
TOWN OF JAMESTOWN

FINANCIAL STATEMENTS

***FOR THE FISCAL YEAR ENDED
June 30, 2010***

***Bruce R. Keiser
Town Administrator***

***Christina D. Collins
Finance Director***

Prepared by: Finance Department

JAMESTOWN, RHODE ISLAND

**TOWN OF JAMESTOWN, RHODE ISLAND
AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF JAMESTOWN, RHODE ISLAND

**Listing of Town Officials
For the Year Ended June 30, 2010**

TOWN COUNCIL

Michael Schnack, President
Robert Bowen, Vice President
William H. Murphy
Michael G. White
Ellen Winsor

TOWN ADMINISTRATOR

Bruce R. Keiser

FINANCE DIRECTOR

Christina D. Collins

SCHOOL COMMITTEE

Catherine Kaiser, Chair
Julie Kallfelz, Vice Chair
Dana Long
Julie Held
B. J. Whitehouse

BUSINESS MANAGER

Jane Littlefield

FINANCIAL SECTION

This Section Contains the Following Subsections:

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

INDEPENDENT AUDITORS' REPORT

The Honorable President and
Members of the Town Council
Town of Jamestown
Jamestown, 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 Jamestown, Rhode Island (Town) as of and for the year ended June 30, 2010, 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'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 as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 22, 2010 on our consideration of the Town'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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 12 and 56 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an

appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


Parmelee, Poirier & Associates, LLP
December 22, 2010

MANAGEMENTS' DISCUSSION AND ANALYSIS

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

Our discussion and analysis of the Town of Jamestown, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2010.

Financial Highlights

- ❖ The Town's primary government net assets decreased in the amount of \$724,053 as a result of this year operations. On a government-wide basis the assets of the Town of Jamestown exceeded its liabilities at the close of the most recent fiscal year by \$24,257,978. Net assets of business activities decreased by \$(392,032) or 5.3%, while net assets of Governmental Activities decreased by \$(332,021) or 1.9% prior to a prior period adjustment of \$32,160 based on their respective activities.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$24,734,072 while revenues collected were \$24,042,179 for the 12 month fiscal year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,464,413. Over 85% of this amount, \$6,313,517 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 \$3,909,996, which equals 19.3% of the total general fund expenditures for the fiscal year. The current fiscal year's expenditures exceed revenues and transfers by \$243,607. On a budgetary basis expenditures exceeded revenues and transfers by \$93,607.

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 JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(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 base 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 of the 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 Jamestown Harbor Management Fund, Water Fund, On-site Wastewater Fund and the Sewer 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 JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(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 and School Special Revenue Unrestricted 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 four enterprise funds, the Jamestown Harbor Management Fund, the Water Fund, the On-site Wastewater Fund and the Sewer Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Jamestown Harbor Management Fund, Water Fund, On-site Wastewater Fund and Sewer Fund.

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 basic 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 55.

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 56 through 67.

The combining statements referred to earlier in connection with non-major governmental funds, and proprietary funds are presented on pages 68 through 91.

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

Government-wide Financial Analysis

Analysis of the Town of Jamestown'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 Jamestown, governmental activities assets exceeded liabilities by \$17,281,691 as of June 30, 2010. This reflects a decrease of \$299,861 from the previous year. See page 3 financial highlights for a further explanation.

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

	<i>Town of Jamestown</i>					
	<i>Net Assets</i>					
	<u>June 30, 2009</u>			<u>June 30, 2010</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 11,868,377	\$ 1,262,886	\$ 13,131,263	\$ 10,675,079	\$ 379,790	\$ 11,054,869
Capital assets	20,902,140	19,186,349	40,088,489	21,151,750	18,602,572	39,754,322
Total Assets	<u>32,770,517</u>	<u>20,449,235</u>	<u>53,219,752</u>	<u>31,826,829</u>	<u>18,982,362</u>	<u>50,809,191</u>
Other Liabilities	2,359,834	619,952	2,979,786	2,026,958	175,300	2,202,258
Long-Term Liabilities	12,829,131	12,460,964	25,290,095	12,518,180	11,830,775	24,348,955
Total Liabilities	<u>15,188,965</u>	<u>13,080,916</u>	<u>28,269,881</u>	<u>14,545,138</u>	<u>12,006,075</u>	<u>26,551,213</u>
Net Assets:						
Invested in Capital						
Net of Related Debt	9,386,140	6,830,070	16,216,210	10,501,250	6,877,118	17,378,368
Unrestricted	8,195,412	538,249	8,733,661	6,780,441	99,169	6,879,610
Total Net Assets	<u>\$ 17,581,552</u>	<u>\$ 7,368,319</u>	<u>\$ 24,949,871</u>	<u>\$ 17,281,691</u>	<u>\$ 6,976,287</u>	<u>\$ 24,257,978</u>

The portion of the Town's governmental activities net assets \$10,501,250 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 JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

As of June 30, 2010 the Town of Jamestown reports positive balances in both categories of net assets for the government as a whole.

Analysis of the Town of Jamestown's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2010. 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 February 29, 2004. Therefore, comparative data is available and is presented in the following schedules. Governmental activities decreased the Town's net assets by \$299,861 a 1.7% decrease in the Town's governmental net assets, while business-type activities decreased the Town's net assets by \$392,032, accounting for 5.3% increase in the business-type growth in net assets. Overall the Town's net assets decreased by \$691,893 which is a 2.8% decrease over the prior year.

The following table presents a comparative schedule of the activity that accounted for the increases in the town's net assets.

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

Town of Jamestown
Changes in Net Assets

	June 30, 2009			June 30, 2010		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Revenues						
Program revenues						
Charges for services	\$ 1,145,532	\$1,402,302	\$ 2,547,834	\$ 1,143,910	\$ 1,579,612	\$ 2,723,522
Federal/State grants	1,899,655	-	1,899,655	1,615,312	-	1,615,312
General Revenues						
Property taxes	17,149,619	-	17,149,619	17,288,476	-	17,288,476
Investment earnings	214,162	13,472	227,634	182,126	3,463	185,589
State aid	1,187,853	-	1,187,853	1,002,586	-	1,002,586
Miscellaneous	106,950	763,788	870,738	563,362	631,172	1,194,534
Total revenues	<u>21,703,771</u>	<u>2,179,562</u>	<u>23,883,333</u>	<u>21,795,772</u>	<u>2,214,247</u>	<u>24,010,019</u>
Expenses						
Legislative/judicial/admin	2,466,703	-	2,466,703	2,525,359	-	2,525,359
Financial Administrative	275,394	-	275,394	275,782	-	275,782
Public Safety	2,266,632	-	2,266,632	2,368,528	-	2,368,528
Public Works	2,033,187	-	2,033,187	1,973,023	-	1,973,023
Public Welfare	3,964	-	3,964	3,964	-	3,964
Public Health	230,181	-	230,181	240,853	-	240,853
Tree Warden	32,085	-	32,085	33,713	-	33,713
Library	337,411	-	337,411	350,689	-	350,689
Parks & Recreation	440,995	-	440,995	496,061	-	496,061
Other	1,296,039	-	1,296,039	1,083,616	-	1,083,616
Education	12,028,817	-	12,028,817	12,312,079	-	12,312,079
Interest	488,083	-	488,083	456,126	-	456,126
Harbor Management Fund	-	417,229	417,229	-	442,578	442,578
Water Fund	-	842,463	842,463	-	1,020,626	1,020,626
On-Site Wastewater Fund	-	40,066	40,066	-	49,323	49,323
Sewer Fund	-	759,227	759,227	-	1,101,752	1,101,752
Total expenses	<u>21,899,491</u>	<u>2,058,985</u>	<u>23,958,476</u>	<u>22,119,793</u>	<u>2,614,279</u>	<u>24,734,072</u>
Transfers	-	-	-	(8,000)	8,000	-
Change in net assets	(195,720)	120,577	(75,143)	(332,021)	(392,032)	(724,053)
Net assets June 30, 2009	17,777,272	7,247,742	25,025,014	17,581,552	7,368,319	24,949,871
Prior period adjustment	-	-	-	32,160	-	32,160
Net assets June 30, 2010	<u>\$ 17,581,552</u>	<u>\$7,368,319</u>	<u>\$ 24,949,871</u>	<u>\$17,281,691</u>	<u>\$ 6,976,287</u>	<u>\$24,257,978</u>

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

Financial Analysis of the Town of Jamestown's Funds

Governmental Funds - The focus of the Town of Jamestown'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 \$7,464,413. Over 85% of the total amount, or \$6,313,517 constituted unreserved fund balances. The remainder of the fund balance is reserved because of future commitments.

Reserved fund balances:

Compensated absences	\$ 783,066
Fiscal 2011 appropriations	<u>367,830</u>
Total reserved fund balances:	<u>\$1,150,896</u>

Proprietary Funds - The Town of Jamestown'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 \$99,169.

General Fund Budgetary Highlights

Revenues:

Real Estate and Tangible Taxes – were over budget by \$225,563 due to new housing and high collection rate.

License and Permits – were under budget \$74,405 due to the low number of recordings and construction.

Intergovernmental & Departmental – were over budget \$24,454 due to higher than anticipated activities in various departments.

Interest on Investments – were under budget \$44,991 due to continued low interest rates on investments.

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

General Fund Budgetary Highlights – (continued)

Expenses:

Legislative, Judicial and General Administrative – was under budget by \$32,860 as a result of various cost savings within the departments.

Public Works – was under budget \$30,902 due to various cost savings within the department.

Public Safety – was over budget \$35,578 mainly due to police retirement payouts.

Debt Service - was over budget by \$309,927 due to the fiscal year 2009-2010 warrant, which had certain debt being paid from the undesignated fund balance.

The Town of Jamestown's Capital Assets

The Town of Jamestown's investment in capital assets for its governmental and business-type activities amounts to \$39,754,322 net of accumulated depreciation at June 30, 2010. Included are land, building and improvements, construction in progress, motor vehicles, infrastructure, furniture and equipment.

Additional information on the Town of Jamestown's capital assets is located in note 6 of the notes to the financial statements.

Town of Jamestown
Capital Assets (Net of Accumulated Depreciation) (000's)

	June 30, 2009			June 30, 2010		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land & Development Rights	\$ 6,818	\$ 55	\$ 6,873	\$ 6,818	\$ 55	\$ 6,873
Construction in Progress	1,782	14,578	16,360	-	-	-
Buildings and improvements	6,257	4,024	10,281	8,347	18,055	26,402
Infrastructure	4,295	-	4,295	4,471	-	4,471
Mains, wells, pumps & hydrants	-	430	430	-	373	373
Machinery and equipment	1,751	98	1,849	1,516	119	1,635
Total	\$ 20,903	\$ 19,185	\$ 40,088	\$ 21,152	\$ 18,602	\$ 39,754

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

The Town of Jamestown's Debt Administration

At the end of the current fiscal year, the Town of Jamestown's Governmental Activities had a total bonded debt of \$10,650,500. 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 Jamestown
Outstanding Debt
General Obligation and Notes Payable (000's)

	<i>June 30, 2009</i>			<i>June 30, 2010</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
General Obligation Bonds	\$ 11,296	\$ 380	\$ 11,676	\$ 10,650	\$ 335	\$ 10,985
Notes Payable	220	11,977	12,197	-	11,390	11,390
Totals	\$ 11,516	\$ 12,357	\$ 23,873	\$ 10,650	\$ 11,725	\$ 22,375

Additional information on the Town's long-term debt can be found in note 9 of the Notes to the Financial Statements and on pages 93 through 95.

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2010 was Aa3. 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 Jamestown's limit is \$64,896,661 at year-end. The Town's outstanding general obligation debt is \$10,650,500 at year-end, which is \$54,246,161 under the State imposed limitation.

Several of the Town's bonds are insured and thus hold a Triple A credit rating from both Moody's and Fitch Rating Service.

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2010
(Un-audited)

Economic Factors and Next Year's Budgets and Rates

For the fiscal year ending June 30, 2011 the Town of Jamestown has adopted a total general fund budget of \$20,864,889. Of the Town's 2011 budget, \$12,259,651 or 58.76% is budgeted for educational purposes and \$8,605,248 or 41.24% is budgeted for General Fund purposes.

The State of Rhode Island is budgeted to contribute \$407,993 to the Town's education department for the fiscal year ending June 30, 2011.

The Town's tax rate for fiscal 2010 was \$8.11, with 35.58% allocated for general government and 64.42% allocated for education. For fiscal 2011 the Town's tax rate is \$9.11, with 36.86% allocated for general government and 63.14% allocated for education.

Request for Information

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Finance Director's Office, Town of Jamestown, 93 Narragansett Ave., Jamestown, RI 02835.



Christina D. Collins
Finance Director

BASIC FINANCIAL STATEMENTS

The Basic Financial Statements include
the Government-Wide Financial Statements,
the Fund Financial Statements and the
Notes to the Financial Statements

Government Wide Financial Statements

The Government Wide Financial Statements include
the Statement of Net Assets and the
Statement of Activities

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Net Assets
June 30, 2010

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,206,901	\$ 626,014	\$ 8,832,915
Accounts receivable:			
Accounts receivable - net	368,996	293,483	662,479
Due from other governments	89,181	-	89,181
Other receivables	102,809	4,505	107,314
Internal balances	683,682	(683,682)	-
Inventory at cost	-	44,620	44,620
Other Assets - net	1,223,510	94,850	1,318,360
Capital assets:			
Property, plant and equipment - net	21,151,750	18,602,572	39,754,322
Total capital assets	<u>21,151,750</u>	<u>18,602,572</u>	<u>39,754,322</u>
TOTAL ASSETS	<u>31,826,829</u>	<u>18,982,362</u>	<u>50,809,191</u>
 LIABILITIES			
Accounts payable	526,093	36,246	562,339
Accrued expenses	1,276,404	139,054	1,415,458
Deferred revenue	224,461	-	224,461
Long-term liabilities			
Due within one year	760,000	645,425	1,405,425
Due in more than one year	11,758,180	11,185,350	22,943,530
Total liabilities	<u>14,545,138</u>	<u>12,006,075</u>	<u>26,551,213</u>
 NET ASSETS			
Invested in capital assets, net of related debt	10,501,250	6,877,118	17,378,368
Unrestricted	6,780,441	99,169	6,879,610
Total net assets	<u>\$ 17,281,691</u>	<u>\$ 6,976,287</u>	<u>\$ 24,257,978</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Activities
For the Fiscal Year Ended June 30, 2010

<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>
Primary government						
Governmental activities:						
Legislative, judicial and general administrative	\$ 2,525,359	\$ 269,728	\$ -	\$ (2,255,631)		\$ (2,255,631)
Financial administration and tax assessor	275,782	19,119	10,193	(246,470)		(246,470)
Public safety	2,368,528	304,741	35,460	(2,028,327)		(2,028,327)
Public works	1,973,023	125,790	-	(1,847,233)		(1,847,233)
Public welfare	3,964	-	273,830	269,866		269,866
Public health	240,853	-	93,026	(147,827)		(147,827)
Tree warden	33,713	-	-	(33,713)		(33,713)
Library	350,689	7,078	177,893	(165,718)		(165,718)
Parks & recreation	496,061	417,454	45,287	(33,320)		(33,320)
Other	1,083,616	-	184,551	(899,065)		(899,065)
Education	12,312,079	-	795,072	(11,517,007)		(11,517,007)
Interest	456,126	-	-	(456,126)		(456,126)
Total governmental activities	<u>22,119,793</u>	<u>1,143,910</u>	<u>1,615,312</u>	<u>(19,360,571)</u>		<u>(19,360,571)</u>
Business type activities:						
Harbor management fund	442,578	246,614	-	-	\$ (195,964)	(195,964)
Water fund	1,020,626	781,465	-	-	(239,161)	(239,161)
On-site wastewater fund	49,323	35,560	-	-	(13,763)	(13,763)
Sewer fund	1,101,752	515,973	-	-	(585,779)	(585,779)
Total business-type activities	<u>2,614,279</u>	<u>1,579,612</u>	<u>-</u>	<u>-</u>	<u>(1,034,667)</u>	<u>(1,034,667)</u>
Total primary government	<u>\$ 24,734,072</u>	<u>\$ 2,723,522</u>	<u>\$ 1,615,312</u>	<u>(19,360,571)</u>	<u>(1,034,667)</u>	<u>(20,395,238)</u>

General revenues:

Taxes:					
Property taxes, levied for general purposes			17,288,476	-	17,288,476
Unrestricted investment earnings			182,126	3,463	185,589
State aid			1,002,586	-	1,002,586
Miscellaneous			563,362	631,172	1,194,534
Transfers			(8,000)	8,000	-
Total general revenues			<u>19,028,550</u>	<u>642,635</u>	<u>19,671,185</u>
Change in net assets			<u>(332,021)</u>	<u>(392,032)</u>	<u>(724,053)</u>
Net assets-beginning			<u>17,581,552</u>	<u>7,368,319</u>	<u>24,949,871</u>
Prior period adjustment see note			32,160	-	32,160
Net assets-beginning - restated			<u>17,613,712</u>	<u>7,368,319</u>	<u>24,982,031</u>
Net assets-ending			<u>\$ 17,281,691</u>	<u>\$ 6,976,287</u>	<u>\$ 24,257,978</u>

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

Fund Financial Statements

TOWN OF JAMESTOWN, RHODE ISLAND
Balance Sheet
Governmental Funds
June 30, 2010

	General Fund	School Special Revenue Unrestricted Fund	Capital Improvement Fund	Other Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 7,949,404	\$ 9,826	\$ 39,597	\$ 208,074	\$ 8,206,901
Accounts receivable:					
Accounts receivable net	335,362	33,634	-	-	368,996
Due from other governments	-	7,100	-	82,081	89,181
Other receivables	97,767	-	-	5,042	102,809
Internal balances	1,917,234	3,140,990	1,163,840	1,255,529	7,477,593
Other Assets - net	13,720	-	-	-	13,720
TOTAL ASSETS	<u>\$ 10,313,487</u>	<u>\$ 3,191,550</u>	<u>\$ 1,203,437</u>	<u>\$ 1,550,726</u>	<u>\$ 16,259,200</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 334,250	\$ 89,704	\$ 95,150	\$ 6,989	\$ 526,093
Accrued expenses	277,220	864,271	6,433	-	1,147,924
Internal balances	5,080,723	415,217	1,101,086	196,885	6,793,911
Deferred revenue	102,398	-	-	224,461	326,859
Total liabilities	<u>5,794,591</u>	<u>1,369,192</u>	<u>1,202,669</u>	<u>428,335</u>	<u>8,794,787</u>
Fund balances:					
Reserve for:					
Compensated absences	458,900	324,166	-	-	783,066
Fiscal year 2011 appropriations	150,000	217,830	-	-	367,830
Total reserved fund balances	<u>608,900</u>	<u>541,996</u>	<u>-</u>	<u>-</u>	<u>1,150,896</u>
Unreserved	3,909,996	1,280,362	768	-	5,191,126
Unreserved, reported in non-major:					
Special revenue funds	-	-	-	791,017	791,017
Capital projects fund	-	-	-	331,374	331,374
Total unreserved fund balance	<u>3,909,996</u>	<u>1,280,362</u>	<u>768</u>	<u>1,122,391</u>	<u>6,313,517</u>
Total fund balances	<u>4,518,896</u>	<u>1,822,358</u>	<u>768</u>	<u>1,122,391</u>	<u>7,464,413</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,313,487</u>	<u>\$ 3,191,550</u>	<u>\$ 1,203,437</u>	<u>\$ 1,550,726</u>	

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. (Note 8)	21,151,750
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 8)	55,655
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note 8)	<u>(11,390,127)</u>
Net assets of governmental activities	<u>\$ 17,281,691</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2010

	General Fund	School Special Revenue Unrestricted Fund	Capital Improvement Fund	Other Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Property tax	\$ 17,318,387	\$ -	\$ -	\$ -	\$ 17,318,387
Intergovernmental and departmental revenue	1,452,147	763,253	-	659,773	2,875,173
License and permits	804,595	-	-	-	804,595
Fines and interest on late payments	143,136	-	-	-	143,136
Interest on investments	80,009	-	-	-	80,009
Other revenues	81,171	-	-	518,802	599,973
Total revenues	<u>19,879,445</u>	<u>763,253</u>	<u>-</u>	<u>1,178,575</u>	<u>21,821,273</u>
Expenditures					
Legislative, judicial and general administrative	1,938,020	-	-	-	1,938,020
Financial administration and tax assessor	275,782	-	-	-	275,782
Public safety	2,160,153	-	-	-	2,160,153
Public works	1,556,960	-	-	-	1,556,960
Public welfare	3,964	-	-	-	3,964
Public health	240,853	-	-	-	240,853
Tree warden	33,713	-	-	-	33,713
Library	350,689	-	-	-	350,689
Parks & recreation	478,956	-	-	-	478,956
Other	35,209	-	168,456	640,472	844,137
Education	-	11,544,909	-	529,212	12,074,121
Capital outlay	-	-	758,833	609,757	1,368,590
Debt service:					
Principal	865,500	-	-	-	865,500
Interest	461,580	-	-	-	461,580
Total expenditures	<u>8,401,379</u>	<u>11,544,909</u>	<u>927,289</u>	<u>1,779,441</u>	<u>22,653,018</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>11,478,066</u>	<u>(10,781,656)</u>	<u>(927,289)</u>	<u>(600,866)</u>	<u>(831,745)</u>
Other financing sources (uses)					
Transfers from other funds	150,000	11,236,173	313,450	492,135	12,191,758
Transfers to other funds	(11,871,673)	(328,085)	-	-	(12,199,758)
Total other financing sources (uses)	<u>(11,721,673)</u>	<u>10,908,088</u>	<u>313,450</u>	<u>492,135</u>	<u>(8,000)</u>
Excess of revenues and other sources over(under) expenditures and other uses	<u>(243,607)</u>	<u>126,432</u>	<u>(613,839)</u>	<u>(108,731)</u>	<u>(839,745)</u>
Fund balances - beginning	<u>4,762,503</u>	<u>1,695,926</u>	<u>614,607</u>	<u>1,198,962</u>	<u>8,271,998</u>
Prior period adjustment (see note 18)	-	-	-	32,160	32,160
Fund balances - beginning restated	<u>4,762,503</u>	<u>1,695,926</u>	<u>614,607</u>	<u>1,231,122</u>	<u>8,304,158</u>
Fund balances - ending	<u>\$ 4,518,896</u>	<u>\$ 1,822,358</u>	<u>\$ 768</u>	<u>\$ 1,122,391</u>	<u>\$ 7,464,413</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2010

Net change in fund balances-total governmental funds \$ (839,745)

Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:

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 additions exceed depreciation expense in the current period.

Capital Outlay	1,457,000	
Depreciation Expense	<u>(1,207,390)</u>	249,610
Reductions in deferred revenue that provide current financial resources to governmental funds are not reported as revenues in the statement of activities. (29,911)		
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. This is the net effect of those activities. 5,454		
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 amount by which principal was reduced. 865,500		
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. <u>(582,929)</u>		
Change in net assets of governmental activities		<u><u>\$ (332,021)</u></u>

Please see Note 9 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 JAMESTOWN, RHODE ISLAND
Statement of Net Assets
Proprietary Funds
June 30, 2010

	Enterprise Funds				
	Harbor Management Fund	Water Fund	On-site Wastewater Fund	Sewer Fund	Total
ASSETS					
Current assets					
Cash and cash equivalents	\$ 123,008	\$ 212,794	\$ -	\$ 290,212	\$ 626,014
Accounts receivable - net:					
Water and sewer user fees	-	69,859	-	223,624	293,483
Other receivables	-	-	-	4,505	4,505
Internal balances	-	-	3,175	-	3,175
Inventory	-	42,408	-	2,212	44,620
Total current assets	<u>123,008</u>	<u>325,061</u>	<u>3,175</u>	<u>520,553</u>	<u>971,797</u>
Non-current assets					
Property, plant and equipment					
Reservoirs and land	-	55,200	-	-	55,200
Plant facilities	-	7,765,755	-	12,039,701	19,805,456
Extensions and mains	-	2,589,927	-	2,086,110	4,676,037
Equipment	98,261	110,752	-	128,604	337,617
Total property, plant and equipment	<u>98,261</u>	<u>10,521,634</u>	<u>-</u>	<u>14,254,415</u>	<u>24,874,310</u>
Less accumulated depreciation	<u>39,304</u>	<u>2,183,046</u>	<u>-</u>	<u>4,049,388</u>	<u>6,271,738</u>
Net property, plant and equipment	<u>58,957</u>	<u>8,338,588</u>	<u>-</u>	<u>10,205,027</u>	<u>18,602,572</u>
Other assets	<u>-</u>	<u>68,850</u>	<u>-</u>	<u>26,000</u>	<u>94,850</u>
TOTAL ASSETS	<u>181,965</u>	<u>8,732,499</u>	<u>3,175</u>	<u>10,751,580</u>	<u>19,669,219</u>
LIABILITIES					
Current liabilities					
Accounts payable	13,519	5,076	-	17,651	36,246
Accrued expenses	4,618	88,121	-	46,315	139,054
Internal balances	42,537	67,588	-	576,732	686,857
Current portion of bonds and notes payable	-	275,000	-	370,425	645,425
Total current liabilities	<u>60,674</u>	<u>435,785</u>	<u>-</u>	<u>1,011,123</u>	<u>1,507,582</u>
Non-current liabilities					
Compensated absences payable	-	52,969	-	52,352	105,321
Bonds and notes payable long term portion	-	5,758,000	-	5,322,029	11,080,029
Total non-current liabilities	<u>-</u>	<u>5,810,969</u>	<u>-</u>	<u>5,374,381</u>	<u>11,185,350</u>
Total liabilities	<u>60,674</u>	<u>6,246,754</u>	<u>-</u>	<u>6,385,504</u>	<u>12,692,932</u>
Net Assets					
Invested in Capital assets, net of related debt	58,957	2,305,588	-	4,512,573	6,877,118
Unrestricted	62,334	180,157	3,175	(146,497)	99,169
Total Net Assets	<u>\$ 121,291</u>	<u>\$ 2,485,745</u>	<u>\$ 3,175</u>	<u>\$ 4,366,076</u>	<u>\$ 6,976,287</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2010

	Enterprise Funds				Total
	Harbor Management Fund	Water Fund	On-site Wastewater Fund	Sewer Fund	
Operating revenues					
Assessments and user fees	\$ 246,614	\$ 781,465	\$ 35,560	\$ 515,973	\$ 1,579,612
Other revenues	-	165,466	-	465,706	631,172
Total operating revenues	<u>246,614</u>	<u>946,931</u>	<u>35,560</u>	<u>981,679</u>	<u>2,210,784</u>
Operating expenses					
Salaries and benefits	85,867	361,427	35,227	364,624	847,145
Materials and supplies	346,885	237,563	14,096	184,356	782,900
Depreciation and amortization	9,826	203,659	-	457,664	671,149
Total operating expenses	<u>442,578</u>	<u>802,649</u>	<u>49,323</u>	<u>1,006,644</u>	<u>2,301,194</u>
Operating income (loss)	<u>(195,964)</u>	<u>144,282</u>	<u>(13,763)</u>	<u>(24,965)</u>	<u>(90,410)</u>
Non-operating revenues (expenses)					
Interest income	-	3,445	-	18	3,463
Interest expense	-	(217,977)	-	(95,108)	(313,085)
Transfer-in from golf course	-	-	-	8,000	8,000
Total non-operating (expenses)	<u>-</u>	<u>(214,532)</u>	<u>-</u>	<u>(87,090)</u>	<u>(301,622)</u>
Change in Net Assets	<u>(195,964)</u>	<u>(70,250)</u>	<u>(13,763)</u>	<u>(112,055)</u>	<u>(392,032)</u>
Total Net Assets - beginning	<u>317,255</u>	<u>2,555,995</u>	<u>16,938</u>	<u>4,478,131</u>	<u>7,368,319</u>
Total Net Assets - ending	<u>\$ 121,291</u>	<u>\$ 2,485,745</u>	<u>\$ 3,175</u>	<u>\$ 4,366,076</u>	<u>\$ 6,976,287</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Cash Flows-Proprietary Funds
For the Fiscal Year Ended June 30, 2010

	Enterprise Funds				Total
	Harbor Management Fund	Water Fund	On-site Wastewater Fund	Sewer Fund	
Cash flows from operating activities					
Cash received from customers	\$ 246,614	\$ 926,210	\$ 35,560	\$ 951,562	\$ 2,159,946
Cash payments to suppliers for goods and services	(509,566)	(517,952)	(14,096)	(186,504)	(1,228,118)
Cash payments to employees for services	(90,599)	(362,500)	(35,227)	(355,931)	(844,257)
Net cash provided by (used for) operating activities	<u>(353,551)</u>	<u>45,758</u>	<u>(13,763)</u>	<u>409,127</u>	<u>87,571</u>
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	-	(75,205)	-	(6,718)	(81,923)
Proceeds from issuance of debt	-	-	-	10,205	10,205
Principal paid on bonds, notes and loans	-	(267,000)	-	(363,825)	(630,825)
Interest paid on bonds, notes and loans	-	(220,606)	-	(97,002)	(317,608)
Net cash provided (used for) capital and related financing activities	<u>-</u>	<u>(562,811)</u>	<u>-</u>	<u>(457,340)</u>	<u>(1,020,151)</u>
Cash flows from non-capital financing activities					
Interfund transfers	19,324	(436,451)	13,763	(362,773)	(766,137)
Net cash provided by (used for) non-capital financing activities	<u>19,324</u>	<u>(436,451)</u>	<u>13,763</u>	<u>(362,773)</u>	<u>(766,137)</u>
Cash flows from investing activities					
Interest on investments	-	3,445	-	18	3,463
Net cash provided by (used for) investing activities	<u>-</u>	<u>3,445</u>	<u>-</u>	<u>18</u>	<u>3,463</u>
Net increase (decrease) in cash and cash equivalents	(334,227)	(950,059)	-	(410,968)	(1,695,254)
Cash and cash equivalents at beginning of year	457,235	1,162,853	-	701,180	2,321,268
Cash, (cash overdrafts recorded as payables) and cash equivalents at end of year	<u>\$ 123,008</u>	<u>\$ 212,794</u>	<u>\$ -</u>	<u>\$ 290,212</u>	<u>\$ 626,014</u>
Reconciliation of operating income to net cash provided by operating activities					
Operating income (Loss)	\$ (195,964)	\$ 144,282	\$ (13,763)	\$ (24,965)	\$ (90,410)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	9,826	203,659	-	457,664	671,149
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	-	(20,721)	-	(30,117)	(50,838)
(Increase) decrease in inventory	-	(4,608)	-	1,768	(2,840)
Increase (decrease) in accounts payable	(167,299)	(277,797)	-	(3,916)	(449,012)
Increase (decrease) in accrued expenses	(114)	943	-	8,693	9,522
Total adjustments	<u>(157,587)</u>	<u>(98,524)</u>	<u>-</u>	<u>434,092</u>	<u>177,981</u>
Net cash provided by operating activities	<u>\$ (353,551)</u>	<u>\$ 45,758</u>	<u>\$ (13,763)</u>	<u>\$ 409,127</u>	<u>\$ 87,571</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2010

	<u>Employee Retirement Plan</u>	<u>Private-purpose Trusts</u>	<u>Agency Funds</u>
ASSETS			
Cash	\$ 443,597	\$ 151,770	\$ 16,362
Receivables:			
Accrued interest and dividends	<u>41,837</u>	<u>-</u>	<u>-</u>
Total receivables	<u>41,837</u>	<u>-</u>	<u>-</u>
Investments, at fair value:			
U.S. Government obligations	678,739	-	-
Domestic corporate bonds	2,827,701	-	-
Mutual funds	1,391,945	-	535,028
Equities	<u>2,534,557</u>	<u>-</u>	<u>85,269</u>
Total investments	<u>7,432,942</u>	<u>-</u>	<u>620,297</u>
Total Assets	<u>7,918,376</u>	<u>151,770</u>	<u>636,659</u>
LIABILITIES			
Deposits held in custody for others	-	-	636,659
Due to brokers	<u>49,954</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>49,954</u>	<u>-</u>	<u>\$ 636,659</u>
NET ASSETS			
Held in trust for pension benefits and other purposes	<u>\$ 7,868,422</u>	<u>\$ 151,770</u>	

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2010

	<u>Employee Retirement Plan</u>	<u>Private-purpose Trusts</u>
Additions		
Contributions		
Employer	\$ 183,732	\$ -
Plan members	73,778	-
Other revenue	-	2,000
Total contributions	<u>257,510</u>	<u>2,000</u>
Investment earnings		
Net increase/(decrease) in fair value of investments	530,825	-
Interest and dividends	251,133	1,414
Total investment earnings	<u>781,958</u>	<u>1,414</u>
Total additions	<u>1,039,468</u>	<u>3,414</u>
Deductions		
Benefits paid	293,344	-
Scholarships	-	4,000
Plan cost	41,262	-
Total deductions	<u>334,606</u>	<u>4,000</u>
Change in net assets	704,862	(586)
Net assets beginning of year July 1, 2009	7,163,560	152,356
Net assets end of year June 30, 2010	<u>\$ 7,868,422</u>	<u>\$ 151,770</u>

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

Notes to Financial Statements

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Jamestown, 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 more significant of the government's accounting policies are described below.

THE FINANCIAL REPORTING ENTITY

The Town of Jamestown is a municipal corporation governed by a Town Council/Town Administrator form of government with an elected five-member Town Council.

The Town of Jamestown was founded in 1639, incorporated as a Town in 1678; it was first chartered on November 5, 1974 and amended in the years 1992, 2002 and 2009. The Town is governed largely under the State Legislative Group. In some matters, including the issuance of short and long-term debt, the general laws of the State of Rhode Island govern the Town. The Town provides the following services as authorized by the State Legislative Laws: public safety (police, fire, traffic safety, inspections, zoning and building), public works (highways and streets, harbors, engineering and building maintenance), recreation, education, social services, and general administrative services.

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 Jamestown and all of its component units. Component units are legally separate entities that meet anyone 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,

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 were not included.

The following entities were considered for classification as component units for the fiscal year ended 2010:

- * Jamestown School Department
- * Jamestown Fire Department
- * Jamestown Housing Authority

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Although the School Department meets certain criteria of the tests listed above, the School Department is not deemed to have separate legal status apart from the Town. As a result, the financial data of the School Department has been included as special revenue funds within the Town's financial statements.

The Town of Jamestown's financial statements do not include the Jamestown Fire Department or the Jamestown Housing Authority.

A description of these entities and the reasons for their exclusion from the reporting entity are summarized below:

The Jamestown Fire Department is located in a Town-owned building. The Department was organized to provide fire protection for the citizens of Jamestown. Although this relationship suggests that the Department might be part of the reporting entity, the following factors suggest that the Department should not be included in the reporting entity:

- The Department is responsible for its fiscal affairs including the funding of deficits and the disposition of surpluses.
- The Department's management is responsible for the day-to-day operations of the department.
- The management of the Department is accountable to a governing board, which is not accountable to Town administration.

The Housing Authority services only citizens of the Town of Jamestown with low income housing throughout Jamestown. Although this relationship might suggest that the Housing Authority should be part of the reporting entity, the following factors suggest that the authority should not be included in the reporting entity:

- The Housing Authority is exclusively responsible for its fiscal affairs including the funding of deficits and the disposition of surpluses.
- The Housing Authority's management is responsible for employment of personnel and for the day-to-day operations of the Authority.
- The management of the Housing Authority is accountable to the Housing Authority's governing board, which is not accountable to the Town administration or Town Council.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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:

These are the funds through which most governmental functions are typically financed. The funds included in this category are as follows:

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.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds - are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust funds).

PROPRIETARY FUND TYPES:

These funds account for operations that are organized to be self-supporting through user charges. The funds included in this category are 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.

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. *Fiduciary Fund types are not part of the reporting entity in the Government-wide financial statements.* These funds are as follows:

Pension Trust Fund - is established to provide pension benefits to Police employees. The principal revenue source for this fund is employer and employee contributions and investment income.

Private Purpose Trust Funds and 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.

BASIS OF ACCOUNTING

Measurement Focus – Government Wide Financial Statements

In the government wide financial statements the Statement of Net Assets and Statement of Activities (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.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and Expendable Trust Funds are 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.

All Proprietary Fund Types, Private Purpose Trust Funds and Pension Trust Funds 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.

All governmental fund types and agency funds 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.

BASIS OF ACCOUNTING

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, monies 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.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING (continued)

For the other type, revenues are virtually unrestricted as to purpose of expenditure and nearly irrevocable or 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.

In accordance with Governmental Accounting Standards Board (GASB) Statement #20, the Town of Jamestown has elected to apply to all Proprietary Fund Types all applicable GASB Pronouncements, as well as the following pronouncements issued on or before November 30, 1989: FASB Statements and Interpretations, APB opinions and ARB's unless these pronouncements conflict with or contradict GASB pronouncements.

Budgetary Data and Budgetary Compliance - In accordance with the Town's Charter, the Town has formally established budgetary accounting control for its General Fund, School Unrestricted Fund, which is a Special Revenue Fund, School Capital Improvement Fund, which is a Capital Projects Fund. All of the above are subject to annual operating budgets recommended by the Town Council and adopted at the annual financial town meeting. The School Unrestricted Fund is subject to an annual operating budget recommended by the School Committee, approved by the Town Council and adopted at the annual financial town meeting.

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, School Unrestricted Fund, School Capital Improvement Fund budgets are in conformity with the legally enacted budgetary basis, which is not in conformity with generally accepted accounting principles. The budget to actual presentations in the financial statements for these funds is reflected on both the GAAP and budgetary basis. The difference between the budgetary basis and the generally accepted accounting principles basis is explained further in the Notes to Required Supplementary Information on page 67.

Appropriations, which are not expended or encumbered, lapse at year-end. The Town had no additional appropriations during the year.

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 include only this fund.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Proprietary Fund Types consider all highly liquid investments with a maturity of three months or less when purchased to be a cash equivalent.

Investments – Are Government Securities, Commercial Paper and various types of corporate stocks and bonds held in the Governmental or Fiduciary Fund Types, which are recorded at fair value. Fair value is determined by independent reporting agencies for all investments.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables - Accounts receivable are recorded in the General, Special Revenue and Enterprise Funds. Estimated unbilled and un-advanced billed revenue from the Water and Sewer funds are recognized (or deferred) at the end of the year. The town uses the direct write off method to account for bad debt.

Property taxes, which were levied on the first Monday of June of the current year and other delinquent balances, are recorded as receivables offset by deferred revenue accounts on the balance sheets.

Inventories -Inventories are maintained on a perpetual system and are stated at cost (first in, first out method of inventory valuation) in the Enterprise Funds. Inventories are recorded as expenditures when consumed. All other funds consider the purchase of supplies and materials to be an expense when incurred.

Other Assets - Other assets held are recorded and accounted for at cost.

Pensions - The provision for pension cost is recorded on an accrual basis, and the Town's policy is to fund pension costs as they accrue.

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 \$5,000 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 costs of infrastructure assets (retroactive to January 1, 1979) are 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 not capitalized.

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 JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 are expensed as incurred.

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

Underground Piping	65 Years
Buildings & Infrastructure	25-65 Years
Other Improvements	15-30 Years
Land Improvements	10-65 Years
Machinery and Equipment	6-30 Years
Vehicles	5 Years

Fund Equity - The unreserved fund balances for Governmental Fund Types represent the amount available for budgeting future operations. The reserved fund balances for Governmental Fund Types represent the amount that has been legally identified for specific purposes. Unreserved retained earnings for Proprietary Fund types represent the net assets available for future operations or distribution.

Revenues, Expenditures and Expenses - Revenues for Governmental Fund Types 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 Fund Types are recorded when the related liability is incurred. The Town will make use of any available restricted resources first versus unrestricted when determining expendable funds, when both are available. Revenues and expenses of Proprietary Fund Types are recognized using the full accrual basis of accounting. Revenue is recognized as earned and expenses as incurred. Operating revenues are defined as those revenues generated from fees and assessments all others are deemed non-operating.

Property Taxes - The Town is permitted by State law to levy property taxes. Current tax collections for the Town were approximately 98 % of the total 2009-2010 levy. The Town Council establishes the tax rate for the Town and it is then voted on at the annual Financial Town Meeting.

The Town's 2010 property taxes were levied on the first Monday of June 2009 on assessed valuations as of December 31, 2008. Upon levy, taxes are billed quarterly and are due in September, December, March and June. Failure to make payments by due dates will result interest being charged on the unpaid balance. Failure to pay taxes owed will result in the sale of the property for taxes, interest and legal fees.

Vacation, Sick Leave, and Other Compensated Absences - Under the terms of various contracts and agreements, Town and School employees are granted vacation and sick leave in varying amounts based on length of service. Accumulated vacation and vested sick leave is to be paid with available expendable financial resources from the Governmental Fund Types and are recorded as a liability in the appropriate fund. For Proprietary Fund Types accrued vacation and sick leave is recorded as a liability within those funds.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inter-fund Transactions - Quasi-external transactions are accounted for as fund revenues, expenditures or expenses (as appropriate). Transactions which constitute reimbursements to a fund for expenditures or expenses initially made from it, which are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

All interfund transactions except advances, quasi-external transactions and reimbursements are accounted for as transfers. Nonrecurring or non-routine transfers of equity between funds are considered equity transfers. All other interfund transactions are treated as operating transfers. The Towns policy is to eliminate inter-fund liabilities when assets become available or through approved equity transfers. In the Government-Wide financial statements these inter-fund balances are eliminated so not to "gross up" the assets and liabilities of the primary government.

Deferred Revenues - Represent funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years. Deferred revenue includes property tax revenues due at fiscal year-end, which has not been collected within sixty days following the end of the Town's fiscal year.

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

NOTE 2- STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Legal Debt Limit - The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$64,896,661. As of June 30, 2010, the Town's debt was under the debt limit by \$54,246,161. The long-term debt reported in the Water and Sewer Funds are exempt from the three percent limitation.

Deposits With Financial Institutions - Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturity's greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposit, regardless of maturity. There were no violations of the requirements noted in the year. At June 30, 2010 the Town's uncollateralized deposits with an institution are \$1,817,224.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 3 – 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 shall be made through national banks or trust companies, providing that the financial conditions and integrity of said institution or institutions are verifiable and can be monitored. The investment of funds shall be in direct obligations of the United States Government and "money market instruments" rated "A" or better. Investments in any one institution shall not exceed five (5) percent of that institutions capital and surplus as set forth in the institutions most recent audited financial statements. All investments will be 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.

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, 2010, \$1,817,224 of the Town's bank balance of \$16,718,684 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 JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 3 – CASH AND INVESTMENTS (continued)

Cash and investments of the Town consist of the following at June 30, 2010

Cash and Cash Equivalents

Deposits with financial institutions	\$ 9,444,644
--------------------------------------	--------------

Investments

Mutual Funds	1,926,973
--------------	-----------

Equities	2,619,826
----------	-----------

U.S. Government Bonds	678,739
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Domestic Corporate Bonds & Fixed Income	2,827,701
---	-----------

Total Pension Investments	<u>8,053,239</u>
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<i>Total Cash and Investments</i>	<u>\$ 17,497,883</u>
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Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Assets

Cash and cash equivalents	\$ 8,832,915
---------------------------	--------------

Fiduciary Funds

Cash	611,729
------	---------

Investments	<u>8,053,239</u>
-------------	------------------

	<u>8,664,968</u>
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<i>Total Cash and Investments</i>	<u>\$ 17,497,883</u>
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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	Investment Maturities (in Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
U.S Government Securities	\$ 678,739	135,617	\$ 254,801	\$ 288,321	\$ -
Corporate Bonds	2,827,701	176,882	1,434,340	1,166,749	49,730
Total	\$ 3,506,440	\$ 312,499	\$ 1,689,141	\$ 1,455,070	\$ 49,730

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 3 – CASH AND INVESTMENTS (continued)

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Average Rating	Corporate Bonds
Aaa	\$ 58,386
Aa1	174,073
Aa2	267,740
Aa3	288,496
A1	664,082
A2	568,558
A3	390,144
Ba1	54,323
Baa1	238,100
Baa2	47,353
Baa3	76,446
	\$ 2,827,701

NOTE 4 – PROPERTY TAXES

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling State legislation. Under the “current financial resources” measurement focus (fund accounting) property tax revenue is recognized in accordance with Section P70, “Property Taxes” of the *Codification of Government Accounting and Reporting Standards*, 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. In the government-wide financial statements revenue is recognized when earned (billed). The Town uses the direct write off method for un-collectable property taxes and follows state law when to write off the balance.

NOTE 5 – INTERFUND RECEIVABLES

The Town, in the ordinary course of business will transfer monies to various funds in order to meet current expenditures. The amounts are recorded as inter-fund balances. These amounts are expected to be repaid only when the receiving fund has sufficient available funds. These balances are eliminated on the government wide financial statements.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 5 - INTERFUND RECEIVABLES (continued)

Interfund receivable and payable balances at June 30, 2010 are as follows:

	Due From Other Funds	Due To Other Funds
General Fund:		
Total General Fund	\$ 1,917,234	\$ 5,080,723
Special Revenue Funds:		
School Unrestricted Fund	3,140,990	415,217
School Restricted Funds	224,461	80,737
Library Gifts and Book Sales	13,590	-
Recreation	7,294	-
Land Regulation Subdivision Dedication	239,561	-
Friends of Jamestown CC	518	-
West Ferry Sewer Assessment	2,353	-
Golf Course Fund	240,997	-
Northend Fire Protection Fund	1,387	-
Community Development Block Grant Fund	47,216	-
Drug Forfeiture Fund	346	-
Drug Forfeiture Fund 2005	114	-
Substance Abuse Fund	46,383	-
Preservation & Tech Upgrade	75,079	-
Affordable Housing	5,076	-
Tree Grant	1,646	-
Wind Study	1,046	-
Renewable Energy Fund	-	5,871
School Route Grant	-	27,899
Streetscapes Improvements	-	9,627
Streetscapes	-	61,350
Historic Preservation	-	6,600
Bryne Grant	-	4,301
4 Grinnell Street	16,140	-
Marsh Restoration	14,755	-
Food Service	17,004	-
Other Special Revenue Funds	46,074	-
Total Special Revenue Funds	4,142,030	611,602
Capital Project Funds:		
Town Capital Project Funds	1,163,840	1,101,586
School Capital Improvement	254,489	-
Total Capital Project Funds	1,418,329	1,101,586
Enterprise Funds:		
Harbor Management Fund	-	42,537
Water Fund	-	67,588
On-site Wastewater Fund	3,175	-
Sewer Fund	-	576,732
Total Enterprise Funds	3,175	686,857
TOTALS	\$ 7,480,768	\$ 7,480,768

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 6. INFORMATION ABOUT CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2010 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 3,318,316	\$ -	\$ -	\$ 3,318,316
Development Rights	3,500,000	-	-	3,500,000
Construction in Progress	1,780,688	-	1,780,688	-
Total capital assets not being depreciated	8,599,004	-	1,780,688	6,818,316
Other capital assets:				
Buildings and improvements	12,725,676	2,576,048	-	15,301,724
Infrastructure	9,167,306	521,111	-	9,688,417
Machinery, equipment and furniture	4,605,579	140,529	-	4,746,108
Total other capital assets at historical cost	26,498,561	3,237,688	-	29,736,249
Less accumulated depreciation for:				
Buildings and improvements	6,468,793	486,773	-	6,955,566
Infrastructure	4,872,063	345,195	-	5,217,258
Machinery, equipment and furniture	2,854,569	375,422	-	3,229,991
Total accumulated depreciation	14,195,425	1,207,390	-	15,402,815
Governmental activities capital assets, net	\$ 20,902,140	\$ 2,030,298	\$ 1,780,688	\$ 21,151,750

Depreciation expense was charged to functions as follows:

Governmental activities:	
Public safety	\$ 208,375
Public works	416,063
Parks and recreation	17,105
Public education	237,958
Other	327,889
Total governmental activities depreciation expense	\$ 1,207,390

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 6. INFORMATION ABOUT CAPITAL ASSETS (continued)

Capital asset activity for the fiscal year ended June 30, 2010 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 55,200	\$ -	\$ -	\$ 55,200
Construction in progress	14,578,326	-	14,578,326	-
Total capital assets not being depreciated	14,633,526	-	14,578,326	55,200
Other capital assets:				
Plant facilities	7,847,971	14,615,709	-	22,463,680
Mains, wells, pumps and hydrants	2,017,813	-	-	2,017,813
Equipment and machinery	293,077	44,540	-	337,617
Total other capital assets at historical cost	10,158,861	14,660,249	-	24,819,110
Less accumulated depreciation for:				
Plant facilities	3,824,429	583,468	-	4,407,897
Mains, wells, pumps and hydrants	1,588,268	56,380	-	1,644,648
Equipment and machinery	193,341	25,852	-	219,193
Total accumulated depreciation	5,606,038	665,700	-	6,271,738
Business-type activities capital assets, net	\$ 19,186,349	\$ 13,994,549	\$ 14,578,326	\$ 18,602,572

Depreciation expense was charged to functions as follows:

Business-type activities:	
Water Fund	\$ 199,835
Harbor Fund	9,826
Sewer Fund	456,039
Total business-type activities depreciation expense	\$ 665,700

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 7: DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSETS.

"Total fund balances" of the town's governmental funds (\$7,464,413) differs from "net assets" of governmental activities (\$17,281,691) 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

	Total Governmental Funds	Long-term Assets/ Liabilities (1)	Reclassifications and Eliminations	Statement Net Assets Totals
Assets				
Cash and cash equivalents	\$ 8,206,901	\$ -	\$ -	\$ 8,206,901
Accounts receivable:				
Accounts receivable net	368,996	-	-	368,996
Due from other governments	89,181	-	-	89,181
Other receivables	102,809	-	-	102,809
Internal balances	7,477,593	-	(6,793,911)	683,682
Other Assets - net	13,720	1,209,790	-	1,223,510
Capital assets - net	-	21,151,750	-	21,151,750
Total assets	16,259,200	22,361,540	(6,793,911)	31,826,829
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	526,093	-	-	526,093
Accrued expenses	1,147,924	128,480	-	1,276,404
Internal balances	6,793,911	-	(6,793,911)	-
Deferred revenue	326,859	(102,398)	-	224,461
Long-term liabilities				
Due within one year	-	760,000	-	760,000
Due in more than one year	-	11,758,180	-	11,758,180
Total liabilities	8,794,787	12,544,262	(6,793,911)	14,545,138
Fund Balances/Net Assets				
Total fund balances/net assets	7,464,413	9,817,278	-	17,281,691
Total liabilities and fund balances/net assets	\$ 16,259,200	\$ 22,361,540	\$ (6,793,911)	\$ 31,826,829

(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	\$ 36,554,565
Accumulated depreciation	(15,402,815)
	\$ 21,151,750

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.

Accrued interest	\$ (46,743)
Adjustment of deferred revenue	102,398
	\$ 55,655

Long-term liabilities applicable to the town's 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 & notes payable	\$ 10,650,500
Bond premium	81,737
Bond issuance cost	(57,340)
Accrued compensated absences	783,066
Net OPEB obligation	1,084,614
Net Pension Benefit	(1,152,450)
	\$ 11,390,127

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 8: DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES.

The "net change in the fund balances" for governmental funds (\$807,585) differs from the "change in net assets" for governmental activities (\$299,861) 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 is illustrated below.

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

	Total Governmental Funds	Long-term Revenues/ Expenses (1)	Capital- related Items (2)	Long-term Debt Transactions (3)	Statement of Activities Totals
Revenues					
General property tax	\$ 17,318,387	\$ (29,911)	\$ -	\$ -	\$ 17,288,476
Intergovernmental and departmental revenues	2,875,173	-	-	-	2,875,173
License and permits	804,595	-	-	-	804,595
Fines and penalties	143,136	-	-	-	143,136
Interest on investments	80,009	-	-	-	80,009
Other revenues	599,973	-	-	4,410	604,383
Total revenues	21,821,273	(29,911)	-	4,410	21,795,772
Expenditures					
Current:					
Legislative, judicial and general administrative	1,938,020	-	-	587,339	2,525,359
Financial administration and tax assessor	275,782	-	-	-	275,782
Public safety	2,160,153	-	208,375	-	2,368,528
Public works	1,556,960	-	416,063	-	1,973,023
Public welfare	3,964	-	-	-	3,964
Public health	240,853	-	-	-	240,853
Tree warden	33,713	-	-	-	33,713
Library	350,689	-	-	-	350,689
Parks & recreation	478,956	-	17,105	-	496,061
Other	844,137	-	239,479	-	1,083,616
Education	12,074,121	-	237,958	-	12,312,079
Capital outlay	1,368,590	-	(1,368,590)	-	-
Debt service:					
Principal	865,500	-	-	(865,500)	-
Interest	461,580	(5,454)	-	-	456,126
Total expenditures	22,653,018	(5,454)	(249,610)	(278,161)	22,119,793
Other financing uses/changes in net assets					
Transfers in/(out)	(8,000)	-	-	-	(8,000)
Prior period adjustment	32,160	-	-	-	32,160
Net change for the year	\$ (807,585)	\$ (24,457)	\$ 249,610	\$ 282,571	\$ (299,861)

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 8: DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES. *(continued)*

(1) Because some property taxes will not be collected for several months after the town's fiscal year ends, they are not considered as "available" revenues in the governmental funds. Also, non-monetary transaction such as Town acquisition of tax sale properties are not recorded on the fund statements but are recorded in the statement of activities.

Property taxes	\$ (29,911)
	\$ (29,911)

Interest expense in the statement of activities differs from the amount reported in the governmental funds because interest payments are recognized as an expenditure when paid in the governmental funds while in the statement of activities they are recognized when accrued.

Accrued interest	5,454
	\$ 5,454

(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	\$ 1,457,000
Depreciation expense	(1,207,390)
Difference	\$ 249,610

(3) Repayment 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. Cost associated with the refinancing of debt are expensed in the fund financials but are long-term assets and liabilities in the statement of activities

Amortization bond premium	\$ 4,410
Amortization bond cost	(4,684)
Principal payments made	865,500
	\$ 865,226

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.

Net decrease in compensated absences	\$ 5,557
Increase in the OPEB obligation	\$ (560,106)
Net increase in the net pension obligation	(28,106)
Change	\$ (582,655)

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 9 INFORMATION ABOUT LONG-TERM LIABILITIES

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, 2010 was as follows:

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010	Amounts Due within One Year
Governmental Activities					
Bonds & Notes Payable	\$ 11,516,000	\$ -	\$ 865,500	\$ 10,650,500	\$ 760,000
Total bonds payable	<u>11,516,000</u>	<u>-</u>	<u>865,500</u>	<u>10,650,500</u>	<u>760,000</u>
Other liabilities:					
Accrued compensated absences	788,623	-	5,557	783,066	-
Net OPEB Obligation	524,508	560,106	-	1,084,614	-
Net Pension Benefit	(1,180,556)	28,106	-	(1,152,450)	-
Total other liabilities	<u>132,575</u>	<u>588,212</u>	<u>5,557</u>	<u>715,230</u>	<u>-</u>
Governmental Activities long-term liabilities	<u>\$ 11,648,575</u>	<u>\$ 588,212</u>	<u>\$ 871,057</u>	<u>\$ 11,365,730</u>	<u>\$ 760,000</u>
Business-Type Activities					
Water Department bonds payable	\$ 320,000	\$ -	\$ 40,000	\$ 280,000	\$ 40,000
Sewer Department bonds payable	59,500	-	4,500	55,000	5,000
Total bonds payable	<u>379,500</u>	<u>-</u>	<u>44,500</u>	<u>335,000</u>	<u>45,000</u>
Water Department notes payable	5,980,000	-	227,000	5,753,000	235,000
Sewer Department notes payable	5,996,779	-	359,325	5,637,454	365,925
Total notes payable	<u>11,976,779</u>	<u>-</u>	<u>586,325</u>	<u>11,390,454</u>	<u>600,925</u>
Total enterprise funds	<u>\$ 12,356,279</u>	<u>\$ -</u>	<u>\$ 630,825</u>	<u>\$ 11,725,454</u>	<u>\$ 645,925</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds and notes payable	2.75% - 5.00%	\$ 10,650,500	2011-2033
Enterprise Funds bonds and notes payable	1.022% - 5.00%	11,725,454	2011-2027
Total All Funds		<u>\$ 22,375,954</u>	

The Town is not obligated in any way for special assessment debt. Neither is there any outstanding special assessment debt.

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 9. INFORMATION ABOUT LONG-TERM LIABILITIES (continued)

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

Fiscal Year Ended June 30	Principal	Interest	Total
2011	\$ 650,000	\$ 429,694	\$ 1,079,694
2012	665,000	405,294	1,070,294
2013	660,000	384,008	1,044,008
2014	675,000	358,884	1,033,884
2015	625,000	334,158	959,158
2016	635,000	309,914	944,914
2017	645,000	279,214	924,214
2018	655,000	247,967	902,967
2019	665,000	216,013	881,013
2020	665,000	189,723	854,723
Thereafter	4,110,500	882,448	4,992,948
TOTALS	\$ 10,650,500	\$ 4,037,317	\$ 14,687,817

The debt service through maturity for the Enterprise bonds and notes are as follows:

Fiscal Year Ended June 30	Principal	Interest	Total
2011	645,925	303,021	948,946
2012	665,693	287,390	953,083
2013	680,633	271,163	951,796
2014	700,749	254,313	955,062
2015	718,047	236,782	954,829
2016	733,531	218,728	952,259
2017	702,205	201,105	903,310
2018	719,074	183,888	902,962
2019	738,143	166,083	904,226
2020	757,418	147,666	905,084
Thereafter	4,664,036	524,163	5,188,199
TOTALS	\$ 11,725,454	\$ 2,794,302	\$ 14,519,756

Note: The schedule above shows the anticipate debt service schedules for undrawn funds as well.

Accrued Compensated Absences - Town employees receive vested rights to paid vacation, sick time and compensatory time at the end of their first year of full-time employment with no pro rata payment if employment is terminated before the completion of a full year of service. An expenditure/expense is recognized each month as benefits are used, consistent with the standards established by GASB 16.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

The Town of Jamestown participates in the Municipal Employees' Retirement System of the State of Rhode Island ("System"), an agent multiple employer defined benefit plan. The System includes a normal plan for general employees and both a normal and optional plan for police personnel. All full-time Town and non-certified School Department general employees participate in the System. The Municipal Employee's Retirement System of the State of Rhode Island issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State of Rhode Island Employee Retirement Board, 40 Fountain Street, Providence, RI 02903.

Plan Description

The plan generally provides retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to 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 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). 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.

Funding Policy

The funding policies, as set forth in Rhode Island General Law, Section 36-10-2 and 4521-42 provide for actuarially determined periodic contributions to the plans. The actuarial valuation uses the Entry Age Normal actuarial cost method. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) a rate that will amortize the unfunded actuarial liability. The valuation is prepared on the projected benefit basis, under which the present value, at the assumed rate of return (currently 8.25 percent), of each participant's expected benefit payable at retirement or death is determined, based on age, service, gender and compensation.

The employer contributions required to support the benefits of the Plan are determined following a level funding approach, and consist of a normal contribution and an accrued liability contribution. The normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his anticipated covered service, would be required in addition to the contributions of the participant to meet the cost of all benefits payable on his behalf. The unfunded accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over a closed period not to exceed 30 years from June 30, 1999.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

A. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (CONTINUED)

MERS General Employee Unit members are required to contribute 7% of their annual covered salary. The Town is required to contribute at an actuarially determined rate; the current rate is 11.99% of annual covered payroll for General Employee Units. The contribution requirements of plan members and the Town are established and may be amended by State Statute. The schedule of funding progress shows that plan assets are increasing in relation to the actuarial accrued liability for benefits.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2006	6,272,336	8,883,243	2,610,907	71%	2,776,018	94%
2007	7,252,617	9,938,439	2,685,822	73%	2,908,901	92%
2008	8,201,795	10,434,577	2,232,782	79%	3,261,883	68%
2009	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
2010	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*

* Unavailable at time of report

Actuarial Methods and Assumptions

The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation date	June 30, 2007
Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level Percent of Payroll – Closed 30-yr period
Remaining amortization period	19 Years
Asset valuation method	5 Year Smoothed Market
Actuarial assumptions:	
Investment rate of return	8.25%, Compounded Annually
Projected salary increases	4.50-8.50%, Compounded Annually
Cost-of-living adjustments	3.00% Non-Compounded
Inflation	3.00% Annually

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

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

Annual Pension Cost - For 2010, the Town contributed \$627,266 for MERS. The required contribution was determined as part of the June 30, 2007 actuarial valuation using the entry age normal cost method with frozen initial liability. The actuarial value of MERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 30-year period.

Required Contributions:

<u>Fiscal Years Ending</u>	<u>Annual Required Pension Cost</u>	<u>Percentage Contributed</u>
June 30, 2008	552,259	100%
June 30, 2009	596,706	100%
June 30, 2010	627,266	100%

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

All Town of Smithfield, Rhode Island 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.

Plan Description

State Statute establishes the following eligibility and benefit provisions. All certified school personnel are eligible to participate in the System if they are certified by the Board of Regents, engaged in teaching as principal occupation, and are regularly employed on at least a half time basis. The plan provides a two-tier benefit structure referred to as Schedules A and B.

Schedule A Benefits

Schedule A benefits are available to members who possessed 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% for the 35th 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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

Plan Description (continued)

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. A different benefit formula applies to State correctional officers who may retire at age 50 if they have 20 years of service. 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% (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.

Schedule B Benefits

Schedule B benefits are provided to members who had 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; 2.50% per year for years 31 through 37 inclusive and 2.25% for the 38th 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% (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.

Funding Policy

Rhode Island general laws set the contribution rates for participating State employees at 9.5% of salary. Annual contributions by both employers and the State on behalf of those employees are determined by actuaries and assessed as percentage of participants' payroll. The Town was required to contribute 11.25%, 11.89%, and 13.04%, for all full-time employees for fiscal years 2010, 2009, and 2008, respectively. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of June 30, 1999 over 30 years; and (c) interest on the unfunded frozen actuarial liability. Normal cost is determined using the entry age normal cost method with frozen initial liability. Both employers and employees contribute 1% of the first \$9,600 of salary for survivor benefits. A variety of significant actuarial assumptions are used and these assumptions are summarized below:

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

- A. **Mortality** – 1994 Group Annuity Mortality Tables.
- B. **Investment return** – 8.25 percent, compounded annually.
- C. **Salary increase** - Salaries will increase at a rate of 4.5-13.25 percent, compounded annually.
- D. **Retirement age** - Teachers are assumed to retire at the later of age 60 with 10 years of service credit or any age with at least 28 years service credit.
- E. **Cost of living adjustments** – Schedule A - 3.0 percent compounded annually for members eligible at 9/30/09, 2.5 percent compounded annually for members not eligible at 9/30/09. Schedule B – 2.5 percent compounded

As prescribed by Rhode Island general law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years plus 40% of contributions assessed to employers on payroll not reimbursable through Federal programs. This resulted in contribution rates paid by the State on behalf of the School Department of 8.18% of non-federally reimbursable payrolls totaling \$1,365,840 for the fiscal year ended June 30, 2010. These on-behalf payments of for the Town’s employees were recognized as revenues and expenditures during the period.

The School Department does not have any investments or related party investments with the State Plan.

Required contributions:

<u>Fiscal Years Ending</u>	<u>Pension Cost</u>	<u>Contributed</u>
June 30, 2008	\$ 740,420	100%
June 30, 2009	\$ 607,713	100%
June 30, 2010	\$ 614,728	100%

In accordance with GASB 27, “Accounting for Pensions by State and Local Governmental Employers,” the Town has determined that there are no assets or liabilities relating to the funding requirements of the plan.

The plans trend information showing the System’s progress in accumulating sufficient assets to pay benefits when due is presented in the State of Rhode Island’s Employee Retirement System’s June 30, 2009 annual financial report which, may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island. This report is the most recent report available from the State who administers the Plan.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

C. POLICE DEPARTMENT PENSION PLAN

Plan Description

The Town of Jamestown administers a separately maintained Police Pension Plan. The pension plan is considered to be a single-employer defined benefit pension plan. The plan's funding is based on actuarial valuations that result in annual employer/employee contributions that include an amount for the past, present, and future benefit. The last actuarial valuation, reported herein, was as of July 1, 2010. The plan's assets are reported in the Town's annual financial report as a Pension Trust Fund.

The plan provides retirement benefits as well as death and disability benefits. All members of the police department who contribute to the plan are eligible to participate after six months of service. Participants in the plan who were hired prior to March 1, 1986 are eligible to retire at the earliest of their 55th birthday or completion of a specified number of years of service, depending upon date of hire. A participant hired on or after March 1, 1986 shall be eligible to retire at a date equal to the earliest of their 55th birthday or the completion of 20 years of service.

The plan provides for both occupational and non-occupational disability. Non-occupational disability is provided for a participant who has completed at least 7 years of service and becomes totally and permanently disabled, and shall be entitled to receive a benefit equal to 50 percent of average compensation. A participant who becomes totally and permanently disabled as a result of the course of his employment shall be entitled to receive a benefit equal to 66 2/3 percent of average compensation. Average compensation is the highest three consecutive years of compensation in the last 10 years prior to termination.

If a participant shall die while employed, he shall receive a single sum benefit equal to the greater of the value of accumulated contribution, plus credited interest or \$400 multiplied by years of service up to 25 years subject to a minimum benefit of \$2,000. Employee's spouses are eligible for pre-retirement death benefits of 40 percent of average compensation until death or remarriage.

Funding Policy

Police Department Pension Plan members are required to contribute 9% of their annual salary. The Town is required to contribute at an actuarially determined rate. The Town Council has the authority to determine the Town's obligation to contribute to the plan. The funding policy is based on the availability of Town assets. Required contribution rates by plan members are negotiated through labor contracts.

Annual Pension Costs

Significant actuarial assumptions included (a) a net investment return of 7 percent compounded annually, (b) projected salary increase of 4 percent compounded annually, (c) mortality rates based on the 1983 Group Annuity Mortality Table and (d) a retirement age of 55 and the completion of 25 years of service or the participant's current age, if later.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

C. POLICE DEPARTMENT PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Six-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Benefit
6/30/2005	\$ 96,787	204%	\$ (1,030,287)
6/30/2006	\$ 119,356	232%	\$ (1,129,466)
6/30/2007	\$ 151,079	145%	\$ (1,151,583)
6/30/2008	\$ 164,091	127%	\$ (1,196,156)
6/30/2009	\$ 187,528	92%	\$ (1,180,556)
6/30/2010	\$ 285,616	90%	\$ (1,152,450)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Excess of Assets Over AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Excess of Assets Over AAL as a Percentage of Covered Payroll [(b-a)/c]
3/1/02	\$ 5,729,513	\$ 4,901,494	\$ (828,019)	116.9%	\$ 615,124	-134.6%
3/1/04	\$ 6,745,427	\$ 5,442,622	\$ (1,302,805)	123.9%	\$ 625,768	-208.2%
7/1/06	\$ 7,319,943	\$ 6,063,500	\$ (1,256,443)	120.7%	\$ 708,586	-177.3%
7/1/08	\$ 8,181,752	\$ 6,261,768	\$ (1,919,984)	130.7%	\$ 704,314	-272.6%
7/1/09	\$ 7,162,384	\$ 7,137,088	\$ (25,296)	100.4%	\$ 764,942	-3.3%
7/1/10	\$ 7,917,927	\$ 7,975,138	\$ 57,211	99.3%	\$ 607,806	9.4%

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

C. POLICE DEPARTMENT PENSION PLAN

Annual Pension Cost and Net Pension Obligation: The Town's annual pension cost and net pension obligation for the Police Plan's. The plan is currently over funded and appears in the statement of net assets as a current asset on the town records. The current year's activity was as follows:

Annual required contribution	\$ 233,257
Interest on net pension obligation	(82,639)
Adjustment to annual required contribution	<u>134,998</u>
Annual pension cost	285,616
Contributions made	<u>(257,510)</u>
Increase (decrease) in net pension obligation	28,106
Net pension benefit beginning of year	<u>(1,180,556)</u>
Net pension benefit end of year	<u><u>\$(1,152,450)</u></u>

Actuarial Assumptions

Inflation Rate: The plan assumes a rate of 3.00% - 3.50%.
Investment Returns: The plan assumes a return rate of 7.00%.
Amortization Factor: 10.108
Amortization Period: 16 Year (decreasing)
Projected Salary Increases: 4% per annum

NOTE 11- FUND EQUITY RESERVES

The following reserves and designations are recorded in the financial statements:

Reserve for Compensated Absences - to reserve funds for payment of future compensated absences \$783,066.

Reserve for 2011 Appropriations Town - to reserve funds for Fiscal-Year 2010 – 2011 budgeted expenditures \$150,000.

Reserve for 2011 Appropriations School Department - to reserve funds for Fiscal-Year 2010 – 2011 budgeted expenditures \$217,830.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 12 – 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

Police Officers

Medical: Blue Cross/Healthmate Coast to Coast

Dental: 100% cost paid by employee

School Employees

Medical: Blue Cross Blue Shield Classic Plan/Healthmate Coast to Coast

Dental: Delta Dental

Eligibility

Police Officers: After attaining 20 years of service and 55 year of age.

School Union Employees: After attaining 15 years of service and 50 years of age.

School Exempt Employees: After attaining 10 years of service and 50 years of age.

Benefit/Cost Sharing

Police Officers: The Town pays 100% of coverage for retired employees hired prior to March 1, 1996; the Town also covers 80% of coverage for retired employees hired after March 1, 1996. Retired members are covered until the earlier of age 65 or the time they become eligible for equal or better coverage through a future employer or spouses employer.

School Union Employees: The School pays 100% coverage for retired employees hired prior to August 31, 1985. When the employee becomes Medicare eligible he/she will be covered under Plan 65 (individual coverage only). Retirees also receive individual or family Delta Dental coverage and contribute 5% to their coverage.

School Exempt Employees: Employees hired between August 31, 1985 and July 1, 1997 will receive 2 years of either individual or family medical coverage until age 65.

Funding Policy

Contribution requirements are negotiated between the Town and the respective unions. The Town is required to contribute the cost of medical/drug and dental benefits, less the amount of any applicable co-payment in effect at the time of retirement. For the year-ended June 30, 2010, 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.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 12 – OTHER POST RETIREMENT BENEFITS (continued)

Annual OPEB Funded Status and net OPEB Obligation- Police Plan

The following chart projects the Actuarial Required Contribution (“ARC”), Pay-As-you-Go, Annual OPEB cost and the Net OPEB Obligation an unfunded (pay-as-you-go) scenario.

Actuarial Actuarial Valuation Date <u>January 1,</u>	Actuarial Value of Assets (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	\$ -0-	\$1,874,075	\$(1,874,075)	0.0%	\$611,409	306.5%
2009	\$ -0-	\$1,661,060	\$(1,661,060)	0.0%	\$634,944	261.6%

Annual OPEB Cost and Net OPEB Obligation: Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2010.

Annual required contribution	\$216,224
Interest on OPEB obligation	4,165
Adjustment to annual required contribution	(6,022)
Annual pension cost	214,367
Contributions made	(52,292)
Allocations for implicit rate study	(25,351)
Increase (decrease) in OPEB obligation	<u>136,724</u>
Net OPEB obligation beginning of year	<u>104,126</u>
Net OPEB obligation end of year	<u>\$240,850</u>

Annual OPEB Funded Status and net OPEB Obligation- School Plan

The following chart projects the Actuarial Required Contribution (“ARC”), Pay-As-you-Go, Annual OPEB cost and the Net OPEB Obligation an unfunded (pay-as-you-go) scenario.

Actuarial Actuarial Valuation Date <u>July 1,</u>	Actuarial Value of Assets (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2007	\$ -0-	\$13,129,596	\$(13,129,596)	0.0%	\$3,944,077	332.9%
2009	\$ -0-	\$14,153,205	\$(14,153,205)	0.0%	\$3,479,423	406.8%

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 12 – OTHER POST RETIREMENT BENEFITS (continued)

Annual OPEB Funded Status and net OPEB Obligation- School Plan

Annual OPEB Cost and Net OPEB Obligation: Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2010.

Annual required contribution	\$925,289
Interest on OPEB obligation	16,815
Adjustment to annual required contribution	<u>(24,311)</u>
Annual OPEB cost	917,793
Contributions made	(334,179)
Allocations for implicit rate study	<u>(160,232)</u>
Increase (decrease) in NOO	423,382
Net OPEB obligation beginning of year	420,382
Net OPEB obligation end of year	<u>\$843,764</u>

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.

Police Officers Plan

Valuation Date:	June 30, 2010
Discount Rate	4.00%
Healthy Mortality	RP-2000 Male/Female Combined
2009 Medical Trend Rate	9.50% graded 0.5% each year to 4.5% after 10
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

School Employees Plan

Valuation Date:	July 1, 2009
Discount Rate	4.00%
Healthy Mortality	RP-2000 Male/Female Combined
2009 Medical Trend Rate	9.50% graded 0.5% each year to 4.5% after 10
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 13 - LANDFILL POST-CLOSURE CARE COSTS

State and federal laws and regulations require that the Town of Jamestown perform certain maintenance and monitoring functions for 30 years after its landfill has been closed. The Jamestown landfill was closed during fiscal year 1983. The full liability for landfill post-closure care costs cannot be estimated at this time. Additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by additional charges in future years. For the fiscal year ended June 30, 2010 the town's landfill maintenance cost was \$36,026.

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. LITIGATION

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, other than the matter stated above they do not anticipated any of them to have a material financial impact or at this time their legal counsel has been unable to assess liability, if any, on the part of the Town.

NOTE 15 - RISK MANAGEMENT

The Town of Jamestown 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 policy is not retrospectively rated, but rather, premiums are based on the ultimate cost of the groups experience to date. The pool is allowed to make additional assessments for claims that are reasonably possible and estimable.

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. Under the participation agreement, the Town is insured for a maximum of \$2,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. It is not anticipated that the risks will exceed the trust coverage in the current year. There are no claims incurred for which the insurance pool has denied coverage. Therefore there are no incurred but not recorded liabilities at June 30, 2010.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 16 - DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS

The following individual funds had deficit fund equity balances as of June 30, 2010:

Governmental Funds

Special Revenue Funds		
Renewable Energy	\$	5,871 *
School Route Grant		27,899 *
Streetscape Improvements		9,627 *
Historic Preservation Planning		6,600 *
Bryne Jag Grant		4,301 *
Streetscape		<u>61,350 *</u>
Total	\$	<u>115,648</u>

* The deficits will be eliminated by future reimbursements from either the State or the Federal Government.

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2010, the date the financial statements were available to be issued. As a result of this review, the following subsequent event was noted:

NOTE 18 – PRIOR PERIOD ADJUSTMENT

The Town is currently recognizing financial activity that was disclosed only through balance sheet accounts in prior years. This adjustment reflects the prior year's activity balance.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2010

	GENERAL FUND			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
Property tax	\$ 17,092,824	\$ 17,092,824	\$ 17,318,387	\$ 225,563
Intergovernmental and departmental revenue	1,427,693	1,427,693	1,452,147	24,454
License and permits	879,000	879,000	804,595	(74,405)
Fines and interest on late payments	155,000	155,000	143,136	(11,864)
Interest on investments	125,000	125,000	80,009	(44,991)
Other revenues	79,728	79,728	81,171	1,443
TOTAL REVENUES	19,759,245	19,759,245	19,879,445	120,200
EXPENDITURES				
Legislative, judicial, and general administrative	1,970,880	1,970,880	1,938,020	32,860
Financial administration and tax assessor	281,170	281,170	275,782	5,388
Public safety	2,124,575	2,124,575	2,160,153	(35,578)
Public works	1,587,862	1,587,862	1,556,960	30,902
Public welfare	5,464	5,464	3,964	1,500
Public health	261,693	261,693	240,853	20,840
Tree Warden	26,300	26,300	33,713	(7,413)
Library	357,035	357,035	350,689	6,346
Parks & recreation	473,740	473,740	478,956	(5,216)
Other	53,500	53,500	35,209	18,291
Debt service				
Principal	680,891	680,891	865,500	(184,609)
Interest	336,262	336,262	461,580	(125,318)
TOTAL EXPENDITURES	8,159,372	8,159,372	8,401,379	(242,007)
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>11,599,873</u>	<u>11,599,873</u>	<u>11,478,066</u>	<u>(121,807)</u>
OTHER FINANCING SOURCES (USES)				
Use of prior year accumulated surplus	150,000	150,000	150,000	-
Special Funds Transfer	150,000	150,000	150,000	-
Transfer to School Unrestricted Fund	(11,264,373)	(11,264,373)	(11,236,173)	28,200
Transfer to Capital Improvement Fund	(635,500)	(635,500)	(635,500)	-
TOTAL OTHER FINANCING USES	(11,599,873)	(11,599,873)	(11,571,673)	28,200
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (93,607)</u>	<u>\$ (93,607)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Revenues
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2010

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
GENERAL PROPERTY TAXES				
Real estate and personal property taxes	\$ 17,092,824	17,092,824	\$ 17,318,387	\$ 225,563
TOTAL GENERAL PROPERTY TAXES	<u>17,092,824</u>	<u>17,092,824</u>	<u>17,318,387</u>	<u>225,563</u>
INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES				
Library state aid	129,047	129,047	132,126	3,079
Certificate of occupancy	1,000	1,000	800	(200)
State of Rhode Island MV excise	790,000	790,000	818,565	28,565
Ambulance - 3rd party billing	100,000	100,000	92,788	(7,212)
Meal Tax Reimbursement	103,274	103,274	76,615	(26,659)
General state aid	-	-	-	-
Tax stamps town share	150,000	150,000	158,498	8,498
RI Trust TOPS Dividend	15,500	15,500	19,139	3,639
Radon tax town share	-	-	76	76
Public housing	115,872	115,872	107,406	(8,466)
Finance	15,000	15,000	19,119	4,119
Grant revenue	-	-	14,604	14,604
Alarm revenue	8,000	8,000	12,411	4,411
TOTAL INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES	<u>1,427,693</u>	<u>1,427,693</u>	<u>1,452,147</u>	<u>24,454</u>
LICENSES AND PERMITS				
Building permits	93,000	93,000	110,956	17,956
Electric permits	25,000	25,000	12,666	(12,334)
Plumbing permits	5,000	5,000	3,890	(1,110)
Demolition permits	1,000	1,000	350	(650)
Mechanical permits	20,000	20,000	14,900	(5,100)
Certificate of Conformance	-	-	13	13
Copies and recording	120,000	120,000	94,692	(25,308)
Licenses and fees	10,000	10,000	8,795	(1,205)
Zoning fees	5,000	5,000	2,510	(2,490)
Probate fees	20,000	20,000	7,743	(12,257)
Transfer station stickers	90,000	90,000	101,463	11,463
Animal control	5,000	5,000	4,836	(164)
Parks & recreation	475,000	475,000	417,454	(57,546)
Public works	10,000	10,000	24,327	14,327
TOTAL LICENSES AND PERMITS	<u>879,000</u>	<u>879,000</u>	<u>804,595</u>	<u>(74,405)</u>
FINES AND INTEREST ON LATE PAYMENTS				
Police department fines	50,000	50,000	33,941	(16,059)
Library fines	5,000	5,000	7,078	2,078
Interest on late payments	100,000	100,000	102,117	2,117
TOTAL FINES AND INTEREST ON LATE PAYMENTS	<u>155,000</u>	<u>155,000</u>	<u>143,136</u>	<u>(11,864)</u>
INTEREST ON INVESTMENTS	<u>125,000</u>	<u>125,000</u>	<u>80,009</u>	<u>(44,991)</u>
OTHER REVENUES				
Miscellaneous revenue	79,728	79,728	81,171	1,443
TOTAL OTHER REVENUES	<u>79,728</u>	<u>79,728</u>	<u>81,171</u>	<u>1,443</u>
TOTAL REVENUES	<u>19,759,245</u>	<u>19,759,245</u>	<u>19,879,445</u>	<u>120,200</u>
OTHER FINANCING SOURCES				
Use of prior year accumulated surplus	150,000	150,000	150,000	-
Transfer-in other funds	150,000	150,000	150,000	-
TOTAL OTHER FINANCING SOURCES	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 20,059,245</u>	<u>\$ 20,059,245</u>	<u>\$ 20,179,445</u>	<u>\$ 120,200</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2010

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE				
Town Council				
Salaries	\$ 8,767	\$ 8,767	\$ 8,767	\$ -
Fees and supplies	1,500	1,500	510	990
Advertising	2,500	2,500	1,664	836
Total Town Council	<u>12,767</u>	<u>12,767</u>	<u>10,941</u>	<u>1,826</u>
Town Administration				
Salaries, Administrator, Clerical	149,260	149,260	154,848	(5,588)
Fees, supplies and dues	2,800	2,800	2,451	349
Travel expense	5,500	5,500	2,280	3,220
Total Town Administration	<u>157,560</u>	<u>157,560</u>	<u>159,579</u>	<u>(2,019)</u>
Probate Court				
Salaries and wages	4,490	4,490	4,490	-
Fees and supplies	2,100	2,100	536	1,564
Total Probate Court	<u>6,590</u>	<u>6,590</u>	<u>5,026</u>	<u>1,564</u>
Elections and Town Meetings				
Salaries, Canvassers	33,759	33,759	20,516	13,243
Fees and supplies	3,500	3,500	1,189	2,311
Advertising and printing	950	950	321	629
Total Elections and Town Meetings	<u>38,209</u>	<u>38,209</u>	<u>22,026</u>	<u>16,183</u>
Other				
Social security tax	259,435	259,435	272,030	(12,595)
Medical	700,000	700,000	675,032	24,968
Workman's compensation	74,250	74,250	59,626	14,624
Retirement system	246,530	246,530	294,139	(47,609)
Life insurance	10,000	10,000	8,505	1,495
General liability insurance	80,820	80,820	56,228	24,592
Salary study adjustment	5,000	5,000	-	5,000
Immunization	1,000	1,000	-	1,000
Total Other	<u>1,377,035</u>	<u>1,377,035</u>	<u>1,365,560</u>	<u>11,475</u>
Legal				
Professional services - legal	95,000	95,000	98,921	(3,921)
Total legal	<u>95,000</u>	<u>95,000</u>	<u>98,921</u>	<u>(3,921)</u>
Clerks and Records				
Salaries and wages	125,155	125,155	129,721	(4,566)
Fees, supplies and dues	33,000	33,000	25,241	7,759
Advertising and printing	4,000	4,000	3,171	829
Total Clerks and Records	<u>162,155</u>	<u>162,155</u>	<u>158,133</u>	<u>4,022</u>
Planning				
Salaries and wages	97,614	97,614	97,730	(116)
Planning commission	7,150	7,150	5,760	1,390
Fees, supplies & dues	5,500	5,500	5,805	(305)
Advertising	600	600	544	56
Total planning	<u>110,864</u>	<u>110,864</u>	<u>109,839</u>	<u>1,025</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (NON-GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2010

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Zoning				
Salaries and wages	10,000	10,000	7,868	2,132
Fees, supplies and dues	700	700	127	573
Total Zoning	<u>10,700</u>	<u>10,700</u>	<u>7,995</u>	<u>2,705</u>
TOTAL LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE	<u>1,970,880</u>	<u>1,970,880</u>	<u>1,938,020</u>	<u>32,860</u>
FINANCIAL ADMINISTRATION AND TAX ASSESSOR				
Finance and Tax Assessor Office				
Salaries and wages - Finance Office	76,607	76,607	79,132	(2,525)
Salary Deputy Tax Collector	56,201	56,201	58,523	(2,322)
Salaries and wages - Tax Assessor	57,172	57,172	57,172	-
Professional services	13,000	13,000	15,391	(2,391)
Clerical-Tax Assessor	2,000	2,000	1,886	114
Fees, supplies and dues - Tax Assessor	6,200	6,200	3,935	2,265
Fees, supplies and dues - Finance Office	22,000	22,000	10,143	11,857
Salaries and wages- Computer Technician	33,040	33,040	33,203	(163)
Advertising and printing - Finance Office	550	550	234	316
Advertising and printing - Tax Assessor	800	800	643	157
Total Finance Office	<u>267,570</u>	<u>267,570</u>	<u>260,262</u>	<u>7,308</u>
Audit of Accounts				
Professional services	13,600	13,600	15,520	(1,920)
Total Audit of Accounts	<u>13,600</u>	<u>13,600</u>	<u>15,520</u>	<u>(1,920)</u>
TOTAL FINANCIAL ADMINISTRATION AND TAX ASSESSOR	<u>281,170</u>	<u>281,170</u>	<u>275,782</u>	<u>5,388</u>
PUBLIC SAFETY				
Police Department				
Salaries and wages - Police Department	1,016,953	1,016,953	1,049,906	(32,953)
Salaries and wages - Animal Control	46,775	46,775	44,919	1,856
Police benefits	64,111	64,111	77,192	(13,081)
Police overtime and sick leave	150,000	150,000	162,399	(12,399)
Police retirement	141,332	141,332	141,332	-
Supplies - Police Department	20,000	20,000	21,784	(1,784)
Supplies - Animal Control	1,580	1,580	948	632
Advertising and printing	1,500	1,500	175	1,325
Computer maintenance	15,000	15,000	12,416	2,584
Building Maintenance	2,000	2,000	122	1,878
Vehicle insurance - Police Department	8,197	8,197	6,690	1,507
Vehicle insurance - Animal Control	1,053	1,053	915	138
Telephone - Police Department	16,892	16,892	16,848	44
Equipment, uniforms	8,000	8,000	6,439	1,561
Maintenance of uniforms - Police and Animal Control	32,850	32,850	32,650	200
Ammunition and supplies	8,500	8,500	885	7,615
Maintenance of police cars	10,000	10,000	15,996	(5,996)
Gas and tires - Police	35,000	35,000	36,430	(1,430)
Gas, tires, and maintenance - Animal Control	2,000	2,000	4,494	(2,494)
Training of members	25,000	25,000	13,533	11,467
Maintenance of radio system	1,500	1,500	1,543	(43)
Equipment	1,645	1,645	1,110	535
Total Police Department	<u>1,609,888</u>	<u>1,609,888</u>	<u>1,648,726</u>	<u>(38,838)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2010
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Fire Department				
Fire incentive program	70,000	70,000	69,892	108
Salaries and wages - Fire	103,718	103,718	107,442	(3,724)
Fees, supplies and dues	4,800	4,800	4,539	261
Insurance	40,000	40,000	43,317	(3,317)
Telephone	6,500	6,500	6,429	71
Apparatus and truck repair	20,000	20,000	14,843	5,157
Gas, tires and oil	9,000	9,000	9,006	(6)
Training	8,250	8,250	7,112	1,138
Fuel oil	7,500	7,500	8,248	(748)
Maintenance	8,000	8,000	9,300	(1,300)
Electricity	10,000	10,000	7,620	2,380
Alarm and radio	7,200	7,200	6,193	1,007
Oxygen and air pack	5,500	5,500	3,883	1,617
Water	1,000	1,000	1,041	(41)
Fire equipment	8,000	8,000	7,541	459
Fire extinguisher agents	1,500	1,500	2,346	(846)
Subscriptions and journals	600	600	267	333
Total Fire Department	<u>311,568</u>	<u>311,568</u>	<u>309,019</u>	<u>2,549</u>
Other Protective Services				
Salaries and wages	123,619	123,619	124,262	(643)
Supplies and expenses	4,500	4,500	3,146	1,354
Hydrant rental	75,000	75,000	75,000	-
Total Other Protective Services	<u>203,119</u>	<u>203,119</u>	<u>202,408</u>	<u>711</u>
TOTAL PUBLIC SAFETY	<u>2,124,575</u>	<u>2,124,575</u>	<u>2,160,153</u>	<u>(35,578)</u>
PUBLIC WORKS				
Administration				
Salary - Public Works Director	40,533	40,533	41,069	(536)
Supplies and expenses	1,400	1,400	903	497
Total Administration	<u>41,933</u>	<u>41,933</u>	<u>41,972</u>	<u>(39)</u>
Engineering				
Salary - Professional Services	74,082	74,082	74,067	15
Salary - Environmental Scientist	26,587	26,587	26,587	-
Supplies	1,200	1,200	786	414
Total Engineering	<u>101,869</u>	<u>101,869</u>	<u>101,440</u>	<u>429</u>
Highway				
Salaries and wages	561,864	561,864	575,201	(13,337)
Vehicles and insurance	12,000	12,000	10,290	1,710
Upkeep of equipment	40,000	40,000	54,765	(14,765)
Oil and gas	55,000	55,000	53,933	1,067
Pump out	-	-	380	(380)
Sand and gravel	13,000	13,000	15,409	(2,409)
Cold patch	12,000	12,000	14,591	(2,591)
Other road supplies	15,000	15,000	15,434	(434)
Equipment rental	3,000	3,000	2,075	925
Safety and licensing	4,500	4,500	2,868	1,632
Total Highway	<u>716,364</u>	<u>716,364</u>	<u>744,946</u>	<u>(28,582)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2010
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Snow Removal				
Snow removal	22,000	22,000	21,145	855
Equipment and supplies	40,000	40,000	34,692	5,308
Total Snow Removal	<u>62,000</u>	<u>62,000</u>	<u>55,837</u>	<u>6,163</u>
Waste Removal				
Salary - Operator	50,696	50,696	54,986	(4,290)
Telephone	500	500	425	75
Electricity	1,000	1,000	688	312
Maintenance and testing	45,000	45,000	36,056	8,944
Transfer and trucking	300,000	300,000	283,336	16,664
Hazardous waste	4,000	4,000	95	3,905
Total Waste Removal	<u>401,196</u>	<u>401,196</u>	<u>375,586</u>	<u>25,610</u>
Street Lighting				
Electricity	47,500	47,500	46,137	1,363
Total Street Electric	<u>47,500</u>	<u>47,500</u>	<u>46,137</u>	<u>1,363</u>
Other Public Works				
Town cemetery and parade	2,100	2,100	1,458	642
Total Other Public Works	<u>2,100</u>	<u>2,100</u>	<u>1,458</u>	<u>642</u>
Public Buildings				
Contracted services	42,000	42,000	40,694	1,306
Supplies	4,600	4,600	5,696	(1,096)
Telephone and alarms	20,000	20,000	19,527	473
Electric	47,000	47,000	44,065	2,935
Water	6,300	6,300	8,433	(2,133)
Heating	48,000	48,000	33,483	14,517
Repairs and maintenance	35,000	35,000	28,901	6,099
Landscape	12,000	12,000	8,785	3,215
Total Public Buildings	<u>214,900</u>	<u>214,900</u>	<u>189,584</u>	<u>25,316</u>
TOTAL PUBLIC WORKS	<u>1,587,862</u>	<u>1,587,862</u>	<u>1,556,960</u>	<u>30,902</u>
PUBLIC WELFARE				
Salaries and wages	3,964	3,964	3,964	-
New Visions, Newport County	1,500	1,500	-	1,500
TOTAL PUBLIC WELFARE	<u>5,464</u>	<u>5,464</u>	<u>3,964</u>	<u>1,500</u>
PUBLIC HEALTH				
Ambulance Incentive	80,000	80,000	72,155	7,845
Ambulance	82,500	82,500	78,034	4,466
Insurance for ambulance	22,500	22,500	18,871	3,629
Visiting nurse / mental health	20,000	20,000	15,100	4,900
Senior center operations	56,693	56,693	56,693	-
TOTAL PUBLIC HEALTH	<u>261,693</u>	<u>261,693</u>	<u>240,853</u>	<u>20,840</u>
TREE WARDEN				
Salaries	7,500	7,500	10,700	(3,200)
Supplies	6,800	6,800	6,877	(77)
Tree pruning	12,000	12,000	16,136	(4,136)
TOTAL TREE WARDEN	<u>26,300</u>	<u>26,300</u>	<u>33,713</u>	<u>(7,413)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2010

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
LIBRARY				
Salaries and wages	191,902	191,902	189,250	2,652
Custodian	2,772	2,772	3,108	(336)
Fees, supplies & dues	6,003	6,003	4,257	1,746
Insurance	11,689	11,689	8,400	3,289
Telephone	1,900	1,900	2,050	(150)
Equipment	300	300	436	(136)
Electricity	27,000	27,000	20,102	6,898
Heat	11,500	11,500	14,807	(3,307)
Repairs and maintenance	14,000	14,000	14,774	(774)
Computer repairs and maintenance	1,000	1,000	354	646
Books and periodicals	18,590	18,590	19,275	(685)
Books - State aid	70,379	70,379	73,876	(3,497)
TOTAL LIBRARY	<u>357,035</u>	<u>357,035</u>	<u>350,689</u>	<u>6,346</u>
PARKS AND RECREATION				
Salaries and wages	358,000	358,000	356,124	1,876
Supplies	5,965	5,965	6,246	(281)
Advertising and printing	3,750	3,750	4,044	(294)
Insurance	5,882	5,882	6,881	(999)
Telephone	3,250	3,250	4,126	(876)
Equipment	4,600	4,600	5,114	(514)
Gas and oil	6,120	6,120	7,498	(1,378)
Electricity and field lighting	28,000	28,000	27,013	987
Fort Getty water removal	7,500	7,500	8,195	(695)
Shores beach / sanitary facilities	2,000	2,000	3,196	(1,196)
Water	11,000	11,000	11,594	(594)
Trash removal	11,000	11,000	11,989	(989)
Repairs, maintenance and improvements	21,648	21,648	22,017	(369)
Summer program	3,825	3,825	3,824	1
Winter program	1,200	1,200	1,095	105
TOTAL PARKS AND RECREATION	<u>473,740</u>	<u>473,740</u>	<u>478,956</u>	<u>(5,216)</u>
OTHER				
Incidents and emergencies	50,000	50,000	31,357	18,643
Conservation commission	2,200	2,200	2,552	(352)
Eastern RI CO-OP Extension	1,300	1,300	1,300	-
TOTAL OTHER	<u>53,500</u>	<u>53,500</u>	<u>35,209</u>	<u>18,291</u>
DEBT SERVICE				
Principal payments	680,891	680,891	865,500	(184,609)
Interest	336,262	336,262	461,580	(125,318)
TOTAL DEBT SERVICE	<u>1,017,153</u>	<u>1,017,153</u>	<u>1,327,080</u>	<u>(309,927)</u>
TOTAL EXPENDITURES	<u>8,159,372</u>	<u>8,159,372</u>	<u>8,401,379</u>	<u>(242,007)</u>
OTHER FINANCING USES				
Transfer to other funds				
School Unrestricted Fund - appropriation	11,264,373	11,264,373	11,236,173	28,200
Capital improvement fund	635,500	635,500	635,500	-
TOTAL OTHER FINANCING USES	<u>11,899,873</u>	<u>11,899,873</u>	<u>11,871,673</u>	<u>28,200</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 20,059,245</u>	<u>\$ 20,059,245</u>	<u>\$ 20,273,052</u>	<u>\$ (213,807)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Unrestricted Fund
Schedule of Revenues and Expenditures - (Non GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2010

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Intergovernmental and departmental revenue	\$ 503,534	\$ 503,534	\$ 479,319	\$ (24,215)
TOTAL REVENUES	<u>503,534</u>	<u>503,534</u>	<u>479,319</u>	<u>(24,215)</u>
EXPENDITURES				
Education	<u>11,767,907</u>	<u>11,767,907</u>	<u>11,260,975</u>	<u>506,932</u>
TOTAL EXPENDITURES	<u>11,767,907</u>	<u>11,767,907</u>	<u>11,260,975</u>	<u>506,932</u>
Excess (deficiency) of Revenues Over (Under) Expenditures Before Operating Transfers	<u>(11,264,373)</u>	<u>(11,264,373)</u>	<u>(10,781,656)</u>	<u>482,717</u>
OPERATING TRANSFERS				
Transfer from General Fund - Town appropriation	11,264,373	11,264,373	11,236,173	(28,200)
Use of prior year accumulated surplus	328,085	328,085	328,085	-
Transfer to other funds	<u>(328,085)</u>	<u>(328,085)</u>	<u>(328,085)</u>	<u>-</u>
TOTAL OPERATING TRANSFERS	<u>11,264,373</u>	<u>11,264,373</u>	<u>11,236,173</u>	<u>(28,200)</u>
Excess of Revenues and Operating Transfers Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 454,517</u>	<u>\$ 454,517</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Unrestricted Fund
Budget and Actual (Non GAAP Budgetary Basis) Schedule of Revenues
For the Fiscal Year Ended June 30, 2010

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
State Aid	\$ 411,434	\$ 411,434	\$ 263,684	\$ (147,750)
Federal revenue - State fiscal stabilization	-	-	17,765	17,765
Preschool tuition	37,500	37,500	36,533	(967)
Medicaid reimbursement	45,000	45,000	117,968	72,968
Miscellaneous	9,600	9,600	43,369	33,769
TOTAL REVENUES	<u>503,534</u>	<u>503,534</u>	<u>479,319</u>	<u>(24,215)</u>
OTHER FINANCING SOURCES				
Transfer from General Fund - Town appropriation	11,264,373	11,264,373	11,236,173	(28,200)
Use of prior year accumulated surplus	328,085	328,085	328,085	-
TOTAL OTHER FINANCING SOURCES	<u>11,592,458</u>	<u>11,592,458</u>	<u>11,564,258</u>	<u>(28,200)</u>
 TOTAL REVENUES AND OTHER FINANCING SOURCES	 <u>\$ 12,095,992</u>	 <u>\$ 12,095,992</u>	 <u>\$ 12,043,577</u>	 <u>\$ (52,415)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Unrestricted Fund
Budget and Actual (GAAP Budgetary Basis) Schedule of Expenditures
For the Fiscal Year Ended June 30, 2010

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Personnel Services - Compensation	\$ 4,939,873	\$ 4,939,873	\$ 4,807,934	\$ 131,939
Personnel Services - Benefits	2,364,989	2,364,989	2,230,490	134,499
Professional Services	312,029	312,029	362,933	(50,904)
Purchased Property Services	73,546	73,546	70,332	3,214
Other Purchased Services	3,571,165	3,571,165	3,355,172	215,993
Supplies and materials	414,548	414,548	315,354	99,194
Capital Outlay - Equipment	68,297	68,297	96,498	(28,201)
Dues and Fees	23,460	23,460	22,262	1,198
Total Expenditures	<u>11,767,907</u>	<u>11,767,907</u>	<u>11,260,975</u>	<u>506,932</u>
Transfer to other funds	<u>328,085</u>	<u>328,085</u>	<u>328,085</u>	<u>-</u>
Total Expenditures and other financing uses	<u><u>\$ 12,095,992</u></u>	<u><u>\$ 12,095,992</u></u>	<u><u>\$ 11,589,060</u></u>	<u><u>\$ 506,932</u></u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Capital Improvement Fund
Schedule of Revenues and Expenditures (Non GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2010

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Other	\$ 15,000	\$ 15,000	\$ 31,819	\$ 16,819
TOTAL REVENUES	<u>15,000</u>	<u>15,000</u>	<u>31,819</u>	<u>16,819</u>
EXPENDITURES				
Capital outlay	274,197	274,197	188,495	85,702
TOTAL EXPENDITURES	<u>274,197</u>	<u>274,197</u>	<u>188,495</u>	<u>85,702</u>
Excess of expenditures over revenues before operating transfers	<u>(259,197)</u>	<u>(259,197)</u>	<u>(156,676)</u>	<u>102,521</u>
OTHER FINANCING SOURCES (USES)				
Transfer from School General Fund	259,197	259,197	259,197	-
TOTAL OPERATING TRANSFERS	<u>259,197</u>	<u>259,197</u>	<u>259,197</u>	<u>-</u>
Excess of revenues over expenditures and operating transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,521</u>	<u>\$ 102,521</u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2010

The accompanying Statement of Revenues, Expenditures (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, 2010 is presented below:

	General <u>Fund</u> GAAP Basis	School <u>Unrestricted</u> GAAP Basis	School Capital <u>Improvement</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ (93,607)	\$ 454,517	\$ 102,521
<i>Adjustments:</i>			
To adjust for use of accumulated surplus	(150,000)	-	-
To adjust for non-budgeted transfer	<u>-</u>	<u>(328,085)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	<u>\$ (243,607)</u>	<u>\$ 126,432</u>	<u>\$ 102,521</u>

Supplementary Information

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
JUNE 30, 2010

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	Capital Projects Fund	Totals
ASSETS					
Cash	\$ 59,224	\$ -	\$ 71,465	77,385	\$ 208,074
Accounts receivable	5,042	-	-	-	5,042
Due from federal and state governments	-	80,737	1,344	-	82,081
Due from other funds	759,575	224,461	17,004	254,489	1,255,529
Total assets	<u>\$ 823,841</u>	<u>\$ 305,198</u>	<u>\$ 89,813</u>	<u>\$ 331,874</u>	<u>\$ 1,550,726</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 2,114	\$ -	\$ 4,875	-	\$ 6,989
Due to other funds	115,648	80,737	-	500	196,885
Deferred revenues	-	224,461	-	-	224,461
Total liabilities	<u>117,762</u>	<u>305,198</u>	<u>4,875</u>	<u>500</u>	<u>428,335</u>
Fund balances (deficits)					
Unreserved	<u>706,079</u>	<u>-</u>	<u>84,938</u>	<u>331,374</u>	<u>1,122,391</u>
Fund balances (deficits)	<u>706,079</u>	<u>-</u>	<u>84,938</u>	<u>331,374</u>	<u>1,122,391</u>
Total liabilities and fund balances	<u>\$ 823,841</u>	<u>\$ 305,198</u>	<u>\$ 89,813</u>	<u>\$ 331,874</u>	<u>\$ 1,550,726</u>

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2010

	<u>Special Revenue Restricted Town</u>	<u>Special Revenue Restricted School</u>	<u>School Food Service</u>	<u>Capital Projects Fund</u>	<u>Totals</u>
Revenues					
Intergovernmental	\$ 248,564	\$ 336,982	\$ 16,723	\$ 57,504	\$ 659,773
Interest on investments	-	-	-	-	-
Other	368,163	74,336	76,303	-	518,802
Total Revenues	<u>616,727</u>	<u>411,318</u>	<u>93,026</u>	<u>57,504</u>	<u>1,178,575</u>
Expenditures					
Education	-	411,318	117,894	-	529,212
Other	511,562	-	-	128,910	640,472
Capital improvements/restricted programs	-	-	-	609,757	609,757
Total expenditures	<u>511,562</u>	<u>411,318</u>	<u>117,894</u>	<u>738,667</u>	<u>1,779,441</u>
Excess of revenues over (under) Expenditures	105,165	-	(24,868)	(681,163)	(600,866)
Other Financing Sources (uses)					
Operating transfers (to) from	(158,000)	-	68,888	581,247	492,135
Total other financing sources	<u>(158,000)</u>	<u>-</u>	<u>68,888</u>	<u>581,247</u>	<u>492,135</u>
Excess of revenues and other sources over (under) expenditures and other uses	(52,835)	-	44,020	(99,916)	(108,731)
FUND BALANCE - July 1, 2009	<u>726,754</u>	<u>-</u>	<u>40,918</u>	<u>431,290</u>	<u>1,198,962</u>
Prior period adjustment (see note 18)	32,160	-	-	-	32,160
FUND BALANCE - June 30, 2010	<u>\$ 706,079</u>	<u>\$ -</u>	<u>\$ 84,938</u>	<u>\$ 331,374</u>	<u>\$ 1,122,391</u>

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2010

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	TOBACCO MINI GRANT
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 7,108	\$ 48,646	\$ -	\$ -
Accounts receivable	-	-	-	-	797	-	-
Due from other funds	13,590	7,294	239,561	518	240,997	1,646	-
TOTAL ASSETS	\$ 13,590	\$ 7,294	\$ 239,561	\$ 7,626	\$ 290,440	\$ 1,646	\$ -
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,114	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	2,114	-	-
FUND BALANCE							
Unreserved	13,590	7,294	239,561	7,626	288,326	1,646	-
TOTAL FUND BALANCE	13,590	7,294	239,561	7,626	288,326	1,646	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 13,590	\$ 7,294	\$ 239,561	\$ 7,626	\$ 290,440	\$ 1,646	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2010

	COMMUNITY DEVELOPMENT BLOCK GRANT	DRUG FORFEITURE FUND	DRUG FORFEITURE FUND 2005	SUBSTANCE ABUSE FUND	OTHER SPECIAL REVENUE	MILITIA - EMA	WIND STUDY
ASSETS							
Cash and cash equivalents	\$ 3,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	47,216	346	114	46,383	46,074	-	1,046
TOTAL ASSETS	\$ 50,686	\$ 346	\$ 114	\$ 46,383	\$ 46,074	\$ -	\$ 1,046
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCE							
Unreserved	50,686	346	114	46,383	46,074	-	1,046
TOTAL FUND BALANCE	50,686	346	114	46,383	46,074	-	1,046
TOTAL LIABILITIES AND FUND BALANCE	\$ 50,686	\$ 346	\$ 114	\$ 46,383	\$ 46,074	\$ -	\$ 1,046

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2010

	RENEWABLE ENERGY FUND	SCHOOL ROUTE GRANT	STREETSCAPE IMPROVEMENTS	HISTORIC PRESERVATION PLANNING	BYRNE JAG GRANT	4 GRINELL ST.	MARSH RESTORATION
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	16,140	14,755
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,140	\$ 14,755
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	5,871	27,899	9,627	6,600	4,301	-	-
TOTAL LIABILITIES	5,871	27,899	9,627	6,600	4,301	-	-
FUND BALANCE							
Unreserved	(5,871)	(27,899)	(9,627)	(6,600)	(4,301)	16,140	-
TOTAL FUND BALANCE	(5,871)	(27,899)	(9,627)	(6,600)	(4,301)	16,140	-
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,140	\$ 14,755

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2010

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	STREETSCAPE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	HOMELAND SECURITY-04	TOTALS
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,224
Accounts receivable	4,245	-	-	-	-	-	5,042
Due from other funds	2,353	1,387	-	75,079	5,076	-	759,575
TOTAL ASSETS	\$ 6,598	\$ 1,387	\$ -	\$ 75,079	\$ 5,076	\$ -	\$ 823,841
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,114
Due to other funds	-	-	61,350	-	-	-	115,648
TOTAL LIABILITIES	-	-	61,350	-	-	-	117,762
FUND BALANCE							
Unreserved	6,598	1,387	(61,350)	75,079	5,076	-	706,079
TOTAL FUND BALANCE	6,598	1,387	(61,350)	75,079	5,076	-	706,079
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,598	\$ 1,387	\$ -	\$ 75,079	\$ 5,076	\$ -	\$ 823,841

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	TOBACCO MINI GRANT
REVENUES							
Intergovernmental revenue and departmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	20,082	45,287	49,742	-	184,551	-	-
TOTAL REVENUES	<u>20,082</u>	<u>45,287</u>	<u>49,742</u>	<u>-</u>	<u>184,551</u>	<u>-</u>	<u>-</u>
EXPENDITURES							
Other	17,078	132,494	-	-	22,754	800	-
TOTAL EXPENDITURES	<u>17,078</u>	<u>132,494</u>	<u>-</u>	<u>-</u>	<u>22,754</u>	<u>800</u>	<u>-</u>
Excess (deficiency) of Revenues Over (Under)							
Expenditures	<u>3,004</u>	<u>(87,207)</u>	<u>49,742</u>	<u>-</u>	<u>161,797</u>	<u>(800)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	(158,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(158,000)</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>3,004</u>	<u>(87,207)</u>	<u>49,742</u>	<u>-</u>	<u>3,797</u>	<u>(800)</u>	<u>-</u>
FUND BALANCE - UNRESERVED - July 1, 2009	<u>10,586</u>	<u>94,501</u>	<u>189,819</u>	<u>7,626</u>	<u>284,529</u>	<u>-</u>	<u>-</u>
Prior period adjustment (see note 18)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,446</u>	<u>-</u>
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ 13,590</u>	<u>\$ 7,294</u>	<u>\$ 239,561</u>	<u>\$ 7,626</u>	<u>\$ 288,326</u>	<u>\$ 1,646</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	COMMUNITY DEVELOPMENT BLOCK GRANT	DRUG FORFEITURE FUND	DRUG FORFEITURE FUND 2005	SUBSTANCE ABUSE FUND	OTHER SPECIAL REVENUE	MILITIA - EMA	WIND STUDY
REVENUES							
Intergovernmental revenue and departmental	\$ 224,088	\$ -	\$ -	\$ 524	\$ -	\$ 5,442	\$ -
Other revenue	-	-	-	26,951	7,985	-	-
TOTAL REVENUES	<u>224,088</u>	<u>-</u>	<u>-</u>	<u>27,475</u>	<u>7,985</u>	<u>5,442</u>	<u>-</u>
EXPENDITURES							
Other	174,508	-	-	28,446	7,395	-	7,954
TOTAL EXPENDITURES	<u>174,508</u>	<u>-</u>	<u>-</u>	<u>28,446</u>	<u>7,395</u>	<u>-</u>	<u>7,954</u>
Excess (deficiency) of Revenues Over (Under)							
Expenditures	49,580	-	-	(971)	590	5,442	(7,954)
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	49,580	-	-	(971)	590	5,442	(7,954)
FUND BALANCE - UNRESERVED - July 1, 2009	1,106	346	114	47,354	45,484	(5,442)	9,000
Prior period adjustment (see note 18)	-	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ 50,686</u>	<u>\$ 346</u>	<u>\$ 114</u>	<u>\$ 46,383</u>	<u>\$ 46,074</u>	<u>\$ -</u>	<u>\$ 1,046</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	RENEWABLE ENERGY FUND	SCHOOL ROUTE GRANT	STREETSCAPE IMPROVEMENTS	HISTORIC PRESERVATION PLANNING	BYRNE JAG GRANT	4 GRINELL ST.	MARSH RESTORATION
REVENUES							
Intergovernmental revenue and departmental	\$ -	\$ -	\$ -	\$ -	\$ 18,510	\$ -	\$ -
Other revenue	-	-	-	-	-	8,192	15,000
TOTAL REVENUES	-	-	-	-	18,510	8,192	15,000
EXPENDITURES							
Other	5,871	27,899	9,627	6,600	36,402	8,175	245
TOTAL EXPENDITURES	5,871	27,899	9,627	6,600	36,402	8,175	245
Excess (deficiency) of Revenues Over (Under)							
Expenditures	(5,871)	(27,899)	(9,627)	(6,600)	(17,892)	17	14,755
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	(5,871)	(27,899)	(9,627)	(6,600)	(17,892)	17	14,755
FUND BALANCE - UNRESERVED - July 1, 2009	-	-	-	-	-	-	-
Prior period adjustment (see note 18)	-	-	-	-	13,591	16,123	-
FUND BALANCE - UNRESERVED - June 30, 2010	\$ (5,871)	\$ (27,899)	\$ (9,627)	\$ (6,600)	\$ (4,301)	\$ 16,140	\$ 14,755

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	STREETScape	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	HOMELAND SECURITY-04	TOTALS
REVENUES							
Intergovernmental revenue and departmental	\$ -		\$ -	\$ -	\$ -	\$ -	\$ 248,564
Other revenue	-	-	-	10,193	-	180	368,163
TOTAL REVENUES	-	-	-	10,193	-	180	616,727
EXPENDITURES							
Other	-	-	22,201	3,113	-	-	511,562
TOTAL EXPENDITURES	-	-	22,201	3,113	-	-	511,562
Excess (deficiency) of Revenues Over (Under)	-						
Expenditures	-	-	(22,201)	7,080	-	180	105,165
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	\$ (158,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	(158,000)
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	-	-	(22,201)	7,080	-	180	\$ (52,835)
FUND BALANCE - UNRESERVED - July 1, 2009	6,598	1,387	(39,149)	67,999	5,076	(180)	726,754
Prior period adjustment (see note 18)	-	-	-	-	-	-	32,160
FUND BALANCE - UNRESERVED - June 30, 2010	\$ 6,598	\$ 1,387	\$ (61,350)	\$ 75,079	\$ 5,076	\$ -	\$ 706,079

(concluded)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2010**

	<u>EARLY CHILDHOOD</u>	<u>SCHOOL SUPPORT PLAN</u>	<u>LANGUAGE ASSISTANCE</u>	<u>LITERACY SET ASIDE</u>	<u>PROFESSIONAL DEVELOPMENT</u>	<u>STUDENT EQUITY</u>
ASSETS						
Due from federal and state governments	\$ -	\$ 3,444	\$ -	\$ -	\$ -	\$ -
Due from other funds	29,369	-	8,894	11,938	50,761	76,672
TOTAL ASSETS	<u>\$ 29,369</u>	<u>\$ 3,444</u>	<u>\$ 8,894</u>	<u>\$ 11,938</u>	<u>\$ 50,761</u>	<u>\$ 76,672</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ -	\$ 3,444	\$ -	\$ -	\$ -	\$ -
Deferred revenue	29,369	-	8,894	11,938	50,761	76,672
TOTAL LIABILITIES	<u>29,369</u>	<u>3,444</u>	<u>8,894</u>	<u>11,938</u>	<u>50,761</u>	<u>76,672</u>
FUND BALANCE						
Unreserved	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 29,369</u>	<u>\$ 3,444</u>	<u>\$ 8,894</u>	<u>\$ 11,938</u>	<u>\$ 50,761</u>	<u>\$ 76,672</u>

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2010**

	<u>TECHNOLOGY</u>	<u>TITLE III</u>	<u>RI FOUNDATION</u>	<u>IDEA PART B</u>	<u>SECTION 619</u>	<u>TITLE I</u>
ASSETS						
Due from federal and state governments	\$ -	\$ -	\$ -	\$ 54,445	\$ 4,822	\$ 4,366
Due from other funds	14,831	-	6,000	-	-	-
TOTAL ASSETS	<u>\$ 14,831</u>	<u>\$ -</u>	<u>\$ 6,000</u>	<u>\$ 54,445</u>	<u>\$ 4,822</u>	<u>\$ 4,366</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ 54,445	\$ 4,822	\$ 4,366
Deferred revenue	14,831	-	6,000	-	-	-
TOTAL LIABILITIES	<u>14,831</u>	<u>-</u>	<u>6,000</u>	<u>54,445</u>	<u>4,822</u>	<u>4,366</u>
FUND BALANCE						
Unreserved	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 14,831</u>	<u>\$ -</u>	<u>\$ 6,000</u>	<u>\$ 54,445</u>	<u>\$ 4,822</u>	<u>\$ 4,366</u>

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2010**

	<u>TITLE II PROFESSIONAL DEVELOPMENT</u>	<u>ATHLETIC ACTIVITIES</u>	<u>JAMESTOWN EDUCATIONAL FOUNDATION</u>	<u>EXXON GRANT</u>	<u>TITLE IV</u>	<u>AMGEN GRANT</u>
ASSETS						
Due from federal and state governments	\$ 10,642	\$ -	\$ -	\$ -	\$ 3,018	\$ -
Due from other funds	-	1,477	-	500	-	-
TOTAL ASSETS	<u>\$ 10,642</u>	<u>\$ 1,477</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 3,018</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ 10,642	\$ -	\$ -		\$ 3,018	\$ -
Deferred revenue	-	1,477	-	500	-	-
TOTAL LIABILITIES	<u>10,642</u>	<u>1,477</u>	<u>-</u>	<u>500</u>	<u>3,018</u>	<u>-</u>
FUND BALANCE						
Unreserved	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 10,642</u>	<u>\$ 1,477</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 3,018</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2010**

	<u>PLAYGROUND</u>	<u>TECHNOLOGY GRANTS</u>	<u>LIBRARY FUND</u>	<u>STUDENT ACTIVITY FUNDS</u>	<u>AFTER SCHOOL PROGRAM</u>	<u>TOTAL</u>
ASSETS						
Due from federal and state governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,737
Due from other funds	3,273	770	3,538	11,727	4,711	224,461
TOTAL ASSETS	<u>\$ 3,273</u>	<u>\$ 770</u>	<u>\$ 3,538</u>	<u>\$ 11,727</u>	<u>\$ 4,711</u>	<u>\$ 305,198</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,737
Deferred revenue	3,273	770	3,538	11,727	4,711	224,461
TOTAL LIABILITIES	<u>3,273</u>	<u>770</u>	<u>3,538</u>	<u>11,727</u>	<u>4,711</u>	<u>305,198</u>
FUND BALANCE						
Unreserved	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,273</u>	<u>\$ 770</u>	<u>\$ 3,538</u>	<u>\$ 11,727</u>	<u>\$ 4,711</u>	<u>\$ 305,198</u>

(concluded)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	<u>EARLY CHILDHOOD</u>	<u>SCHOOL SUPPORT PLAN</u>	<u>LANGUAGE ASSISTANCE</u>	<u>LITERACY SET ASIDE</u>	<u>PROFESSIONAL DEVELOPMENT</u>	<u>STUDENT EQUITY</u>
REVENUES						
Intergovernmental revenue and departmental	\$ 36,986	\$ 3,444	\$ -	\$ 134	\$ 9,439	\$ 24,657
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	<u>36,986</u>	<u>3,444</u>	<u>-</u>	<u>134</u>	<u>9,439</u>	<u>24,657</u>
EXPENDITURES						
Education	36,986	3,444	-	134	9,439	24,657
TOTAL EXPENDITURES	<u>36,986</u>	<u>3,444</u>	<u>-</u>	<u>134</u>	<u>9,439</u>	<u>24,657</u>
Excess (deficiency) of Revenues Over (Under)						
Expenditures	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - July 1, 2009	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>TECHNOLOGY</u>	<u>TITLE III</u>	<u>RI FOUNDATION</u>	<u>IDEA PART B</u>	<u>SECTION 619</u>	<u>TITLE I</u>
REVENUES						
Intergovernmental revenue and departmental	\$ 6,621	\$ 9	\$ -	\$ 182,597	\$ 4,822	\$ 22,398
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	<u>6,621</u>	<u>9</u>	<u>-</u>	<u>182,597</u>	<u>4,822</u>	<u>22,398</u>
EXPENDITURES						
Education	<u>6,621</u>	<u>9</u>	<u>-</u>	<u>182,597</u>	<u>4,822</u>	<u>22,398</u>
TOTAL EXPENDITURES	<u>6,621</u>	<u>9</u>	<u>-</u>	<u>182,597</u>	<u>4,822</u>	<u>22,398</u>
Excess (deficiency) of Revenues Over (Under)						
Expenditures	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - July 1, 2009	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	TITLE II PROFESSIONAL DEVELOPMENT	ATHLETIC ACTIVITIES	JAMESTOWN EDUCATIONAL FOUNDATION	EXXON GRANT	TITLE IV	AMGEM GRANT
REVENUES						
Intergovernmental revenue and departmental	\$ 42,507	\$ -	\$ -	\$ -	\$ 3,368	\$ -
Other revenue	-	-	57,560	-	-	5,000
TOTAL REVENUES	<u>42,507</u>	<u>-</u>	<u>57,560</u>	<u>-</u>	<u>3,368</u>	<u>5,000</u>
EXPENDITURES						
Education	42,507	-	57,560	-	3,368	5,000
TOTAL EXPENDITURES	<u>42,507</u>	<u>-</u>	<u>57,560</u>	<u>-</u>	<u>3,368</u>	<u>5,000</u>
Excess (deficiency) of Revenues Over (Under)						
Expenditures	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - July 1, 2009	-	-	-	-	-	-
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN UNRESERVED FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	<u>PLAYGROUND</u>	<u>TECHNOLOGY GRANTS</u>	<u>LIBRARY FUND</u>	<u>STUDENT ACTIVITY FUNDS</u>	<u>AFTER SCHOOL PROGRAM</u>	<u>TOTAL</u>
REVENUES						
Intergovernmental revenue and departmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336,982
Other revenue	4,006	-	250	-	7,520	74,336
TOTAL REVENUES	<u>4,006</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>7,520</u>	<u>411,318</u>
EXPENDITURES						
Education	4,006	-	250	-	7,520	411,318
TOTAL EXPENDITURES	<u>4,006</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>7,520</u>	<u>411,318</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - UNRESERVED - July 1, 2009	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(concluded)

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET**

June 30, 2010

	SCHOOL CAPITAL IMPROVEMENT FUND	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	HIGHWAY GARAGE	POLICE STATION RENOVATIONS	TOTAL
ASSETS						
Cash and cash equivalents	\$ -	\$ 16,863	\$ 60,522	\$ -	\$ -	\$ 77,385
Due from other funds	254,489	-	-	-	-	254,489
TOTAL ASSETS	\$ 254,489	\$ 16,863	\$ 60,522	\$ -	\$ -	\$ 331,874
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ 500
TOTAL LIABILITIES	-	-	500	-	-	500
FUND BALANCE						
Fund balance - unreserved	254,489	16,863	60,022	-	-	331,374
TOTAL FUND BALANCE	254,489	16,863	60,022	-	-	331,374
TOTAL LIABILITIES AND FUND BALANCE	\$ 254,489	\$ 16,863	\$ 60,522	\$ -	\$ -	\$ 331,874

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN UNRESERVED FUND BALANCES
For the Fiscal Year Ended June 30, 2010**

	SCHOOL CAPITAL IMPROVEMENT FUND	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	HIGHWAY GARAGE	POLICE STATION RENOVATIONS	TOTAL
REVENUES						
Intergovernmental and departmental	\$ 31,819	\$ -	\$ 25,685	\$ -	\$ -	\$ 57,504
TOTAL REVENUES	<u>31,819</u>	<u>-</u>	<u>25,685</u>	<u>-</u>	<u>-</u>	<u>57,504</u>
EXPENDITURES						
Capital outlay	68,396	-	-	23,535	517,826	609,757
Non-capital	120,099	-	8,811	-	-	128,910
TOTAL EXPENDITURES	<u>188,495</u>	<u>-</u>	<u>8,811</u>	<u>23,535</u>	<u>517,826</u>	<u>738,667</u>
Excess (deficiency) of Revenues Over (Under)						
Expenditures Before Other Financing Sources (Uses)	(156,676)	-	16,874	(23,535)	(517,826)	(681,163)
OTHER FINANCING SOURCES (USES)						
Transfer in from other funds	259,197	-	-	137,277	184,773	581,247
TOTAL OTHER FINANCING SOURCES (USES)	<u>259,197</u>	<u>-</u>	<u>-</u>	<u>137,277</u>	<u>184,773</u>	<u>581,247</u>
Net change in fund balances	<u>102,521</u>	<u>-</u>	<u>16,874</u>	<u>113,742</u>	<u>(333,053)</u>	<u>(99,916)</u>
FUND BALANCE - UNRESERVED - July 1, 2009	<u>151,968</u>	<u>16,863</u>	<u>43,148</u>	<u>(113,742)</u>	<u>333,053</u>	<u>431,290</u>
FUND BALANCE - UNRESERVED - June 30, 2010	<u>\$ 254,489</u>	<u>\$ 16,863</u>	<u>\$ 60,022</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 331,374</u>

TOWN OF JAMESTOWN, RHODE ISLAND
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
BUDGETARY BASIS (NON-GAAP)
For the Fiscal Year Ended June 30, 2010

	HARBOR MANAGEMENT FUND			WATER FUND		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUE						
Assessments and user fees	\$ 253,089	\$ 246,614	\$ (6,475)	\$ 774,650	\$ 781,465	\$ 6,815
Intergovernmental revenue	-	-	-	-	-	-
Other operating revenues	-	-	-	180,042	165,466	(14,576)
TOTAL OPERATING REVENUE	253,089	246,614	(6,475)	954,692	946,931	(7,761)
OPERATING EXPENSES						
Salaries and benefits	89,407	85,867	3,540	358,959	361,427	(2,468)
Material, supplies and maintenance	163,682	346,885	(183,203)	208,650	237,563	(28,913)
Depreciation and amortization	-	9,826	(9,826)	-	203,659	(203,659)
Capital improvements	-	-	-	100,000	75,205	24,795
TOTAL OPERATING EXPENSES	253,089	442,578	(189,489)	667,609	877,854	(210,245)
Operating Income (Loss)	-	(195,964)	(195,964)	287,083	69,077	(218,006)
NON-OPERATING REVENUES (EXPENSES)						
Issuance of debt	-	-	-	-	-	-
Transfer-in golf course	-	-	-	-	-	-
Interest income	-	-	-	9,000	3,445	(5,555)
Interest expense	-	-	-	(256,083)	(217,977)	38,106
Principal payments	-	-	-	(40,000)	-	40,000
TOTAL NON-OPERATING REVENUES (EXPENSES)	-	-	-	(287,083)	(214,532)	72,551
Net Income	\$ -	\$ (195,964)	\$ (195,964)	\$ -	\$ (145,455)	\$ (145,455)

TOWN OF JAMESTOWN, RHODE ISLAND
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES AND EXPENSES-
BUDGETARY BASIS (NON-GAAP)
For the Fiscal Year Ended June 30, 2010

	SEWER FUND			ON-SITE WASTEWATER			TOTALS		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUE									
Assessments and user fees	\$ 504,010	\$ 515,973	\$ 11,963	\$ 35,560	\$ 35,560	\$ -	\$ 1,567,309	\$ 1,579,612	\$ 12,303
Other operating revenues	454,462	465,706	11,244	-	-	-	634,504	631,172	(3,332)
TOTAL OPERATING REVENUE	<u>958,472</u>	<u>981,679</u>	<u>23,207</u>	<u>35,560</u>	<u>35,560</u>	<u>-</u>	<u>2,201,813</u>	<u>2,210,784</u>	<u>8,971</u>
OPERATING EXPENSES									
Salaries and benefits	344,320	364,624	(20,304)	34,046	35,227	(1,181)	826,732	847,145	(20,413)
Material, supplies and maintenance	167,690	184,356	(16,666)	1,514	14,096	(12,582)	541,536	782,900	(241,364)
Depreciation and amortization	-	457,664	(457,664)	-	-	-	-	671,149	(671,149)
Capital improvements	454,462	6,718	447,744	-	-	-	554,462	81,923	472,539
TOTAL OPERATING EXPENSES	<u>966,472</u>	<u>1,013,362</u>	<u>(46,890)</u>	<u>35,560</u>	<u>49,323</u>	<u>(13,763)</u>	<u>1,922,730</u>	<u>2,383,117</u>	<u>(460,387)</u>
Operating Income (Loss)	<u>(8,000)</u>	<u>(31,683)</u>	<u>(23,683)</u>	<u>-</u>	<u>(13,763)</u>	<u>(13,763)</u>	<u>279,083</u>	<u>(172,333)</u>	<u>(451,416)</u>
NON-OPERATING REVENUES (EXPENSES)									
Issuance of debt	-	10,205	10,205	-	-	-	-	10,205	10,205
Transfer-in from golf course	8,000	8,000	-	-	-	-	8,000	8,000	-
Interest income	-	18	18	-	-	-	9,000	3,463	(5,537)
Interest expense	-	(95,108)	(95,108)	-	-	-	(256,083)	(313,085)	(57,002)
Principal payments	-	(363,825)	(363,825)	-	-	-	(40,000)	(363,825)	(323,825)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>8,000</u>	<u>(440,710)</u>	<u>(448,710)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(279,083)</u>	<u>(655,242)</u>	<u>(376,159)</u>
Net Income	<u>\$ -</u>	<u>\$ (472,393)</u>	<u>\$ (472,393)</u>	<u>\$ -</u>	<u>\$ (13,763)</u>	<u>\$ (13,763)</u>	<u>\$ -</u>	<u>\$ (827,575)</u>	<u>\$ (827,575)</u>

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
COMBINING STATEMENT OF NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2010**

	<u>ANNA J. AMBRUST FUND</u>	<u>FREEBODY FUND</u>	<u>ELIZABETH STONE SCHOLARSHIP FUND</u>	<u>TOTAL</u>
ASSETS				
Cash & equivalents	\$ 1,226	\$ 1,191	\$ 149,353	\$ 151,770
Total assets	<u>\$ 1,226</u>	<u>\$ 1,191</u>	<u>\$ 149,353</u>	<u>\$ 151,770</u>
 NET ASSETS				
Held in trust for other purposes	1,226	1,191	149,353	151,770
Total net assets	<u>\$ 1,226</u>	<u>\$ 1,191</u>	<u>\$ 149,353</u>	<u>\$ 151,770</u>

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
COMBINING STATEMENT OF CHANGES IN NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

	ANNA J. AMBRUST FUND	FREEBODY FUND	ELIZABETH STONE SCHOLARSHIP FUND	TOTAL
ADDITIONS				
Donations	\$ -	\$ -	\$ 2,000	\$ 2,000
Interest and dividends	2	2	1,410	1,414
Total additions	<u>2</u>	<u>2</u>	<u>3,410</u>	<u>3,414</u>
DEDUCTIONS				
Scholarship awards	-	-	4,000	4,000
Total deductions	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Change in net assets	2	2	(590)	(586)
Net assets - beginning of year	<u>1,224</u>	<u>1,189</u>	<u>149,943</u>	<u>152,356</u>
Net assets - end of year	<u>\$ 1,226</u>	<u>\$ 1,191</u>	<u>\$ 149,353</u>	<u>\$ 151,770</u>

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 JAMESTOWN, RHODE ISLAND
SCHEDULE OF TAX COLLECTIONS
For the Fiscal Year Ended June 30, 2010**

FISCAL YEAR END	BALANCE July 1, 2009	CURRENT YEAR ASSESSMENT	REFUNDS	ADDITIONS AND ADJUSTMENTS	ABATEMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	BALANCE June 30, 2010
2010	\$ -	\$ 17,848,327	\$ 10,970	\$ 287,608	\$ 394,225	\$ 17,752,680	\$ 17,511,072	\$ 241,608
2009	270,140	-	4,475	110,170	73	384,712	373,344	11,368
2008	16,279	-	-	680	8	16,951	10,758	6,193
2007	8,259	-	-	-	-	8,259	3,813	4,446
2006	4,858	-	-	50	-	4,908	244	4,664
2005	3,058	-	-	-	17	3,041	4	3,037
2004	2,012	-	-	-	58	1,954	-	1,954
2003	2,284	-	-	-	44	2,240	-	2,240
2002	1,899	-	-	-	2	1,897	-	1,897
2001	3,780	-	-	-	5	3,775	-	3,775
2000	3,769	-	-	-	47	3,722	-	3,722
1999	2,869	-	-	-	8	2,861	-	2,861
1998& Prior	48,263	-	-	-	666	47,597	-	47,597
	<u>\$ 367,470</u>	<u>\$ 17,848,327</u>	<u>\$ 15,445</u>	<u>\$ 398,508</u>	<u>\$ 395,153</u>	<u>\$ 18,234,597</u>	<u>\$ 17,899,235</u>	<u>\$ 335,362</u>

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

DESCRIPTION OF PROPERTY	VALUATIONS	LEVY
Real property	\$ 2,131,704,084	\$ 17,288,120
Motor vehicles	55,462,127	799,764
Tangible personal	12,546,361	101,751
TOTAL	<u>2,199,712,572</u>	<u>18,189,635</u>
Less exemptions	<u>(36,490,547)</u>	<u>(341,308)</u>
NET ASSESSED VALUE	<u>\$ 2,163,222,025</u>	<u>\$ 17,848,327</u>

**RECONCILIATION OF CURRENT YEAR
PROPERTY TAX REVENUE**

Current year collections	\$ 17,899,235
Less: Refunds, adjustments & MV reclass	<u>(578,652)</u>
Reserve collected within 60 days subsequent to fiscal year ending June 30, 2010	<u>232,965</u>
Prior year revenue received in current year	<u>(235,161)</u>
CURRENT YEAR PROPERTY TAX REVENUE	<u><u>\$ 17,318,387</u></u>

TOWN OF JAMESTOWN, RHODE ISLAND
SCHEDULE OF LONG-TERM DEBT - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2010

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING June 30, 2009	ADDITIONS	MATURITIES DURING YEAR	OUTSTANDING June 30, 2010
GENERAL OBLIGATION BONDS PAYABLE								
General Obligation Bond	6/15/2008	4.15-4.25%	6/15/2033	\$ 4,900,000	\$ 4,900,000	\$ -	\$ 50,000	\$ 4,850,000
Town Hall Bond	4/1/2007	3.89%	4/1/2027	3,300,000	2,970,000	-	165,000	2,805,000
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	5,321,500	3,426,000	-	430,500	2,995,500
TOTAL GENERAL OBLIGATION BONDS PAYABLE				<u>13,521,500</u>	<u>11,296,000</u>	<u>-</u>	<u>645,500</u>	<u>10,650,500</u>
NOTES PAYABLE								
Suntrust Corporation	12/4/2006	3.960%	5/15/2011	550,000	220,000	-	220,000	-
TOTAL NOTES PAYABLE				<u>550,000</u>	<u>220,000</u>	<u>-</u>	<u>220,000</u>	<u>-</u>
TOTAL BONDS and NOTES PAYABLE - GOVERNMENTAL ACTIVITIES				<u>\$ 14,071,500</u>	<u>11,516,000</u>	<u>-</u>	<u>865,500</u>	<u>10,650,500</u>
OTHER LONG-TERM LIABILITIES								
Net Pension Benefit					(1,180,556)	28,106	-	(1,152,450)
Net OPEB Obligation					524,508	560,106	-	1,084,614
Accrued Compensated Absences					788,623	-	5,557	783,066
TOTAL OTHER LONG-TERM LIABILITIES					<u>132,575</u>	<u>588,212</u>	<u>5,557</u>	<u>715,230</u>
TOTAL LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES					<u>\$ 11,648,575</u>	<u>\$ 588,212</u>	<u>\$ 871,057</u>	<u>\$ 11,365,730</u>

TOWN OF JAMESTOWN, RHODE ISLAND
SCHEDULE OF LONG-TERM DEBT - ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2010

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING June 30, 2009	NEW ISSUES	MATURITIES DURING YEAR	OUTSTANDING June 30, 2010
WATER FUND								
Clean Water	3/7/2007	3.05%	9/1/2027	\$ 6,200,000	\$ 5,980,000	\$ -	\$ 227,000	\$ 5,753,000
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	470,000	320,000	-	40,000	280,000
TOTAL WATER FUND OBLIGATION				<u>\$ 6,670,000</u>	<u>\$ 6,300,000</u>	<u>\$ -</u>	<u>\$ 267,000</u>	<u>\$ 6,033,000</u>
SEWER FUND								
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	\$ 73,500	\$ 59,500	\$ -	\$ 4,500	\$ 55,000
Sewer Plant Rehabilitation-CW	12/15/2005	1.371%	9/1/2025	2,000,000	1,700,000	-	100,000	1,600,000
Sewer Plant Rehabilitation-CW	10/24/2002	1.022%	9/1/2022	5,500,000	4,296,779	-	259,325	4,037,454
TOTAL SEWER FUND OBLIGATION				<u>\$ 7,573,500</u>	<u>\$ 6,056,279</u>	<u>\$ -</u>	<u>\$ 363,825</u>	<u>\$ 5,692,454</u>
TOTAL ENTERPRISE FUNDS				<u>\$ 14,243,500</u>	<u>\$ 12,356,279</u>	<u>\$ -</u>	<u>\$ 630,825</u>	<u>\$ 11,725,454</u>

TOWN OF JAMESTOWN, RHODE ISLAND
Computation of Legal Debt Margin
June 30, 2010

Grossed assessed value	\$ 2,199,712,572
Less: exemptions and adjustments	(36,490,547)
Total taxable assessed value	<u>\$ 2,163,222,025</u>
Debt Limit - 3 percent of total assessed value	\$ 64,896,661
Amount of debt applicable to debt limit:	
Total bonded debt	10,650,500
Legal debt margin	<u>\$ 54,246,161</u>

TOWN OF JAMESTOWN

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
STANDARDS***

The Honorable President and
Members of the Town Council
Town of Jamestown
Jamestown, 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 Jamestown (Town), as of and for the year fiscal ended June 30, 2010, and have issued our report thereon dated December 22, 2010. 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'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's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matter

As part of obtaining reasonable assurance about whether Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The

results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the Town in a separate letter dated December 22, 2010.

This report is intended solely for the information and use of management, the Town Council, the School Committee 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
Parmelee, Poirier & Associates, LLP
December 22, 2010

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON 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 Jamestown
Jamestown, Rhode Island

Compliance

We have audited the compliance of the Town of Jamestown (Town), with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. The Town'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's management. Our responsibility is to express an opinion on the Town'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'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's compliance with those requirements.

In our opinion, the Town, 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, 2010.

Internal Control Over Compliance


Management of the Town 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'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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of management, the Town Council, the School Committee, 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 22, 2010

TOWN OF JAMESTOWN, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2010

	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Agriculture			
Passed through the State of Rhode Island Department of Education			
<i>Child Nutrition Cluster:</i>			
National School Breakfast Program	10.553	N/A	\$ 651
National School Lunch Program	10.555	N/A	13,159
Food Donation (Note 4)	10.550	N/A	32,720
Total U.S. Department of Agriculture			<u>\$ 46,530</u>
U.S. Department of Housing and Urban Development			
Passed through the State of Rhode Island Office of Housing and Community Development			
<i>Community Development Block Grant Cluster</i>			
Community Development Block Grant/States Program	14.228	N/A	\$ 33,758
ARRA - Community Development Block Grant/States Program	14.255	N/A	140,750
Total U.S. Department of Housing and Urban Development			<u>\$ 174,508</u>
U.S. Department of the Interior			
Passed-through the State of Rhode Island Historical Preservation Heritage Commission			
Historic Preservation Fund Grants-In-Aid	15.904	N/A	\$ 6,600
Total U.S. Department of the Interior			<u>\$ 6,600</u>
U.S. Department of Justice			
Passed through the State of Rhode Island Department of Mental Health			
Enforcing Underage Drinking Laws Program	16.727	N/A	\$ 1,500
Passed through the State of Rhode Island Department of Public Safety			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	24,666
ARRA - Edward Byrne Memorial Justice Assistance Grant Program	16.804	N/A	11,736
Total U.S. Department of Justice			<u>\$ 37,902</u>
U.S. Department of Transportation			
Passed-through the State of Rhode Island Department of Transportation			
Highway Planning and Construction	20.205	N/A	\$ 37,526
Total U.S. Department of Transportation			<u>\$ 37,526</u>
U.S. Department of Energy			
Passed-through the State of Rhode Island Office of Energy Resources			
Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	N/A	\$ 5,871
Total U.S. Department of Energy			<u>\$ 5,871</u>
U.S. Department of Education			
Passed-through the State of Rhode Island Department of Education			
Title I Grants to Local Education Agencies	84.010A	2725-11702-001	\$ 22,398
<i>Special Education Cluster:</i>			
Special Education - Grants to States	84.027A	2725-13202-001	186,041
Special Education - Preschool Grants	84.173A	2725-13502-001	4,822
Safe and Drug Free Schools and Communities State Grants	84.186A	2725-12602-001	3,368
Improving Teacher Quality State Grants	84.367A	2725-16402-001	42,507
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants	84.394	4572-10502-001	17,765
Passed-through the State of Rhode Island Department of Education and the Chariho School District			
English Language Acquisition Grants	84.365A	N/A	9
Total U.S. Department of Education			<u>\$ 276,910</u>
U.S. Department of Homeland Security			
Passed-through the State of Rhode Island Department of Administration			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	\$ 99,387
Total U.S. Department of Homeland Security			<u>\$ 99,387</u>
Total Federal Expenditures			<u>\$ 685,234</u>

TOWN OF JAMESTOWN
Schedule of Findings and Questioned Costs
For The Fiscal Year Ended June 30, 2010

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness (es) identified? yes no

Significant deficiency (ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

Material weakness (es) identified? yes no

Significant deficiency (ies) identified that are not considered to be material weakness (es)? yes 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 no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
	<i>Community Development Block Grant Cluster</i>
14.228	Community Development Block Grant
14.255	ARRA – Community Development Block Grant
	<i>Special Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants

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

Auditee qualified as low risk auditee? yes no

TOWN OF JAMESTOWN
Schedule of Findings and Questioned Costs
For The Fiscal Year Ended June 30, 2010
(continued)

SECTION II – FINANCIAL STATEMENT FINDINGS

_____ yes X none

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

_____ yes X none

TOWN OF JAMESTOWN
Schedule of Findings and Questioned Costs
For The Fiscal Year Ended June 30, 2010
(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

None Reported

B. Compliance

None Reported

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF JAMESTOWN
Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2010

PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF JAMESTOWN
Notes to Schedule of Expenditures of Federal Awards
June 30, 2010

1. **General** - The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal programs of the Town of Jamestown, 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 Jamestown. 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, 2010, 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>
	<i>Community Development Block Grant Cluster</i>
14.228	Community Development Block Grant
14.255	ARRA – Community Development Block Grant
	<i>Special Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education – Preschool Grants

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 \$32,720 represents the market value of such commodities used during the period.