</u>	<u>Pocassetlands Stewardship</u>
<b>ASSETS</b>						
Cash & equivalents	\$ 25,930	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	17	-	-	-	-
Due from other funds	1,740	-	-	56,290	7,111	2,895
<b>Total assets</b>	<u>\$ 27,670</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 56,290</u>	<u>\$ 7,111</u>	<u>\$ 2,895</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	17	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>						
Unreserved:						
Undesignated	27,670	-	-	56,290	7,111	2,895
<b>Total fund balances (deficits)</b>	<u>27,670</u>	<u>-</u>	<u>-</u>	<u>56,290</u>	<u>7,111</u>	<u>2,895</u>
<b>Total liabilities and fund balances</b>	<u>\$ 27,670</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 56,290</u>	<u>\$ 7,111</u>	<u>\$ 2,895</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<u>Sakonnet Arts Network</u>	<u>Coastal Arts Network</u>	<u>Impact Fees</u>	<u>Bulgermarsh Basketball Refurbishing</u>	<u>Scoreboard &amp; Bleachers</u>	<u>Meds Grant</u>
<b>ASSETS</b>						
Cash & equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	21,157	304	65,875	2,438	308	4,000
<b>Total assets</b>	<u>\$ 21,157</u>	<u>\$ 304</u>	<u>\$ 65,875</u>	<u>\$ 2,438</u>	<u>\$ 308</u>	<u>\$ 4,000</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances (deficits)</b>						
Unreserved:						
Undesignated	21,157	304	65,875	2,438	308	4,000
<b>Total fund balances (deficits)</b>	<u>21,157</u>	<u>304</u>	<u>65,875</u>	<u>2,438</u>	<u>308</u>	<u>4,000</u>
<b>Total liabilities and fund balances</b>	<u>\$ 21,157</u>	<u>\$ 304</u>	<u>\$ 65,875</u>	<u>\$ 2,438</u>	<u>\$ 308</u>	<u>\$ 4,000</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**June 30, 2009**

	<u>Land Use Data</u>	<u>Arts Express</u>	<u>Waite Account</u>	<u>Tree at Lawton Ave</u>	<u>2008 America the Beautiful</u>	<u>Wastewater Management</u>	<u>Total</u>
<b>ASSETS</b>							
Cash & equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 589,477
Due from other governments	-	-	-	-	5,000	-	120,017
Due from other funds	-	1,561	4,271	123	-	73,715	623,534
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 1,561</u>	<u>\$ 4,271</u>	<u>\$ 123</u>	<u>\$ 5,000</u>	<u>\$ 73,715</u>	<u>\$ 1,333,028</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ 20,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,246
Deferred revenue	-	-	-	-	-	-	137,810
Due to other funds	-	-	-	-	-	-	45,020
<b>Total liabilities</b>	<u>20,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>203,076</u>
<b>Fund balances (deficits)</b>							
Unreserved:							
Undesignated	(20,246)	1,561	4,271	123	5,000	73,715	1,129,952
<b>Total fund balances (deficits)</b>	<u>(20,246)</u>	<u>1,561</u>	<u>4,271</u>	<u>123</u>	<u>5,000</u>	<u>73,715</u>	<u>1,129,952</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 1,561</u>	<u>\$ 4,271</u>	<u>\$ 123</u>	<u>\$ 5,000</u>	<u>\$ 73,715</u>	<u>\$ 1,333,028</u>

(concluded)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Stormwater Management</u>	<u>Comprehensive Planning</u>	<u>Hydrants Fund</u>	<u>Gazebo Fund</u>	<u>Senior Center</u>	<u>Essex Library Fund</u>	<u>Substance Abuse Drug Taskforce</u>
<b>Revenues</b>							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 6,983	\$ 86,606	\$ 22,748
Charges for service	-	-	-	-	-	23,367	-
Interest revenue	-	-	-	-	-	12,765	-
Other revenue	-	-	-	-	-	69,923	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,983</u>	<u>192,661</u>	<u>22,748</u>
<b>Expenditures</b>							
<b>Current:</b>							
General	-	-	-	-	-	573,704	-
Public Safety	-	-	-	-	-	-	24,480
Public Works	-	-	-	-	-	-	-
Health & Welfare	-	-	-	-	7,167	-	-
Parks & Recreation	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,167</u>	<u>573,704</u>	<u>24,480</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	-	-	-	-	(184)	(381,043)	(1,732)
<b>Other financing sources (uses)</b>							
Operating transfers from other funds	-	-	-	-	-	411,383	-
Operating transfers (to) other funds	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>411,383</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	-	-	-	-	(184)	30,340	(1,732)
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	(18,000)	9,799	(1,427)	312	3,254	573,522	45,679
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	(60,060)	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ (18,000)</u>	<u>\$ 9,799</u>	<u>\$ (1,427)</u>	<u>\$ 312</u>	<u>\$ 3,070</u>	<u>\$ 543,802</u>	<u>\$ 43,947</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Community Development Block Grant</u>	<u>Ambulance and Rescue</u>	<u>Historical Records</u>	<u>Tree Planting</u>	<u>Economic Development</u>	<u>Water Quality Improvement</u>	<u>Recreation</u>
<b>Revenues</b>							
Intergovernmental revenue	\$ 265,764	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	366,720	2,720	-	-	-	-
Interest revenue	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>265,764</u>	<u>366,720</u>	<u>2,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>							
<b>Current:</b>							
General	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health & Welfare	299,625	-	-	-	-	-	-
Parks & Recreation	-	-	-	2,877	-	-	-
<b>Total expenditures</b>	<u>299,625</u>	<u>-</u>	<u>-</u>	<u>2,877</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	(33,861)	366,720	2,720	(2,877)	-	-	-
<b>Other financing sources (uses)</b>							
Operating transfers from other funds	-	-	-	-	-	-	-
Operating transfers (to) other funds	-	(372,000)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(372,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(33,861)	(5,280)	2,720	(2,877)	-	-	-
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	72,814	7,121	14,542	3,072	1,101	(22,115)	5
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	-	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ 38,953</u>	<u>\$ 1,841</u>	<u>\$ 17,262</u>	<u>\$ 195</u>	<u>\$ 1,101</u>	<u>\$ (22,115)</u>	<u>\$ 5</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Dingy Dock</u>	<u>Police Computer Improvement</u>	<u>Land Evidence</u>	<u>Crime Prevention</u>	<u>Open Space Acquisition</u>	<u>Economic Development TH Chambers</u>
<b>Revenues</b>						
Intergovernmental revenue	\$ -	\$ 9,055	\$ -	\$ 1,500	\$ -	\$ -
Charges for service	-	-	17,236	-	84,234	-
Interest revenue	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>9,055</u>	<u>17,236</u>	<u>1,500</u>	<u>84,234</u>	<u>-</u>
<b>Expenditures</b>						
<b>Current:</b>						
General	-	-	-	-	-	-
Public Safety	-	9,055	-	2,183	-	-
Public Works	-	-	-	-	-	-
Health & Welfare	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>9,055</u>	<u>-</u>	<u>2,183</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	-	-	17,236	(683)	84,234	-
<b>Other financing sources (uses)</b>						
Operating transfers from other funds	-	-	-	-	-	-
Operating transfers (to) other funds	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	-	-	17,236	(683)	84,234	-
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	(321)	1	95,429	10,271	(4,832)	122
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ (321)</u>	<u>\$ 1</u>	<u>\$ 112,665</u>	<u>\$ 9,588</u>	<u>\$ 79,402</u>	<u>\$ 122</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	Salt Shed	Kennedy Grant	Library Memorial Gifts	Fire Detection	Vicious Dog	Keep Tiverton Beautiful
<b>Revenues</b>						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -
Charges for service	-	-	-	4,772	-	-
Interest revenue	-	-	6	-	-	-
Other revenue	-	-	-	1,300	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>6</u>	<u>7,572</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>						
<b>Current:</b>						
General	-	-	-	-	-	-
Public Safety	-	-	-	12,029	-	-
Public Works	-	-	-	-	-	-
Health & Welfare	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,029</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	-	-	6	(4,457)	-	-
<b>Other financing sources (uses)</b>						
Operating transfers from other funds	-	-	-	-	-	-
Operating transfers (to) other funds	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	-	-	6	(4,457)	-	-
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	4,728	10	2,485	8,210	49,436	(3,140)
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ 4,728</u>	<u>\$ 10</u>	<u>\$ 2,491</u>	<u>\$ 3,753</u>	<u>\$ 49,436</u>	<u>\$ (3,140)</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Skateboard Park</u>	<u>Police Homeland Security</u>	<u>Statistical Revaluation</u>	<u>Drug Forefiture</u>	<u>Open Space Stewardship</u>	<u>Pocassetlands Stewardship</u>
<b>Revenues</b>						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 21,390	\$ 17,301	\$ -
Charges for service	-	-	135,000	-	-	-
Interest revenue	829	-	-	-	-	-
Other revenue	1,596	-	-	5,743	-	1,569
<b>Total revenues</b>	<u>2,425</u>	<u>-</u>	<u>135,000</u>	<u>27,133</u>	<u>17,301</u>	<u>1,569</u>
<b>Expenditures</b>						
<b>Current:</b>						
General	-	-	104,625	-	-	-
Public Safety	-	-	-	61,475	-	-
Public Works	-	-	-	-	-	-
Health & Welfare	-	-	-	-	-	-
Parks & Recreation	50	-	-	-	14,387	-
<b>Total expenditures</b>	<u>50</u>	<u>-</u>	<u>104,625</u>	<u>61,475</u>	<u>14,387</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	2,375	-	30,375	(34,342)	2,914	1,569
<b>Other financing sources (uses)</b>						
Operating transfers from other funds	-	-	-	-	-	-
Operating transfers (to) other funds	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	2,375	-	30,375	(34,342)	2,914	1,569
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	25,295	-	(30,375)	90,632	4,197	1,326
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ 27,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,290</u>	<u>\$ 7,111</u>	<u>\$ 2,895</u>

(continued)



**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Sakonnet Arts Network</u>	<u>Coastal Arts Network</u>	<u>Impact Fees</u>	<u>Bulgermarsh Basketball Refurbishing</u>	<u>Scoreboard &amp; Bleachers</u>	<u>Meds Grant</u>
<b>Revenues</b>						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000
Charges for service	-	-	44,700	-	-	-
Interest revenue	-	-	-	-	-	-
Other revenue	25,000	187	-	7,561	15,169	-
<b>Total revenues</b>	<u>25,000</u>	<u>187</u>	<u>44,700</u>	<u>7,561</u>	<u>15,169</u>	<u>4,000</u>
<b>Expenditures</b>						
<b>Current:</b>						
General	3,843	40,321	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Health & Welfare	-	-	-	-	-	-
Parks & Recreation	-	-	-	5,123	14,861	-
<b>Total expenditures</b>	<u>3,843</u>	<u>40,321</u>	<u>-</u>	<u>5,123</u>	<u>14,861</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	21,157	(40,134)	44,700	2,438	308	4,000
<b>Other financing sources (uses)</b>						
Operating transfers from other funds	-	-	-	-	-	-
Operating transfers (to) other funds	-	(2,200)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(2,200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	21,157	(42,334)	44,700	2,438	308	4,000
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	-	42,638	21,175	-	-	-
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ 21,157</u>	<u>\$ 304</u>	<u>\$ 65,875</u>	<u>\$ 2,438</u>	<u>\$ 308</u>	<u>\$ 4,000</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**Special Revenue Funds - Town**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Land Use Data</u>	<u>Arts Express</u>	<u>Waite Account</u>	<u>Tree at Lawton Ave</u>	<u>2008 America the Beautiful</u>	<u>Wastewater Management</u>	<u>Total</u>
<b>Revenues</b>							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 436,847
Charges for service	-	-	-	-	-	239,911	918,660
Interest revenue	-	-	-	-	-	-	13,600
Other revenue	1,215	411	-	-	-	-	129,674
<b>Total revenues</b>	<u>1,215</u>	<u>411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>239,911</u>	<u>1,498,781</u>
<b>Expenditures</b>							
<b>Current:</b>							
General	-	1,050	-	-	-	-	723,543
Public Safety	-	-	-	-	-	-	109,222
Public Works	-	-	-	-	-	233,270	233,270
Health & Welfare	48,731	-	729	-	-	-	356,252
Parks & Recreation	-	-	-	-	-	-	37,298
<b>Total expenditures</b>	<u>48,731</u>	<u>1,050</u>	<u>729</u>	<u>-</u>	<u>-</u>	<u>233,270</u>	<u>1,459,585</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)</b>	(47,516)	(639)	(729)	-	-	6,641	39,196
<b>Other financing sources (uses)</b>							
Operating transfers from other funds	-	2,200	-	-	-	-	413,583
Operating transfers (to) other funds	-	-	-	-	-	-	(374,200)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>2,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,383</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(47,516)	1,561	(729)	-	-	6,641	78,579
<b>Fund balances (deficits) - unreserved July 1, 2008</b>	27,270	-	5,000	123	5,000	67,074	1,111,433
<b>Prior Period Adjustment (See Note 19)</b>	-	-	-	-	-	-	(60,060)
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ (20,246)</u>	<u>\$ 1,561</u>	<u>\$ 4,271</u>	<u>\$ 123</u>	<u>\$ 5,000</u>	<u>\$ 73,715</u>	<u>\$ 1,129,952</u>

(concluded)

**SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - School Restricted**  
**June 30, 2009**

	<u>IDEA Part B</u>	<u>Title I</u>	<u>Title II</u>	<u>Title IV</u>	<u>Title V</u>	<u>Ceramic Grant</u>
<b>ASSETS</b>						
Cash	\$ -	\$ -	\$ 3,272	\$ -	\$ -	\$ -
Due from other governments	-	-	10,864	-	-	-
Due from other funds	3,495	-	-	4	-	-
<b>TOTAL ASSETS</b>	<u>\$ 3,495</u>	<u>\$ -</u>	<u>\$ 14,136</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenses	\$ 3,495	\$ -	\$ 2,022	\$ 4	\$ -	\$ -
Due to other funds	-	-	12,114	-	-	-
Deferred Revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<u>3,495</u>	<u>-</u>	<u>14,136</u>	<u>4</u>	<u>-</u>	<u>-</u>
 <b>Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,495</u>	<u>\$ -</u>	<u>\$ 14,136</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - School Restricted**  
**June 30, 2009**

	<u>Beechwood Foundation</u>	<u>School to Career</u>	<u>Elementary Task Force</u>	<u>RI Council on the Arts</u>	<u>Literacy</u>	<u>VAASA Grant</u>
<b>ASSETS</b>						
Cash	\$ 776	\$ 591	\$ 120	\$ 962	\$ -	\$ -
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	19,674	-
<b>TOTAL ASSETS</b>	<u>\$ 776</u>	<u>\$ 591</u>	<u>\$ 120</u>	<u>\$ 962</u>	<u>\$ 19,674</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Deferred Revenue	776	591	120	962	19,674	-
<b>Total liabilities</b>	<u>776</u>	<u>591</u>	<u>120</u>	<u>962</u>	<u>19,674</u>	<u>-</u>
<b>Fund Balances</b>	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 776</u>	<u>\$ 591</u>	<u>\$ 120</u>	<u>\$ 962</u>	<u>\$ 19,674</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Combining Balance Sheet - Non-Major Governmental Funds**  
**Special Revenue Funds - School Restricted**  
**June 30, 2009**

	<b>Chace Scholarship</b>	<b>E-Rate</b>	<b>Performance Assessment</b>	<b>Total</b>
<b>ASSETS</b>				
Cash	\$ -	\$ 5,320	\$ 151	\$ 11,192
Due from other governments	-	-	-	10,864
Due from other funds	-	-	-	23,173
<b>TOTAL ASSETS</b>	\$ -	\$ 5,320	\$ 151	\$ 45,229
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ -	-	\$ -	\$ 5,521
Due to other funds	-	-	-	12,114
Deferred Revenue	-	5,320	151	27,594
<b>Total liabilities</b>	-	5,320	151	45,229
<b>Fund Balances</b>	-	-	-	-
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ -	\$ 5,320	\$ 151	\$ 45,229

(concluded)

**SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Non-Major Governmental Funds**  
**Special Revenue Funds - School Restricted**  
**For the Fiscal Year Ended June 30, 2009**

	<b>IDEA Part B</b>	<b>Title I</b>	<b>Title II</b>	<b>Title IV</b>	<b>Title V</b>	<b>Ceramic Grant</b>
<b>Revenues</b>						
Intergovernmental revenue	\$ 392,912	\$ 134,338	\$ 103,531	\$ 6,235	\$ 50	\$ -
Other	-	-	-	-	-	760
<b>Total revenues</b>	<u>392,912</u>	<u>134,338</u>	<u>103,531</u>	<u>6,235</u>	<u>50</u>	<u>760</u>
<b>Expenditures</b>						
Salaries	118,663	91,974	69,558	-	-	-
Employee benefits	39,429	35,988	9,861	-	-	-
Purchased services	234,820	2,831	14,308	6,235	50	600
Supplies and materials	-	3,545	9,804	-	-	160
<b>Total expenditures</b>	<u>392,912</u>	<u>134,338</u>	<u>103,531</u>	<u>6,235</u>	<u>50</u>	<u>760</u>
<b>Excess revenues over (under) expenditures</b>	-	-	-	-	-	-
<b>Fund balances - unreserved July 1, 2008</b>	-	-	-	-	-	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Non-Major Governmental Funds**  
**Special Revenue Funds - School Restricted**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Beechwood Foundation</b>	<b>School to Career</b>	<b>Elementary Task Force</b>	<b>RI Council on the Arts</b>	<b>Literacy</b>	<b>VAASA Grant</b>
<b>Revenues</b>						
Intergovernmental revenue	\$ 974	\$ 17,757	\$ 9,500	\$ -	\$ 138,900	\$ -
Other	-	-	-	-	-	1,000
<b>Total revenues</b>	<u>974</u>	<u>17,757</u>	<u>9,500</u>	<u>-</u>	<u>138,900</u>	<u>1,000</u>
<b>Expenditures</b>						
Salaries	-	15,749	-	-	111,038	-
Employee benefits	-	-	-	-	30,222	-
Purchased services	-	1,265	9,500	-	-	1,000
Supplies and materials	974	125	-	-	42	-
<b>Total expenditures</b>	<u>974</u>	<u>17,139</u>	<u>9,500</u>	<u>-</u>	<u>141,302</u>	<u>1,000</u>
<b>Excess revenues over (under) expenditures</b>	-	618	-	-	(2,402)	-
<b>Fund balances - unreserved July 1, 2008</b>	-	(618)	-	-	2,402	-
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TIVERTON PUBLIC SCHOOLS**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Non-Major Governmental Funds**  
**Special Revenue Funds - School Restricted**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Chace Scholarship</u>	<u>E-Rate</u>	<u>Performance Assessment</u>	<u>Total</u>
<b>Revenues</b>				
Intergovernmental revenue	\$ -	\$ 2,296	\$ -	\$ 806,493
Other	622	-	-	2,382
<b>Total revenues</b>	<u>622</u>	<u>2,296</u>	<u>-</u>	<u>808,875</u>
<b>Expenditures</b>				
Salaries	-	-	-	406,982
Employee benefits	-	-	-	115,500
Purchased services	-	2,296	-	272,905
Supplies and materials	622	-	-	15,272
<b>Total expenditures</b>	<u>622</u>	<u>2,296</u>	<u>-</u>	<u>810,659</u>
<b>Excess revenues over (under) expenditures</b>	-	-	-	(1,784)
<b>Fund balances - unreserved July 1, 2008</b>	-	-	-	1,784
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(concluded)



**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Capital Projects Funds**  
**Combining Balance Sheet - Non-Major Governmental Fund**  
**June 30, 2009**

	<u>Old Stone Bridge</u>	<u>Animal Vehicle</u>	<u>Essex Library</u>	<u>TIF Fund</u>	<u>Recreation Project</u>
<b>ASSETS</b>					
Cash	\$ -	\$ -	\$ 1,278	\$ 515,803	\$ -
Investments	-	-	-	-	-
Due from other funds	-	427	-	-	499
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 427</u>	<u>\$ 1,278</u>	<u>\$ 515,803</u>	<u>\$ 499</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 108,037	\$ -
Due to other funds	2,627	-	-	5,524	-
<b>Total liabilities</b>	<u>2,627</u>	<u>-</u>	<u>-</u>	<u>113,561</u>	<u>-</u>
 Fund balances -					
Unreserved	(2,627)	427	1,278	402,242	499
<b>Total fund balances (deficit)</b>	<u>(2,627)</u>	<u>427</u>	<u>1,278</u>	<u>402,242</u>	<u>499</u>
<b>Total liabilities and fund balances</b>	<u>\$ -</u>	<u>\$ 427</u>	<u>\$ 1,278</u>	<u>\$ 515,803</u>	<u>\$ 499</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Capital Projects Funds**  
**Combining Balance Sheet - Non-Major Governmental Fund**  
**June 30, 2009**

	<b>Landfill Closure Fund</b>	<b>School Renovation Fund</b>	<b>New Elementary School Bond</b>	<b>Totals</b>
<b>ASSETS</b>				
Cash	\$ -	\$ 19	\$ -	\$ 517,100
Investments	2,471,635	-	-	2,471,635
Due from other funds	1,077,659	-	-	1,078,585
<b>Total assets</b>	<b>\$3,549,294</b>	<b>\$ 19</b>	<b>\$ -</b>	<b>\$ 4,067,320</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 108,037
Due to other funds	-	-	-	8,151
<b>Total liabilities</b>	-	-	-	116,188
 Fund balances -				
Unreserved	3,549,294	19	-	3,951,132
<b>Total fund balances (deficit)</b>	<b>3,549,294</b>	<b>19</b>	<b>-</b>	<b>3,951,132</b>
<b>Total liabilities and fund balances</b>	<b>\$3,549,294</b>	<b>\$ 19</b>	<b>\$ -</b>	<b>\$ 4,067,320</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Capital Project Funds**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Old Stone Bridge</u>	<u>Animal Vehicle</u>	<u>Essex Library</u>	<u>TIF Fund</u>	<u>Recreation Project</u>
<b>Revenues</b>					
Interest on Investments	\$ -	\$ -	\$ 2	\$ 10,889	\$ -
Other	-	-	-	32,669	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>2</u>	<u>43,558</u>	<u>-</u>
<b>Expenditures</b>					
Education	-	-	517	-	-
Public works	-	-	-	6,864	-
Debt service	-	-	-	445,000	-
Interest expense	-	-	-	498,718	-
Capital expenditures	2,627	-	-	-	-
<b>Total expenditures</b>	<u>2,627</u>	<u>-</u>	<u>517</u>	<u>950,582</u>	<u>-</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources</b>	(2,627)	-	(515)	(907,024)	-
<b>Other financing sources (uses)</b>					
Transfers from other funds	-	-	-	904,056	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>904,056</u>	<u>-</u>
<b>Excess of revenues and other sources over (under) expenditures</b>	(2,627)	-	(515)	(2,968)	-
<b>Fund balances (deficit) - unreserved July 1, 2008</b>	-	427	1,793	405,210	499
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ (2,627)</u>	<u>\$ 427</u>	<u>\$ 1,278</u>	<u>\$ 402,242</u>	<u>\$ 499</u>

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Capital Project Funds**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance - Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Landfill Closure Fund</u>	<u>School Renovation Fund</u>	<u>New Elementary School Bond</u>	<u>Totals</u>
<b>Revenues</b>				
Interest on Investments	\$ 133,173	\$ -	\$ -	\$ 144,064
Other	-	276	-	32,945
<b>Total revenues</b>	<u>133,173</u>	<u>276</u>	<u>-</u>	<u>177,009</u>
<b>Expenditures</b>				
Education	-	-	-	517
Public works	46,267	-	-	53,131
Debt service	-	-	-	445,000
Interest expense	-	2,046	36,144	536,908
Capital expenditures	-	24,809	45,373	72,809
<b>Total expenditures</b>	<u>46,267</u>	<u>26,855</u>	<u>81,517</u>	<u>1,108,365</u>
<b>Excess (deficiency) of revenues over (under) expenditures before other financing sources</b>	86,906	(26,579)	(81,517)	(931,356)
<b>Other financing sources (uses)</b>				
Transfers from other funds	168,304	-	102,384	1,174,744
<b>Total other financing sources (uses)</b>	<u>168,304</u>	<u>-</u>	<u>102,384</u>	<u>1,174,744</u>
<b>Excess of revenues and other sources over (under) expenditures</b>	255,210	(26,579)	20,867	243,388
<b>Fund balances (deficit) - unreserved July 1, 2008</b>	3,294,084	26,598	(20,867)	3,707,744
<b>Fund balances - unreserved June 30, 2009</b>	<u>\$ 3,549,294</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ 3,951,132</u>

(concluded)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Private Purpose Trust Funds**  
**Combining Balance Sheet**  
**June 30, 2009**

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and equivalents	\$ 30,408	\$ 70,984	\$ 101,392
<b>Investments, at fair value:</b>			
Cash management investment funds	<u>-</u>	<u>426,780</u>	<u>426,780</u>
Total investments	<u>-</u>	<u>426,780</u>	<u>426,780</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 30,408</u></u>	<u><u>\$ 497,764</u></u>	<u><u>\$ 528,172</u></u>
<b>NET ASSETS</b>			
Reserved for Principal	<u>30,408</u>	<u>497,764</u>	<u>528,172</u>
<b>TOTAL NET ASSETS</b>	<u><u>\$ 30,408</u></u>	<u><u>\$ 497,764</u></u>	<u><u>\$ 528,172</u></u>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF TIVERTON, RHODE ISLAND**  
**Private Purpose Trust Funds**  
**Combining Statement of Revenue, Expenditures and**  
**Changes in Net Assets**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Total</u>
<b>ADDITIONS</b>			
Investment income	\$ 401	\$ 8,901	\$ 9,302
Other revenue	-	34,009	34,009
<b>Total additions</b>	<u>401</u>	<u>42,910</u>	<u>43,311</u>
<b>DEDUCTIONS</b>			
Per trust agreements	\$ 2,237	\$ 49,522	\$ 51,759
<b>Total deductions</b>	<u>2,237</u>	<u>49,522</u>	<u>51,759</u>
<b>Change in net assets held in trust for:</b>			
Individuals, organizations and other governments	(1,836)	(6,612)	(8,448)
<b>Net assets - beginning July 1, 2008</b>	<u>32,244</u>	<u>504,376</u>	<u>536,620</u>
<b>Net assets - ending June 30, 2009</b>	<u>\$ 30,408</u>	<u>\$ 497,764</u>	<u>\$ 528,172</u>

**TOWN OF TIVERTON, RHODE ISLAND  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDING JUNE 30, 2009**

	<b>Balance July 1, 2008</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2009</b>
<b>GRAVEL BONDS</b>				
<b>Assets</b>				
Cash	\$ 10,224	\$ 41	\$ -	\$ 10,265
<b>Total assets</b>	<b>\$ 10,224</b>	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ 10,265</b>
<b>Liabilities</b>				
Deposits held in custody for others	\$ 10,224	\$ 41	\$ -	\$ 10,265
<b>Total liabilities</b>	<b>\$ 10,224</b>	<b>\$ 41</b>	<b>\$ -</b>	<b>\$ 10,265</b>
<b>ROAD SURETY</b>				
<b>Assets</b>				
Cash	\$ 33,703	\$ 134	\$ -	\$ 33,837
<b>Total assets</b>	<b>\$ 33,703</b>	<b>\$ 134</b>	<b>\$ -</b>	<b>\$ 33,837</b>
<b>Liabilities</b>				
Deposits held in custody for others	\$ 33,703	\$ 134	\$ -	\$ 33,837
<b>Total liabilities</b>	<b>\$ 33,703</b>	<b>\$ 134</b>	<b>\$ -</b>	<b>\$ 33,837</b>
<b>STUDENT ACTIVITY</b>				
<b>Assets</b>				
Cash	\$ 163,211	\$ 286,036	\$ 276,413	\$ 172,834
<b>Total assets</b>	<b>\$ 163,211</b>	<b>\$ 286,036</b>	<b>\$ 276,413</b>	<b>\$ 172,834</b>
<b>Liabilities</b>				
Deposits held in custody for others	\$ 163,211	\$ 286,036	\$ 276,413	\$ 172,834
<b>Total liabilities</b>	<b>\$ 163,211</b>	<b>\$ 286,036</b>	<b>\$ 276,413</b>	<b>\$ 172,834</b>
<b>TOTAL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 207,138	\$ 286,211	\$ 276,413	\$ 216,936
<b>Total assets</b>	<b>\$ 207,138</b>	<b>\$ 286,211</b>	<b>\$ 276,413</b>	<b>\$ 216,936</b>
<b>Liabilities</b>				
Deposits held in custody for others	\$ 207,138	\$ 286,211	\$ 276,413	\$ 216,936
<b>Total liabilities</b>	<b>\$ 207,138</b>	<b>\$ 286,211</b>	<b>\$ 276,413</b>	<b>\$ 216,936</b>

## **STATISTICAL SECTION**

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.



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

**REAL ESTATE AND PERSONAL PROPERTY TAXES**

Fiscal Year	Balance 07/01/08	Current Year Assessment	Supplemental	Transfers and Adjustments	Refunds	Abatements	Amount to be Collected	Collections	Balance 06/30/09
2008	-	31,229,947	56,245	36,965	43,682	40,694	31,326,145	30,400,480	925,665
2007	718,315	-	-	8,247	756	2,627	724,691	348,266	376,425
2006	237,363	-	-	12,214	-	1,036	248,541	204,933	43,608
2005	33,301	-	-	145	-	330	33,116	3,908	29,208
2004	26,888	-	-	170	-	-	27,058	2,804	24,254
2003	22,105	-	-	164	-	-	22,269	2,055	20,214
2002	25,003	-	-	383	-	-	25,386	1,175	24,211
2001	19,944	-	-	191	-	-	20,135	613	19,522
2000	23,566	-	-	166	-	-	23,732	649	23,083
1999	26,562	-	-	-	-	26,228	334	295	39
Prior	-	-	-	578	-	-	578	578	-
	1,133,047	31,229,947	56,245	59,223	44,438	70,915	32,451,985	30,965,756	1,486,229

**SCHEDULE OF MOST RECENT NET ASSESSED PROPERTY  
VALUE BY CATEGORY**

Description of Property	Valuations	Levy
Real property	\$ 2,464,706,548	\$ 27,750,611
Commercial/Industrial real estate	193,696,090	2,181,018
Motor vehicles	131,785,635	2,522,377
Tangible personal	32,383,144	364,634
<i>Total</i>	<b>2,822,571,417</b>	<b>32,818,640</b>
Exemptions		
Real estate	31,911,315	359,321
Motor vehicles	64,230,504	1,229,372
<i>Net assessed value</i>	<b>2,726,429,598</b>	<b>31,229,947</b>

*Current year assessment*

**\$ 31,229,947**

**RECONCILIATION OF CURRENT YEAR  
PROPERTY TAX REVENUE**

Current year collections	\$ 30,965,756
Reserve collected within 60 days subsequent to fiscal year ending June 30, 2009	168,031
	<b>31,133,787</b>
Prior year revenue received in current year	-
Other Adjustments	(88,040)
Current year property tax revenue	<b>\$ 31,045,747</b>

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Long-Term Liabilities**  
**For the fiscal year ended June 30, 2009**

	<b>Date of Issuance</b>	<b>Interest Rate</b>	<b>Date of Maturity</b>	<b>Authorized</b>	<b>Outstanding July 1, 2008</b>	<b>Additions</b>	<b>Maturities During Year</b>	<b>Outstanding June 30, 2009</b>	<b>Interest Paid</b>
<b>General long-term obligations</b>									
Tax increment bonds	5/1/2002	6.875	5/1/2022	\$ 8,295,000	\$ 7,270,000	\$ -	\$ 445,000	\$ 6,825,000	\$ 498,719
Revenue Financing bonds	6/27/2006	4.0% - 5.0%	4/1/2026	3,735,000	3,405,000	-	190,000	3,215,000	155,125
Pocasset -BAN 11.3 million	7/20/2007	4.25%	7/14/2008	11,300,000	11,300,000	-	11,300,000	-	472,246
Ft. Barton -BAN 10.0 million	6/26/2008	2.50%	8/8/2008	10,000,000	10,000,000	-	10,000,000	-	29,167
BAN 10.12 million	6/26/2008	2.75%	7/2/2009	10,120,000	10,120,000	-	-	10,120,000	-
General Obligation Bonds	8/15/2007	4.25%-5.00%	4/1/2027	10,580,000	10,480,000	-	365,000	10,115,000	486,238
Ft. Barton 10.0 Million Bond	7/15/2008	3.75%-6.00%	5/15/2028	10,000,000	-	10,000,000	255,000	9,745,000	366,975
Notes Payable - RIDEM	8/10/2007	0.00%	8/10/2011	250,000	250,000	-	62,500	187,500	-
Capital lease				-	587,024	-	210,295	376,729	30,820
Landfill closure and postclosure care costs				-	4,651,127	-	-	4,651,127	-
<b>Total general long-term obligations</b>				<b>64,280,000</b>	<b>58,063,151</b>	<b>10,000,000</b>	<b>22,827,795</b>	<b>45,235,356</b>	<b>2,039,290</b>
<b>Accrued expenses</b>									
Accrued vactaion and sick leave					1,153,940	69,005	95,644	1,127,301	n/a
Net OPEB obligation					-	1,920,310	-	1,920,310	n/a
Net pension obligation					191,982	2,023	-	194,005	n/a
<b>Total accrued expenses</b>					<b>1,345,922</b>	<b>1,991,338</b>	<b>95,644</b>	<b>3,241,616</b>	
<b>Total long-term liabilities</b>					<b>\$ 59,409,073</b>	<b>\$ 11,991,338</b>	<b>\$ 22,923,439</b>	<b>\$ 48,476,972</b>	

**TOWN OF TIVERTON, RHODE ISLAND  
SCHEDULE OF DEBT SERVICE REQUIREMENTS  
TO MATURITY - GENERAL FUND  
FOR THE FISCAL YEAR ENDING JUNE 30, 2009**

<b>Fiscal Year Ended June 30,</b>	<b>Percentage of Maturity</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2010	28.42%	11,427,500	1,835,425	13,262,925
2011	31.81%	1,362,500	1,490,900	2,853,400
2012	35.35%	1,422,500	1,428,294	2,850,794
2013	38.87%	1,415,000	1,362,082	2,777,082
2014	42.54%	1,475,000	1,291,857	2,766,857
2015	46.35%	1,535,000	1,217,038	2,752,038
2016	50.36%	1,610,000	1,139,808	2,749,808
2017	54.56%	1,690,000	1,057,255	2,747,255
2018	58.95%	1,765,000	964,762	2,729,762
2019-2028	100.00%	16,505,000	4,239,813	20,744,813
		<b>\$ 40,207,500</b>	<b>\$ 16,027,234</b>	<b>\$ 56,234,734</b>

**TOWN OF TIVERTON, RHODE ISLAND  
COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 2009**

Gross assessed value	\$ 2,822,571,417
Less exempt property	96,141,819
<b>Total taxable assessed value</b>	<b>\$ 2,726,429,598</b>
Debt Limit - 3 percent of total assessed value	\$ 81,792,888
Amount of debt applicable to debt limit:	
Total bonded debt	40,020,000
<b>Legal debt margin</b>	<b>\$ 41,772,888</b>

***TOWN OF TIVERTON, RHODE ISLAND***

***SINGLE AUDIT SECTION***

**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  
STANDARD***

The Honorable President  
and Members of the Town Council  
Town of Tiverton, Rhode Island

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tiverton, Rhode Island as of and for the year fiscal ended June 30, 2009, which collectively comprise the Town of Tiverton, Rhode Island's basic financial statements and have issued our report thereon dated December 15, 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 Tiverton's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Tiverton's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Tiverton's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town of Tiverton's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town of Tiverton's financial statements that is more than inconsequential will not be prevented or detected by the Town of Tiverton's internal control. We consider the deficiencies; 2009-1, 2009-2 described in the accompanying schedule of findings and questioned costs to be significant deficiencies 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 Town of Tiverton's internal control.

Our consideration of 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 internal control that might be significant deficiencies or material weaknesses. However, we believe the significant deficiencies described above to also be material weakness.

Compliance and Other Matter

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

We noted certain matters that we reported to the management of the Town of Tiverton, in a separate letter dated December 15, 2009

The Town of Tiverton's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Town of Tiverton's response and, accordingly, we express no opinion on it.

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

  
Parmelee, Poirier & Associates, LLP  
December 15, 2009

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

The Honorable President  
and Members of the Town Council  
Town of Tiverton, Rhode Island

**Compliance**

We have audited the compliance of Town of Tiverton, Rhode Island, with the 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 June 30, 2009. The Town of Tiverton'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 Tiverton's management. Our responsibility is to express an opinion on the Town of Tiverton'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 Tiverton'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 of the Town of Tiverton's compliance with those requirements.

In our opinion, the Town of Tiverton, 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 June 30, 2009.

**Internal Control Over Compliance**

The management of the Town of Tiverton is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Tiverton'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 Tiverton's internal control over compliance.

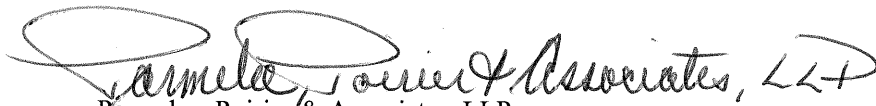


A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal 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 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, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Parmelee, Poirier & Associates, LLP". The signature is written in black ink and is positioned above the printed name of the firm.

Parmelee, Poirier & Associates, LLP

December 15, 2009

**TOWN OF TIVERTON**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2009**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>			
<i>Passed through State of Rhode Island Department of Education:</i>			
Child Nutrition Cluster:			
School Breakfast Program	10.553	N/A	\$ 19,480
National School Lunch Program	10.555	N/A	126,374
Special School Milk Program for Children	10.556	N/A	650
Food Donation	10.550	N/A	38,778
<i>Passed through the Staet of Rhode Island Department of Agriculture</i>			
Wildlife Habitat Incentive Program	10.914	N/A	7,780
<b>Total U.S. Department of Agriculture</b>			<u>\$ 193,062</u>
<b>U.S. Department of Housing and Urban Development</b>			
<i>Passed through State of Rhode Island Division of Planning, Office of Housing and Community Development:</i>			
Community Development Block Grant/Small Cities Program	14.228	N/A	\$ 299,625
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 299,625</u>
<b>U.S. Department of Justice</b>			
<i>Pass-Through State of Rhode Island Governor's Justice Commission</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	05-132-JAG	\$ 9,055
<b>Total U.S. Department of Justice</b>			<u>\$ 9,055</u>
<b>U.S. Department of Education</b>			
<i>Passed through State of Rhode Island Department of Education:</i>			
Title I Grants to Local Educational Agencies	84.010A	1420-51600-701	\$ 134,338
Special Education - Grants to States	84.027A	1430-50500-701	392,912
Safe and Drug Free Schools and Communities	84.186A	1420-52900-701	6,235
State Grants for Innovative Programs	84.298A	1420-51000-701	50
Improving Teacher Quality State Grants	84.367A	1420-54000-701	103,531
ARRA - State Fiscal Stabilization Fund - Education State Grants Recovery Act	84.394	N/A	363,306
<i>Passed through City of Newport Rhode Island:</i>			
Vocational Education - Basic Grants to States	84.048A	7-1440-53200-21-02	17,139
<b>Total U.S. Department of Education</b>			<u>\$ 1,017,511</u>
 <b>Total Expenditures of Federal Awards</b>			 <u><u>\$ 1,519,253</u></u>

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2009**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

    Significant deficiency (ies) identified? X yes    \_\_\_ no

    Significant deficiency (ies) identified that are considered material weaknesses? X yes    \_\_\_ 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 weakness (es)? \_\_\_ 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 OMB circular A-133? \_\_\_ yes    X no

**Identification of major programs:**

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
84.027	Special Education Grants to States
84.186A	Safe & Drug Free Schools
84.394	ARRA – State Fiscal Stabilization Funds, Education State Grants, Recovery Act

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

Auditee qualified as low risk auditee? \_\_\_ yes    X no

**SECTION II – FINANCIAL STATEMENT FINDINGS** X yes    \_\_\_ none

**SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS** \_\_\_ yes    X None

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2009**  
**(continued)**

**SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT**  
**AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH**  
**GOVERNMENT AUDITING STANDARDS**

**A. Significant Deficiency in Internal Control Reported**

**Finding 2009-1 Financial Reporting - Town**

**Criteria**

Accounting systems are designed and dependent upon compliance with established policies and procedures for authorizing and recording transactions properly and consistently in accordance with generally accepted accounting principles.

**Condition**

During our audit it was noted that some Town trial balances required material audit adjustments to reclassify financial activity or to record original financial activity. These entries included:

- 1) Reclassification or recording of revenue activity.
- 2) Reclassification or recording of expenditures or liabilities such as accounts payable and accrued payroll.
- 3) Reclassification of inter-fund transfers.
- 4) Reclassifications to reconcile account balances at year-end

**Cause**

An accounting system is dependent upon compliance with established policies and procedures for authorizing and recording transactions properly and consistently. We observed that the town currently does not have a system in place to maintain this control.

**Effect**

The financial statements could be materially misstated.

**Recommendation**

We recommend that the Town review its' accounting and internal control procedures to ensure proper methods and review procedures are used during the fiscal year and at year end and also, to ensure that the financial statements are presented in conformity with generally accepted accounting principles.

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2009**  
**(continued)**

**A. Significant Deficiency in Internal Control Reported (continued)**

**Finding 2009-1 Financial Reporting (continued)**

**Management Response**

By Philip A. DiMattia, Tiverton Town Treasurer

- 1) The Treasurer's Office will implement the following Internal Controls to prevent errors in reclassification or recording of revenue activity.
  - On August 15, 2008 the Treasurer's Office upgraded its accounting software to Sungard Public Sector General Accounting System (SQL Financials) which is designed to meet the needs of municipalities and school districts. The benefits of this system are that it is a fully integrated accounting process, including General Ledger, Accounts Payable, and Revenue. The new accounting software will assist the finance department that financial statements will be presented in conformity with Generally Accepted Accounting Principles.
  - Revenues will be recorded on a modified accrual basis or on an accrual basis.
  - Net revenues against expenses or expenditures when no right of offset exists will not be recorded.
  - The Treasurer's Office is in the process of developing an Accounting Policy and Procedures Manual.
- 2) Reclassification or recording of expenditures or liabilities, such as Accounts Payable and Accrued Payroll.

The Treasurer's Office will develop Monthly and Year-End Closing Procedures to insure that reclassification or recording of expenditures or liabilities, such as Accounts Payable and Accrued Payroll are recorded in the proper period.

- The full implementation of the SQL Computer Software System did not take place until the month of November 2008, hence recordings of due to and due from accounts did not take place until November 2008.
- With the development of the Treasurer of Monthly and Year-End Closing Procedures the correct recording of expenditures or liabilities will be improved.

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2009**  
**(continued)**

**A. Significant Deficiency in Internal Control Reported (continued)**

**Finding 2009-1 Financial Reporting (continued)**

**Management Response (continued)**

- Encumbrances will only be recorded against budgetary amounts. Accruals will be recorded against actual expenditures; however, all expenses will be fully recorded in the proper period. Accrued Payroll will be recorded based upon actual days of work in the correct Fiscal Year. The Audit Staff in May of each year will sit down with the Treasurer and Accounts Payable Clerk to review the splitting of payroll days into the correct Fiscal Year.

3) Reclassification of inter-fund transfers.

The Treasurer's Office will improve the current Grant Management System and will implement five central internal control components. All Federal monies received are subject to the reporting requirements of the Single Audit Act of 1984 and subsequent amendments.

- Control Environment: The control environment sets the tone for the organization. It will include integrity, ethical values, managements operating style, delegation of authority systems within the organization.
- Risk Assessment: A precondition to risk assessment is establishment of objectives, identification and analysis of relevant risks to the achievement of the assigned objectives.
- Control Activities: Control activities are the policies and procedure to help ensure directives are carried out.
- Information and Communication: Information systems play a key in internal control systems as the produce reports, including financial and compliance related information to run and control each specific grant activity.
- Monitoring: Internal control systems need to be monitored. This ongoing monitoring separates expense and receipts. Due to and due from reports must identify each grant expense.

4) Reclassification to reconcile account balances at year-end.

The Treasurer's Office will develop year-end policies and procedures to correctly record expenses and revenue in the correct fiscal year.

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2009**  
**(continued)**

**A. Significant Deficiency in Internal Control Reported (continued)**

**Finding 2009-1 Financial Reporting (continued)**

**Management Response (continued)**

- The purpose of the Accounting Policy and Procedures Manual is to provide a high standard of internal control and financial management. This manual serves to detail all systems and controls the Town uses to protect its assets and to account for all fiscal transactions.
- Auditing Standards of SAS No. 112 requires the Town to begin writing this Accounting Policy and Procedures Manual and to develop a year-end closing schedule to ensure proper year-end recording of revenues and expenses.

**Finding 2009-2 Financial Reporting- School Department**

**Criteria**

Accounting systems are designed and dependent upon compliance with established policies and procedures for authorizing and recording transactions properly and consistently in accordance with generally accepted accounting principles.

**Condition**

During our audit it was noted that the School Department did not maintain a balance sheet for its' unrestricted fund, which then required material audit adjustments to reclassify financial activity or to record original financial activity. These entries included:

- 1) Reclassification or recording of revenue activity.
- 2) Reclassification or recording of expenditures or liabilities such as accounts payable and accrued payroll.
- 3) Reclassification of inter-fund transfers.
- 4) Reclassifications to reconcile account balances at year-end

**Cause**

An accounting system is dependent upon compliance with established policies and procedures for authorizing and recording transactions properly and consistently. We observed that the School Department only recorded expenditure activity for its' unrestricted fund and currently does not have a system in place to create asset, liability and equity accounts.

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Fiscal Year Ended June 30, 2009**  
*(continued)*

**A. Significant Deficiency in Internal Control Reported (continued)**

**Finding 2009-2 Financial Reporting School Department (continued)**

**Effect**

The financial statements will be materially misstated.

**Recommendation**

We recommend that the Town review its' accounting and internal control procedures to ensure proper methods and review procedures are used during the fiscal year and at year end and also, to ensure that the financial statements are presented in conformity with generally accepted accounting principles.

**Management Response**

The Tiverton School Department has created a new chart of accounts to comply with the RIDE Uniform Chart of Accounts (UCOA) requirements and has upgraded our financial reporting system during FY09. These initiatives have allowed us accommodate a double entry accounting system, or self-balancing set of accounts and will give us the capability to capture and record all financial activity and create a balance sheet for FY10.

**B. Compliance**

None Reported.



***TOWN OF TIVERTON, RHODE ISLAND***  
***Schedule of Findings and Questioned Costs***  
***For The Fiscal Year Ended June 30, 2009***  
***(continued)***

**SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS**

**A. Findings**

None Reported

**B. Questioned Costs**

None Reported

**TOWN OF TIVERTON, RHODE ISLAND**  
**Schedule of Prior Year Findings and Questioned Costs**  
**Year Ended June 30, 2009**

**PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS**

**A. Findings**

None Reported

**B. Questioned Costs**

None Reported

**TOWN OF TIVERTON, RHODE ISLAND**  
**Notes to Schedule of Expenditures of Federal Awards**  
**June 30, 2009**

1. **General** - The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal programs of the Town of Tiverton, Rhode Island.
2. **Basis of Accounting** - The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.
3. **Determination of Type A, Type B and Major Programs** - The determination of Type A and Type B federal programs was based upon the expenditures for all federal programs for the Town of Tiverton, Rhode Island. As such, the threshold for determining Type A vs. Type B programs is determined at the entity level. For the fiscal year-ended June 30, 2009, grants with expenditures exceeding \$300,000 were determined to be Type A programs and all other grants were considered Type B programs. The following programs were considered major programs:

<u>CFDA</u>	<u>Program Name</u>
84.027	Special Education Grants to States
84.186	Safe & Drug Free Schools
84.394	ARRA – State Fiscal Stabilization Funds – Education State Grants, Recovery Act

4. **Non-Cash Assistance**  
U.S.D.A. Contributions: The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$38,778 represents the market value of such commodities used during the period.