

TOWN OF BARRINGTON

RHODE ISLAND



*COMPREHENSIVE ANNUAL FINANCIAL
REPORT*

*FOR THE FISCAL YEAR ENDED
JUNE 30, 2012*

TOWN OF BARRINGTON, RHODE ISLAND

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ending June 30, 2012

Prepared by: Town Finance Department
Dean M. Huff, Jr., Finance Director

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for Excellence in Financial Reporting**

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**TOWN OF BARRINGTON, RHODE ISLAND
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the Fiscal Year Ended June 30, 2012**

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TOWN OF BARRINGTON RHODE ISLAND

DEAN M. HUFF, JR. CPA
FINANCE DIRECTOR

December 17, 2012

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

The Comprehensive Annual Financial Report of the Town of Barrington, for the fiscal year ended June 30, 2012, is hereby submitted. This report was prepared by the Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Town's management. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations and cash flows of the Town; and that all disclosures necessary to enable the reader to gain an adequate understanding of the Town's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The introductory section includes this transmittal letter, the Town's organizational chart, and a reproduction of our 2011 GFOA Certificate of Achievement for Excellence in Financial Reporting, and a list of principal officials. The Financial Section includes the Independent Auditors' Report, the Management Discussion and Analysis, the basic financial statements, required supplementary information, and other supplementary information. The Statistical Section includes selected financial and demographic information generally presented on a multi-year basis.

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

GENERAL

The Town of Barrington, incorporated as a Town on June 16, 1770, is located in Bristol County on the east side of Narragansett Bay in the State of Rhode Island, approximately 9 miles southeast of Providence. It is bounded by the City of East Providence on the northwest, the Town of Swansea, MA to the northeast, the Town of Warren on the south, by the Warren River on the East, and Narragansett Bay on the west and south. The Town of Barrington is made up of predominately single-family homes and a small mix of multi family homes and commercial clusters.

GOVERNMENT

The Town operates under a charter form of government, which provides for a five member Town Council that is elected at large, for staggered four-year terms, at the regular biennial elections. They are responsible for enacting local legislation, and an appointed Town Manager executes the laws and oversees the administration of the town government. The electors of the Town qualified to vote upon a proposition to impose a tax or for the expenditure of money, may at an Annual or a Special Financial Town Meeting; authorize the hiring of money and issuance of bonds pursuant to the statutes now or hereafter in effect.

EDUCATION

A five Member School Committee that is elected at large, for staggered four-year terms, at the regular biennial elections, directs the general administration of the Barrington School System. The School Committee determines and controls all policies affecting the administration, maintenance, and operation of the public schools in town, which consist of four elementary schools, one middle school and one high school. The School Committee appoints a Superintendent as its chief administrative agent; submits a detailed budget of expenditures and determines the allocation of the amount appropriated. The school enrollment for October 1, 2012 was 3,327 students. The cost per student was \$12,580 shared by the Town and the State of Rhode Island in the form of School Operation Aid. The total State Aid for school operation for fiscal year 2011/12 was \$2,282,481.

As of October at the beginning of each school year, the student enrollment in the Barrington School System for the past eight years has been and is projected to be as follows:

	<u>Year</u>	<u>Enrollment</u>
Actual	2003	3409
Actual	2004	3421
Actual	2005	3398
Actual	2006	3460
Actual	2007	3468
Actual	2008	3443
Actual	2009	3388
Actual	2010	3438
Actual	2011	3371
Actual	2012	3327

MUNICIPAL SERVICES

The Town provides the following major public services:

Public Works - The Town of Barrington Public Works Department provides a full range of services including street maintenance, snow removal, and maintenance of Town property.

Public Safety - The Town of Barrington provides fire prevention and suppression, emergency medical rescue, police patrol, investigations, community education, animal control and harbor control.

The Barrington Police Department has a force that consists of a Police Chief, 29 full-time police officers and support personnel.

The Barrington Fire Department has one fire station staffed by a Fire chief and 24 full-time fire fighters. The Town utilizes a combination of full-time and volunteer fire fighters.

Wastewater - Barrington's sanitary sewerage is treated by the City of East Providence. The Town pays the City of East Providence a fee based on the amount of sewerage treated at the Wastewater facility. Residents are billed annually by the Town of Barrington for sewer usage based on water consumption.

Water - Bristol County Water Authority supplies residents with water. Customers are billed directly by this agency.

LONG-TERM FINANCIAL PLANNING

Each year the Town adopts a six-year Capital Improvement Program. This plan helps identify projects that should be undertaken in the next six years. This long-range planning is essential in addressing the future development and growth of the Town. The Town has continually funded its capital requirements aggressively and maintains a pay as you go funding for most of its capital needs, which limits its' borrowing requests.

ECONOMIC CONDITIONS AND OUTLOOK

Barrington is primarily a suburban residential community. Residential property accounts for 90.1% of the total tax roll. In terms of real estate tax revenue, 84.93% of the Town's tax revenue is derived from residential real estate.

EMPLOYMENT

Most employment opportunities extend outside the Town to the Cities of Providence and Boston. In the first quarter of 2012 the town had 454 private businesses and 11 government units. The private sector employed an average of 2,161 with wages totaling \$17,615,112. Governmental jobs employed an average of 726 with wages totaling \$10,617,402.

Listed below is the Rhode Island Department of Labor and Training Quarterly Census of Employment and Wages - First Quarter 2012 Report

Barrington			
	Number	Average	Total
	of Units	Employment	Wages
Total Private & Government	465	2,887	\$28,232,514
Total Private Only	454	2,161	\$17,615,112
Agriculture, Forestry, Fishing & Hunting	1	*	*
Construction	46	132	\$1,554,098
Manufacturing	11	43	\$377,279
Wholesale Trade	30	45	\$1,609,075
Retail Trade	32	295	\$1,518,510
Transportation & Warehousing	2	*	*
Information	16	15	\$274,281
Finance & Insurance	19	72	\$1668,273
Real Estate & Rental & Leasing	11	28	\$226,684
Professional & Technical Services	75	120	\$1,701,650
Management of Companies & Enterprise	4	*	*
Administrative Support & Waste Mngmnt.	30	39	\$417,026
Educational Services	13	146	\$1,152,431
Health Care & Social Assistance	41	548	\$3,778,407
Arts, Entertainment, & Recreation	10	118	\$1,067,850
Accommodation & Food Services	24	260	\$904,541
Other services,	89	276	\$1,073,692
Government	11	726	\$10,617,402
*Some Data not shown to avoid revealing data of a specific employer.			

HOUSING

During 2012, sale prices for single-family homes in Barrington ranged from \$75,000 to more than \$1,925,000. The 2012 third quarter median sales price for homes in Barrington was \$334,500.

POPULATION TRENDS

In 2000 Barrington was ranked 22nd in population among the thirty-nine cities and towns in Rhode Island. Based on the U.S. Bureau of the Census, Barrington experienced a decrease of 1,065 in population from 1970 through 2010.

<u>Year</u>	<u>Population</u>
1950	9,105
1960	14,850
1970	17,375
1980	16,174
1990	15,849
2000	16,819
2010	16,310

Source: U.S. Bureau of the Census

ECONOMIC DEVELOPMENT

The Town does not have an economic development department charged with recruiting business to Barrington; however, the comprehensive plan calls for a new task force charged with encouraging locally owned businesses to open in Town. The non-residential tax base has improved in recent years, thanks in part to streetscape improvements completed in the late 1990s on Rte. 114/County Road, which have helped attract new commercial investment in the Town's main commercial district. Additional commercial/mixed-use projects are in the planning stages.

New and recent commercial projects include a mixed use building for Wood Avenue and Anoka Avenue, improvements to the former Lavin's Marina and the expansion of the Bayside YMCA.

MAJOR INITIATIVES

In 2012, the completed approximately \$250,000 in sidewalk and bike infrastructure improvements at Hampton Meadows Elementary School and along Kent Street. Funding for this project was obtained from a Federal Safe Routes to Schools grant approved in 2008. In 2010, the Town received two additional Safe Routes to School grants, which will provide an additional \$250,000 for the design and construction of sidewalk improvements and bike projects at the Middle and Primrose Hill schools on Middle Highway. Engineering work has begun on these projects, with construction likely to occur in 2014.

New residential development approved by the Planning Board in 2012 included a 10-unit subdivision on Narragansett and Woodbine Avenues, a four-unit mixed-use project at Wood and Anoka Avenues. A master plan application has been submitted for nine lots on Chachapacasset Road. East Bay Community Development Corp. of Bristol has submitted a conceptual plan for approximately 48 units at the Sowams Nursery property on the east side of Sowams Road, with access to the Palmer River. A master plan for this project is expected to be filed in 2013.

The YMCA of Greater Providence has started construction on the expansion of the Bayside YMCA on West Street, to include a new indoor pool and other upgrades. A Town-owned parking lot and a portion of West Street will be improved by the YMCA as part of the project, at no cost to the Town.

The mixed-use project on Wood and Anoka Avenues, mentioned above, includes street level commercial space for 4 to 6 storefronts.

The Town in 2012 utilized energy grants and other funding to complete energy improvements at Town facilities, including a new boiler at the Public Safety Building and outdoor LED lighting at the Town Hall/Library complex and at Police Cove. Additional LED streetlights will be installed on Maple Avenue.

The Town is completing designs for a new park at Police Cove, on the Barrington River, to also include reconstruction of the boat ramp. Project funding sources consist of a federal grant, RIDOT, a RIDEM recreational development grant and lease payments made to the Town for use of the site during construction of the Barrington River Bridge. Construction on the park and ramp is planned for 2013.

The Barrington Library continues to be a leader in offering a rich and intriguing selection of programs for adults, children, and teens. All of these programs, whether they focus on the arts, literature, history, film, crafts, or general information upheld and supported the mission of the Barrington Public Library which is "to provide, without charge, diverse and easily accessible materials, services and programs to educate, inform, enrich and entertain all the residents of Barrington and the greater Rhode Island community."

The Library has become especially known for its fine film programs and host statewide film programs such as the International Film Festival series held in RI each summer. Thanks to grants from the Champlin Foundations, the Barrington Library Corporation, and the Friends of Barrington Library over the past few years, the auditorium at the Library/Peck Community Center features a cinema size screen, state of the art projector, and surround sound system, which along with comfortable fixed seating for approximately 100 provides a perfect small theater experience for enjoying films, plays, dramatic readings, and musical performances. All of these programs are very well attended and receive strong support and praise from the community.

The Barrington Library continues to be a net lender in the statewide Ocean State Libraries network. The citizens of Barrington lead the state in per capita library use, and especially in per capita book borrowing. The Barrington Library is the forth-busiest public library in the state, behind only the cities of Providence, Cranston, and Warwick.

The BAY Team

The Barrington Adult Youth Team (BAY TEAM) is the town of Barrington's substance abuse prevention task force. The BAY Team is led by Kathleen Sullivan, Prevention Director and Dr. Kristen Westmoreland, DFC Program Manager. The coalition is composed of over twelve sectors of the community including local businesses, youth organizations, schools, citizens, faith community, parents, human service organizations, local government, and law enforcement. The BAY Team's mission is to promote a safe and healthy Barrington through collaboration and communication.

The Policy Committee has worked to develop and implement a mandatory annual training for all community alcohol sellers and servers. The purpose of this training is to communicate local facts and nationally emerging trends in alcohol abuse and to collaborate with local liquor licensees to encourage best practices to ensure no minors are served alcohol and no adults are served to excess. We put a human face on the dangers and consequences of serving minors or serving intoxicated adults.

The coalition also has active committees targeting parenting, marijuana, youth prevention, and prescription drug use. As an active member of the School's Health and Wellness committee, the BAY Team's Parenting Committee is partnering with PTO's to again bring a Spring Conference for all parents. This year's conference will focus on stress, a key risk factor in youth substance use. The Prescription Drug Committee works with the local police and the Drug Enforcement Agency to host regular Drug Take Back Events. They also purchased a permanent collection box for expired or unused medications. It is located in the lobby of the police station.

The BAY Team is in the second of a 5-year State Block grant to reduce the use of marijuana and other drugs. Barrington is one of only 9 communities in the State of RI to receive this award. A part time project coordinator, Deb Perugini, has been hired to coordinate this initiative. With the support of this grant, the BAY Team has worked closely with the schools to implement comprehensive educational curricula, training and prevention activities.

FINANCIAL INFORMATION

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

INTERNAL CONTROLS

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

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

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

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

DEBT ADMINISTRATION

The Town's management actively manages the Town's long-term debt. As the Town analyzes its Capital Improvement Program, any projects that are too large to be funded out of the current year capital funding are listed as possible bond items. The projects needs are then compared to the Town's debt service schedule. The Town strives to maintain somewhat level debt service payments year-to-year to minimize large fluctuations in the tax rate. As a general rule, new bonds are approved and debt service payments are calculated and issued to correspond to debt maturities and retirements.

The Debt Capacity section in the statistical section of this report presents more detailed information about the debt position of the Town.

INDEPENDENT AUDIT

In accordance with the Town's Charter an audit of the accounts and financial statements has been completed by the Town's independent Certified Public Accountants, Bacon & Company, CPA's, LLC and their opinion is included herein.

REPORTING ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Barrington for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. This was the sixteenth consecutive year that the government has achieved this prestigious award.

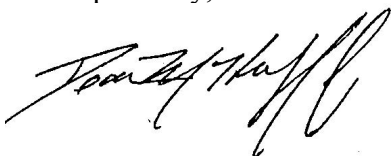
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and effectively organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENT

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

Respectfully,



Dean M. Huff
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Barrington
Rhode Island

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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



Linda C. Dandson

President

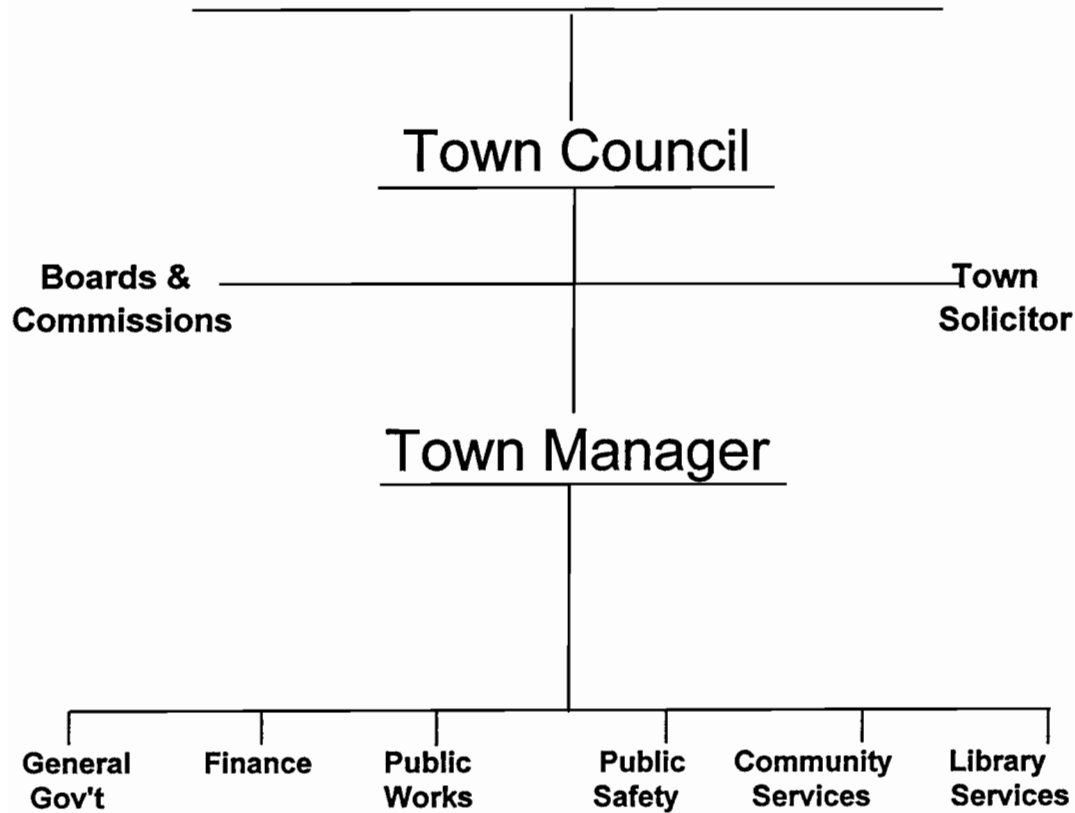
Jeffrey R. Enos

Executive Director

THE TOWN OF BARRINGTON

GOVERNMENTAL ORGANIZATION

The Citizens of Barrington



TOWN OF BARRINGTON, RHODE ISLAND

TOWN COUNCIL

June Sager Speakman – President
Jeffrey S. Brenner – Vice President
Cynthia Armour Coyne
William C. DeWitt
Kate G. Weymouth

SCHOOL COMMITTEE

Patrick A. Guida - Chairperson
Scott W. Fuller – Vice Chairperson
Kate D. Brody
Christopher Ramsden
Robert E. Shea, Jr.

TOWN MANAGER
FINANCE DIRECTOR
TOWN SOLICITOR
TOWN CLERK
TAX ASSESSOR
DIRECTOR OF PUBLIC WORKS
POLICE CHIEF
FIRE CHIEF
BUILDING OFFICIAL
DIRECTOR OF SENIOR SERVICES
DIRECTOR OF RECREATION
LIBRARY DIRECTOR
SCHOOL SUPERINTENDENT
INDEPENDENT AUDITORS

Peter A. DeAngelis, Jr.
Dean M. Huff, Jr.
Ursillo, Teitz and Ritch, Ltd.
Linda H. James
Michael Minardi
Alan M. Corvi
John M. LaCross
Gerald A. Bessette
Robert B. Speaker
Louise House
John Taylor
Deborah R. Barchi
Robert O. McIntyre
Bacon & Company, CPAs, LLC

FINANCIAL SECTION

THIS SECTION CONTAINS THE FOLLOWING:

Independent Auditor's Report

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

INDEPENDENT AUDITOR'S REPORT

To the Honorable President
and Members of the Town Council
Barrington, 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 Barrington, Rhode Island, as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Barrington, Rhode Island's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Barrington, Rhode Island, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2012 on our consideration of the Town of Barrington, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information and supplementary pension and other postemployment benefit information on pages 3 through 15 and 62 through 69 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 of Barrington, Rhode Island's basic financial statements. The combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information, and the schedule of expenditures of federal awards, as required by the U.S. Office of Management and Budget Circular A-133, "*Audits of States, Local Governments, and Non-profit Organizations*" are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Barrington, Rhode Island's basic financial statements. The introductory and statistical sections are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Bacon & Company, LLC

Warwick, Rhode Island
December 17, 2012

TOWN OF BARRINGTON MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the Town of Barrington provides this Management's Discussion and Analysis of the Town of Barrington's Comprehensive Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of Barrington is for the fiscal year ended June 30, 2012. We encourage readers to consider this information in conjunction with the additional information that is furnished in the letter of transmittal, which can be found preceding this narrative, and with the Town's financial statements that follow.

FINANCIAL HIGHLIGHTS

At the end of the current fiscal year unassigned fund balance for the general fund was \$11,783,764 or 20.14% of total 2013 budgeted expenditures. This is an increase of \$989,488 from the prior year unassigned fund balance.

The Town ended fiscal year 2012 with a budgetary operating surplus of \$879,904. Of this, \$492,600 was due to positive revenue variances, with the majority a result of favorable collections on property taxes and local fees. The other \$388,998 was due to positive expenditure variances, specifically, in debt service due to timing of new issues, some utility accounts, due to a mild winter and salary benefit accounts due to vacancies.

The School ended with a budgetary operating surplus of \$386,275. This surplus was a result of favorable expenditures in salaries, benefits and utilities, offset by higher than anticipated expenditures in special education and transportation.

The Town's internal service fund (medical fund) posted a net claims surplus in the amount of \$693,508. Surpluses from this account are transferred into the Town's post retirement benefit trust fund as a funding source.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Town's overall status.
- The remaining statements are fund financial statements that focus on individual parts of the Town government, reporting the Town's operations in more detail than the government-wide statements.

- ✓ The *governmental funds* statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
- ✓ *Proprietary fund* statements offer short and long term financial information about the activities the government operates like businesses, such as the sewer system.
- ✓ *Fiduciary Fund* statements provide information about assets that are held by the Town as a trustee or agent for the benefit of someone or something other than the Town itself. The Town cannot use these assets to support its own programs.

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

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

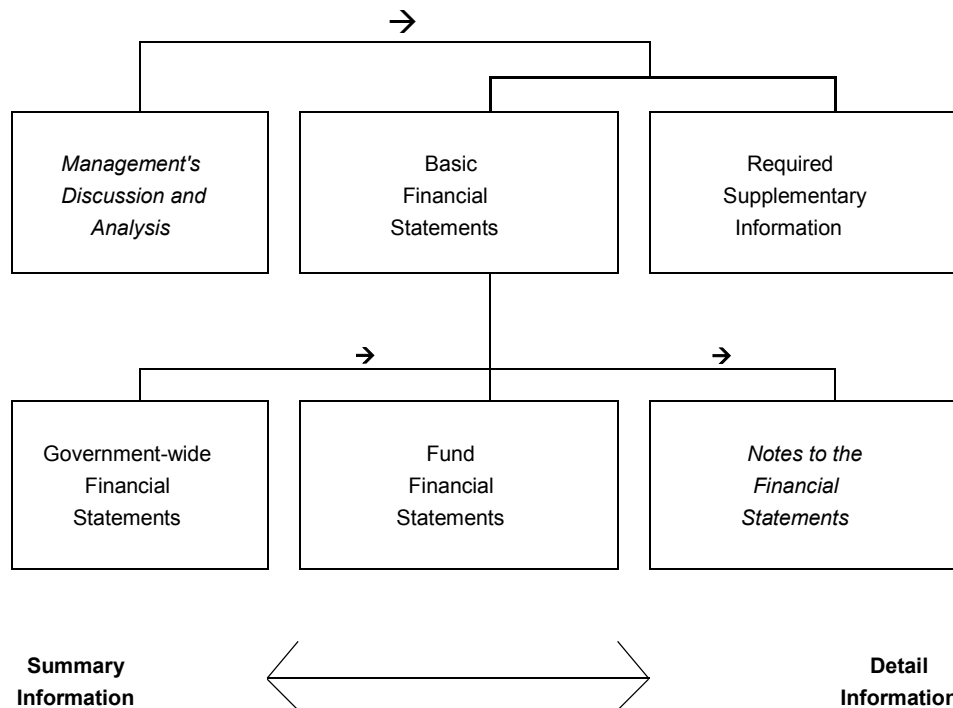


Figure A- 2

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

	Government- Wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Town government (except fiduciary funds)	The activities of the Town that are not proprietary or fiduciary, such as police, fire and DPW.	Activities the Town operates similar to private businesses such as the sewer system.	Instances in which the Town is the trustee or agent for someone else’s resources.
Required Financial Statements	Statement of Net Assets Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets Statement of Revenues, Expenses, and Changes in Net Assets. Statement of Cash Flows	Statement of Fiduciary Net Assets Statement of Changes in Fiduciary Net Assets
Accounting Basis And Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Assets/ Liability Information	All assets and liabilities both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Town’s funds do not currently contain capital assets, although they can
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during year, regardless of when cash is received or paid

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

Government-wide Statements

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

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

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

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

- *Governmental activities* – Most of the Town's basic services are included here, such as the police, fire, school, library, public works and general administration. Property taxes, charges for services and state funding finance most of these activities.
- *Business-Type activities* - The Town charges fees to customers to cover the costs of certain services it provides. The Town's sewer system is included here.
- *Component units* – The Town does not have any entities that are deemed to be component units.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Governmental funds – Most of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the government fund statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirement.

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 gain a better understand of the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities.

The Town maintains 44 governmental funds. One of these is considered a major fund for presentation purposes. That is, each major fund is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The Town's major governmental fund is the General Fund

The basic governmental fund financial statements can be found on pages 18-23 of this report.

Proprietary Funds – The Town maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its sanitary sewer operations. *Internal Service Funds* are used to report activities that provide supplies and services for the Town's other programs and activities – such as the Town's Employee Medical Insurance Fund.

The basic proprietary fund financial statements can be found on pages 24-27 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statements can be found on pages 28-29 of this report.

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

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. **This section includes budgetary comparison schedules, which includes reconciliation between the statutory fund balance for budgetary purposes and the fund balances for the General Fund as presented in the governmental fund financial statements.** Required supplementary information follow the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Town's combined net assets (government and business-type activities) totaled \$79,658,527 at the close of the most recent fiscal year.

The largest portion of the Town's net assets (71%) reflects its investment in capital such as land, building, equipment, and infrastructure, less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Barrington's Net Assets

June 30, 2012

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current assets	\$26,792,399	\$26,922,233	\$5,866,873	\$5,859,907	\$32,659,272	\$32,782,140
Capital assets	53,040,653	51,308,163	25,973,990	27,187,570	79,014,643	78,495,733
Other non-current assets	<u>325,522</u>	<u>331,096</u>	<u>117,082</u>	<u>125,676</u>	<u>442,604</u>	<u>456,772</u>
Total assets	<u>80,158,574</u>	<u>78,561,492</u>	<u>31,957,945</u>	<u>33,173,153</u>	<u>112,116,519</u>	<u>111,734,645</u>
Current liabilities	4,659,674	4,882,280	935,407	993,598	5,595,081	5,875,878
Long-term liabilities	<u>14,697,531</u>	<u>15,211,060</u>	<u>12,165,380</u>	<u>12,887,244</u>	<u>26,862,911</u>	<u>28,098,304</u>
Total liabilities	<u>19,357,205</u>	<u>20,093,340</u>	<u>13,100,787</u>	<u>13,880,842</u>	<u>32,457,992</u>	<u>33,974,182</u>
Net Assets:						
Invested in capital assets, net of related debt	42,022,020	39,401,218	14,810,043	15,338,614	56,832,063	54,739,832
Restricted	3,045,017	4,213,486	0	0	3,045,017	4,213,486
Unrestricted	<u>15,734,332</u>	<u>14,853,448</u>	<u>4,047,115</u>	<u>3,953,697</u>	<u>19,781,447</u>	<u>18,807,145</u>
Total net assets	<u>\$60,801,369</u>	<u>\$58,468,152</u>	<u>\$18,857,158</u>	<u>\$19,292,311</u>	<u>\$79,658,527</u>	<u>\$77,760,463</u>

An additional portion of the Town's net assets (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net assets.

At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

Changes in Net Assets

The government's net assets increased by \$1,898,064 during the current fiscal year.

Town of Barrington's Changes in Net Assets

Total	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenue:						
Program Revenue:						
Charges for services	\$3,386,738	\$3,165,513	\$3,102,585	\$3,089,947	\$6,489,323	\$6,255,460
Grants and Contributions	7,441,443	6,556,690	0	0	7,441,443	6,556,690
General Revenue:						
Property Taxes	55,189,403	53,403,849	0	0	55,189,403	53,403,849
State Aid and in lieu of tax	787,406	787,468	0	0	787,406	787,468
Other Revenue	(2,668)	740,155	4,591	7,448	1,923	747,603
Total Revenue	66,802,322	64,653,675	3,107,176	3,097,395	69,909,498	67,751,070
Expenses:						
General government	2,263,025	3,146,408	0	0	2,263,025	3,146,408
Public safety	6,643,647	7,003,975	0	0	6,643,647	7,003,975
Public works	3,393,290	4,095,223	0	0	3,393,290	4,095,223
Refuse and Recycling Contract	850,356	0	0	0	850,356	0
Public Library	1,410,086	1,369,703	0	0	1,410,086	1,369,703
Senior services	126,671	114,798	0	0	126,671	114,798
Cemetery	181,989	175,577	0	0	181,989	175,577
Recreation	520,193	403,042	0	0	520,193	403,042
Inspections	106,514	101,974	0	0	106,514	101,974
Conservation of health	45,000	45,000	0	0	45,000	45,000
Community services	214,244	230,402	0	0	214,244	230,402
Interest on long-term debt	482,330	484,343	0	0	482,330	484,343
School	48,231,760	47,244,029	0	0	48,231,760	47,244,029
Sewer	0	0	3,542,329	3,689,584	3,542,329	3,689,584
Total Expense	64,469,105	64,414,474	3,542,329	3,689,584	68,011,434	68,104,058
Increase (decrease) in net assets	2,333,217	239,201	(435,153)	(592,189)	1,898,064	(352,988)
Net assets-beginning of year	58,468,152	58,228,951	19,292,311	19,884,500	77,760,463	78,113,451
Net assets-end of year	<u>\$60,801,369</u>	<u>\$58,468,152</u>	<u>\$18,857,158</u>	<u>\$19,292,311</u>	<u>\$79,658,527</u>	<u>\$77,760,463</u>

Governmental activities: Governmental activities increased the Town's net assets by \$2,333,217. The key elements for this small increase are as follows:

1. A net increase in current assets due to operating surpluses from both the Town and School.
2. An increase in noncurrent assets due to purchase of assets and capitalization of land improvements.

Business-type activities: The net assets for business-type activities decreased by \$435,153. The key element for this decrease is as follows:

Depreciation expense of infrastructure assets.

Financial Analysis of the Government's Funds

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

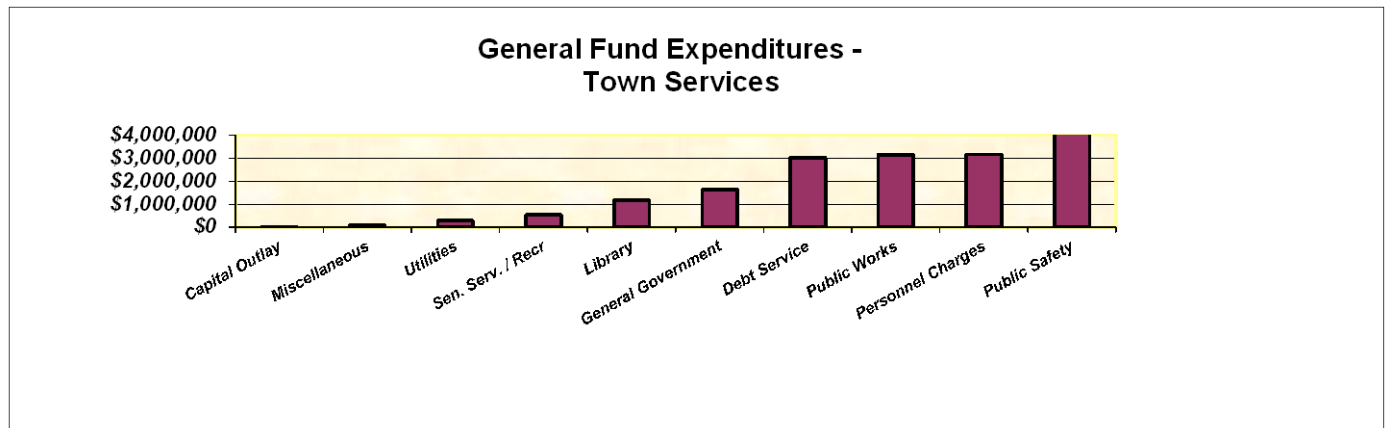
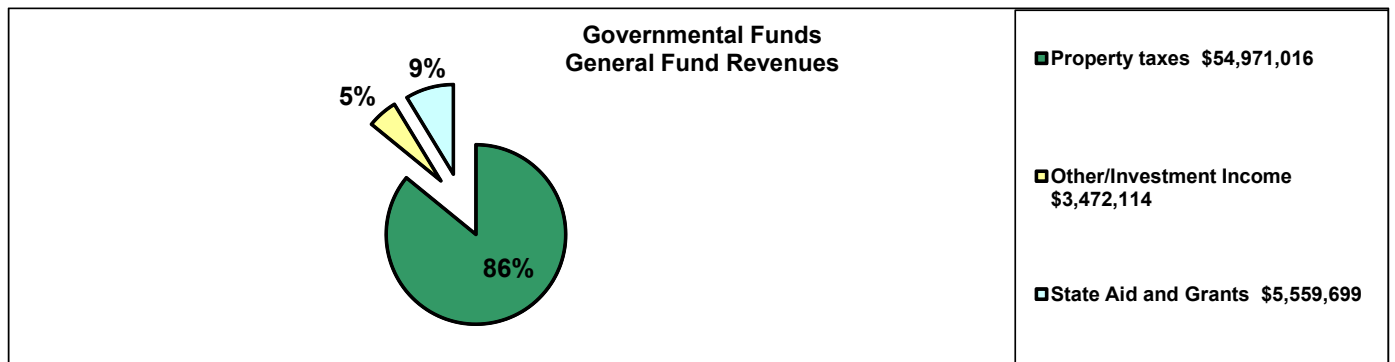
Governmental funds: The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$20,643,608, a decrease of \$1,308,874 in comparison with the prior year. The majority of this decrease was due to Capital Outlay, which are shown as expenditures on the governmental funds statements (refer to page 23 for complete listing). \$11,750,450 or 57% of this total amount represents unassigned fund balance, which is the residual fund balance that is available for spending at the government's discretion. For a detailed explanation of fund balance, refer to Note 9 – Net Assets/Fund Balances on pages 47 and 48.

Although shown in the General Fund, the school department maintains its own operating budget. Any excess funds remaining at year-end remain with the School department to be used at their discretion, per State law. At the end of the fiscal year, the fund balance, restricted for education programs was \$812,061. This amount has further been designated by the School Committee for the following programs: \$200,000 was designated for their FY13 operating budget, \$150,000 was designated for technology, \$28,268 is designated for capital improvements and the remainder of \$433,793 maintains a minimum restricted fund balance. This is a decrease of \$909,560 from the prior year's restricted fund balance.

The cemetery fund is overseen by a cemetery commission. The commission has full control and management of all cemetery and burial grounds belonging to the Town and controls the funds investment portfolio. During the current year, the fund spent \$181,989 on the maintenance of grounds and collected \$74,605 from lot sales and other revenue. The fund balance, restricted for cemetery and burial grounds now stands at \$1,715,264 a decrease of \$155,133 over the prior year. This decrease was a result of investment losses and operational expenditures.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$11,783,764. Total fund balance was \$13,629,038. As a measure of the general fund liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 20.14% of total FY13 general fund budgeted expenditures. The unassigned fund balance of the Town's general fund increased by \$989,488 during the current fiscal year. This is a 9.2% increase from the prior year.



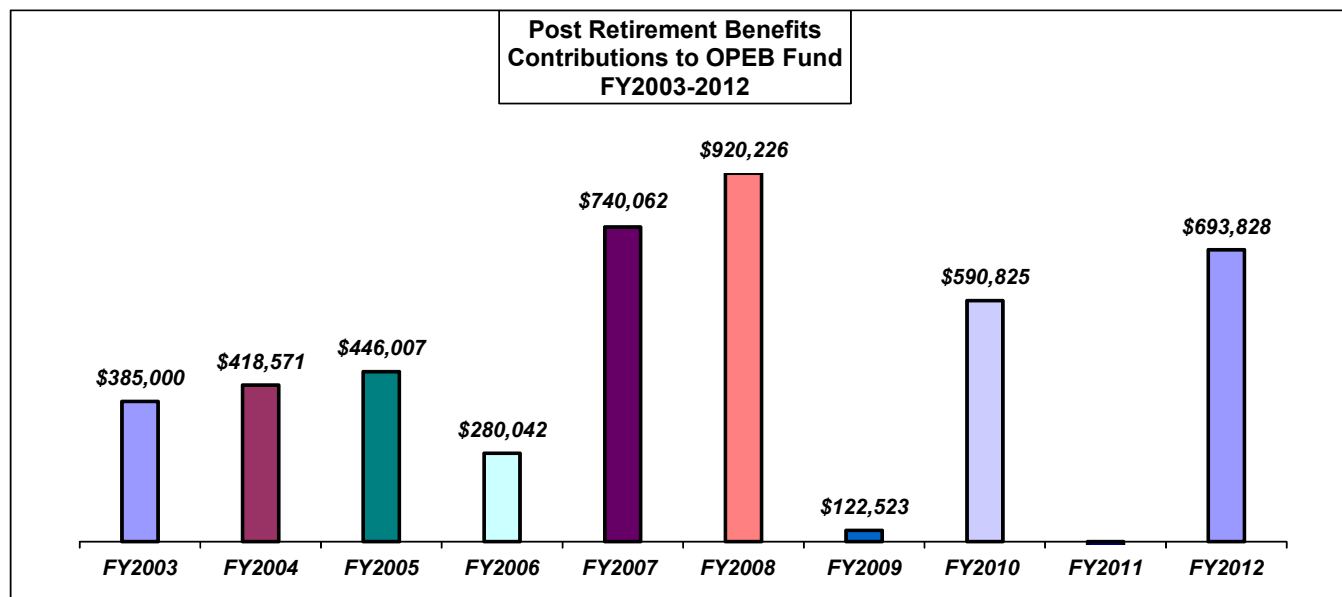
Proprietary Funds: The Town has two proprietary funds, the sewer enterprise fund and the medical internal service fund. These proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

For the fiscal year ended June 30, 2012 the sewer fund had a decrease in net assets of \$435,153. This net decrease is a result of depreciation on long-term assets.

Unrestricted net assets in the medical internal service fund at the end of the year amounted to \$2,050,000. The increase in net assets is \$376,539. During the current year, there was a favorable net claims rate of \$693,508. Additionally, there was a transfer of excess reserves totaling \$693,828 to the post-employment benefit trust fund.

Fiduciary Funds: The Town has four fiduciary funds, the post employment benefits trust fund, the Amey Tucker Spencer trust fund and two small agency funds. The post employment benefits trust fund had a net increase in net assets of \$704,729. The increase was due to a transfer of \$693,828 from the medical fund of its excess reserves accumulated from a positive claims rate in fiscal year 2012.

The Amey Tucker Spencer trust fund is a trust fund specific to the needs of the poor and less fortunate residents in Town. This fund had a decrease in net assets of \$11,563 as a result of program expenditures exceeding the net investment earnings.



General Fund Budgetary Highlights

The Town finished FY2012 with a budgetary surplus of \$879,904. Favorable revenue variances were mainly due from higher than expected tax collections (\$126,515) and collections of local fees such as real estate transfer fees (\$244,797). Favorable variances between the original general fund budget and the final departmental expenditures of \$388,998 were mainly due to vacancies in public safety - \$77,137, utility accounts of \$77,277 due to a mild winter and debt service of \$160,964 as a result of timing issues with the issuance of new debt. With the exception of Public Works which shows a deficit of \$141,422 all of the Town's departments realized a favorable departmental variance. The deficit of Public Works was due to clean up efforts required from Hurricane Irene. FEMA reimbursed the Town at 75% of expenditures. That reimbursement is shown as miscellaneous income. Refer to page 64.

Capital Assets and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of June 30, 2012 amounted to \$79,014,643 (net of accumulated depreciation). This investment in capital assets includes land, buildings, infrastructure, improvements, machinery & equipment, roads and construction in progress. The total increase in the Town's investment in capital assets for the current year was \$518,910.

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

- | | |
|---|----------------|
| 1. Chianese Field – Landfill Closure | \$1,276,195.00 |
| 2. High School Parking Lot | \$743,257.00 |
| 3. Repaving of Roads | \$638,534.00 |
| 4. Emergency Vehicle – Ambulance Type 1 | \$247,952.00 |

Town of Barrington's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land, Land Improvements & Infrastructure	\$28,464,001	\$25,658,710	\$42,447,375	\$42,447,375	\$70,911,376	\$68,106,085
Buildings & Improvements	44,934,736	44,613,808	11,643,212	11,643,212	56,577,948	56,257,020
Vehicles	5,252,767	5,074,892	281,123	249,564	5,533,890	5,324,456
Machinery & Equipment	3,666,208	3,120,334	852,162	852,162	4,518,370	3,972,496
Construction in Progress	85,059	865,477	22,408	0	107,467	865,477
Less: Accumulated Depreciation	(29,362,118)	(28,025,058)	(29,272,290)	(28,004,743)	(58,634,408)	(56,029,801)
Total	\$53,040,653	\$51,308,163	\$25,973,990	\$27,187,570	\$79,014,643	\$78,495,733

Additional information on the Town's capital assets can be found in NOTE 2 – CAPITAL ASSETS, starting on page 36.

Long-term debt. At the end of the fiscal year, the Town had total governmental bonded debt outstanding of \$9,674,600. Principal retirements on bonded debt totaled \$2,555,000. General obligation bonds are backed by the full faith and credit of the Town, including the Town's power to levy additional taxes to ensure repayment of the debt. Accordingly, all general obligation debt currently outstanding was approved by a vote of the citizens. Additions to the Town's long-term debt included a general obligation bond of \$729,600. These funds are being used road resurfacing and drainage improvements. Other additions include the increase of \$446,139 for OPEB liabilities.

The Town has an Aa1 rating from Moody's Investors Service.

State statute limits the amount of bonds a governmental entity can issue to 3% of its total assessed valuation. As of June 30, 2012, the current debt limitation for the Town is \$87,005,674.

Additional information on the Town's long-term debt can be found in NOTE 6 – LONG TERM LIABILITIES, starting on page 42.

Economic Factors and Next Year's Budgets and Rates

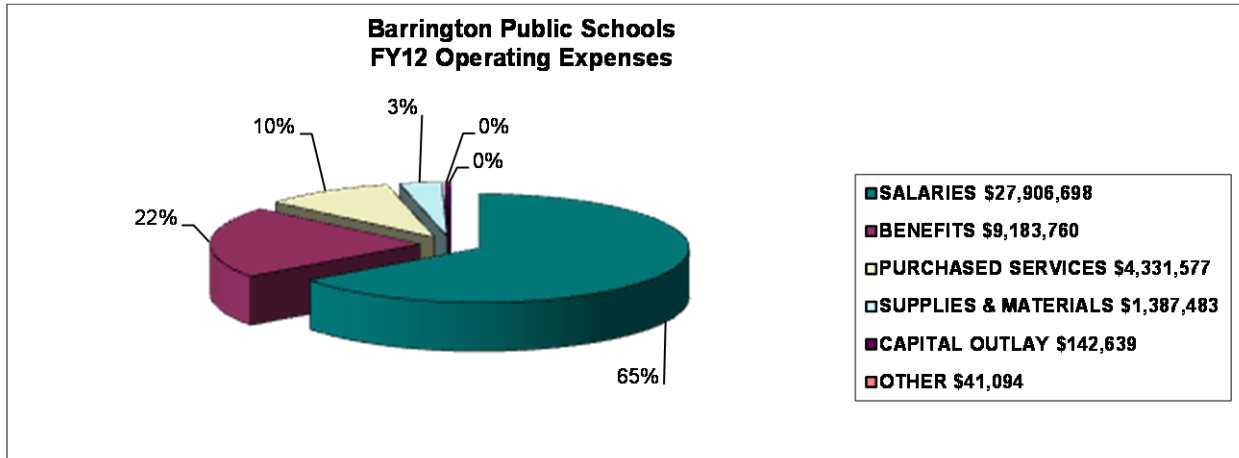
As of October 2012, the unemployment rate for the Town of Barrington is 7.2 percent. This compares favorably to the State's seasonally adjusted unemployment rate of 10.4 percent and the national average of 7.7 percent. Per capita and median family income remains some of the highest in the State and favorable nationally.

	Per Capita	Median Family
Barrington (1)	\$46,029	\$116,295
Rhode Island *	\$28,707	\$70,663
United States *	\$41,560	\$49,103

- * Obtained from 2010 Census Data
- (1) Rhode Island Department of Labor & Training – Estimates 2010

The following factors were considered in preparing the Town’s budget for the 2012-13 fiscal year.

- The School operating costs increased from \$43,379,304 to \$44,712,464. The dollar amount of the increase is \$1,333,160. The School local appropriation represents 70.3% of the total budget.



- Capital expenditures were decreased by \$139,500 to \$745,500, additionally, a transfer of excess fund balance of \$350,000 was appropriated capital expenditures, bringing the total capital commitment to \$1,095,500. This is a normal level needed to protect and maintain the town’s assets.
- Medical insurance continues to increase much higher than inflation with a trend at approximately 8%.
- State law limits the amount a municipality can raise taxes to 104.00 % of the prior year tax levy.
- The motor vehicle phase-out reimbursement remains at \$500.
- Municipal revenues, other than taxes, remain relatively flat.

The Town’s performed a property revaluation with an assessment date of December 31, 2010. Overall value decreased by approximately 8%. The tax rate set for fiscal year ended June 2013 is \$18.00. The Sewer fees are a three-part charge. The usage fee will remain at \$3.45 per HFC. The fixed-cost charge of \$88.50 per connection and the sewer improvement assessment of \$175.00 will also remain the same. The sewer improvement assessment is solely to fund the debt service costs incurred for the reconstruction of the Town’s sewer infrastructure. The Town of Barrington is not aware of any facts, decisions, or conditions that would have a significant impact on fiscal year 2012 or beyond.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Finance Director, 283 County Road, Barrington, Rhode Island 02806.

BASIC FINANCIAL STATEMENTS

THE BASIC FINANCIAL STATEMENTS INCLUDE:

Government-Wide Financial Statements

Fund Financial Statements:

- Governmental Funds**
- Proprietary Funds**
- Fiduciary Funds**

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

TOWN OF BARRINGTON, RHODE ISLAND

Statement of Net Assets

June 30, 2012

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>	<i>Total</i>
Assets:			
Current assets:			
Cash and cash equivalents	\$ 17,128,154	\$ 1,925,049	\$ 19,053,203
Investments	4,306,627	-	4,306,627
Accrued interest receivable	134,275	-	134,275
Real estate and personal property tax receivable (net)	2,457,027	-	2,457,027
Betterment assessment receivable	2,520	-	2,520
Sewer use and improvement assessment receivable	-	3,210,069	3,210,069
Due from federal and state government	2,655,992	456,981	3,112,973
Other receivables (net)	365,638	-	365,638
Internal balances	(274,774)	274,774	-
Inventories	16,940	-	16,940
Total current assets	26,792,399	5,866,873	32,659,272
Noncurrent assets:			
Capital assets: (Note 2)			
Land	12,186,771	-	12,186,771
Depreciable buildings, property, equipment, infrastructure (net)	40,768,823	25,951,582	66,720,405
Construction in progress	85,059	22,408	107,467
Other assets (net)	325,522	117,082	442,604
Total noncurrent assets	53,366,175	26,091,072	79,457,247
Total assets	80,158,574	31,957,945	112,116,519
Liabilities:			
Current Liabilities:			
Accounts payable and accrued liabilities	2,310,185	136,355	2,446,540
Claims payable	272,407	-	272,407
Accrued interest payable	93,815	62,168	155,983
Unearned revenue	198,011	-	198,011
Compensated absences payable	35,000	14,884	49,884
Long-term debt - due within one year (Note 6)	1,750,256	722,000	2,472,256
Total current liabilities	4,659,674	935,407	5,595,081
Noncurrent Liabilities:			
Long-term debt - due in more than one year (Note 6)	11,414,430	12,159,170	23,573,600
Compensated absences payable	667,920	6,210	674,130
Net other post employment benefit obligation	2,615,181	-	2,615,181
Total noncurrent liabilities	14,697,531	12,165,380	26,862,911
Total liabilities	19,357,205	13,100,787	32,457,992
Net Assets:			
Invested in capital assets, net of related debt	42,022,020	14,810,043	56,832,063
Restricted for:			
Education programs	930,863	-	930,863
Cemetery	1,715,264	-	1,715,264
Public safety programs	96,005	-	96,005
Historical records preservation	100,144	-	100,144
Community service programs	35,956	-	35,956
Other programs	8,710	-	8,710
Permanent:			
Expendable	9,249	-	9,249
Nonexpendable	148,826	-	148,826
Unrestricted	15,734,332	4,047,115	19,781,447
Total net assets	\$ 60,801,369	\$ 18,857,158	\$ 79,658,527

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

TOWN OF BARRINGTON, RHODE ISLAND

Statement of Activities

For the Fiscal Year Ended June 30, 2012

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities:							
Legislative, judicial and general administrative	\$ 2,263,025	\$ 877,568	\$ 75,840	\$ 10,000	\$ (1,299,617)	\$ -	\$ (1,299,617)
Public safety	6,643,647	708,112	18,837	146,633	(5,770,065)	-	(5,770,065)
Public works	3,393,290	85,822	317,574	224,255	(2,765,639)	-	(2,765,639)
Refuse and recycling contract	850,356	-	-	-	(850,356)	-	(850,356)
Conservation of health	45,000	-	-	-	(45,000)	-	(45,000)
Recreation	520,193	301,291	36,004	-	(182,898)	-	(182,898)
Public libraries	1,410,086	43,109	327,006	-	(1,039,971)	-	(1,039,971)
Community services	214,244	-	216,930	-	2,686	-	2,686
Senior services	126,671	8,538	-	-	(118,133)	-	(118,133)
Inspections	106,514	159,445	-	-	52,931	-	52,931
Education	48,231,760	1,121,158	5,483,735	76,646	(41,550,221)	-	(41,550,221)
Cemetery	181,989	81,695	15,281	-	(85,013)	-	(85,013)
Interest on long-term debt	482,330	-	492,702	-	10,372	-	10,372
Total governmental activities	64,469,105	3,386,738	6,983,909	457,534	(53,640,924)	-	(53,640,924)
Business-Type Activities:							
Wastewater	3,542,329	3,102,585	-	-	-	(439,744)	(439,744)
Total business-type activities	3,542,329	3,102,585	-	-	-	(439,744)	(439,744)
Total	\$ 68,011,434	\$ 6,489,323	\$ 6,983,909	\$ 457,534	(53,640,924)	(439,744)	(54,080,668)
General Revenues:							
Taxes:							
Property taxes					55,189,403	-	55,189,403
State aid and in lieu of taxes, not restricted for a specific purpose					787,406	-	787,406
Investment earnings					(24,059)	4,591	(19,468)
Miscellaneous					21,391	-	21,391
Total general revenues					55,974,141	4,591	55,978,732
Change in net assets					2,333,217	(435,153)	1,898,064
Net assets - beginning of year					58,468,152	19,292,311	77,760,463
Net assets - end of year					\$ 60,801,369	\$ 18,857,158	\$ 79,658,527

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

TOWN OF BARRINGTON, RHODE ISLAND

**Balance Sheet
Governmental Funds
June 30, 2012**

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash	\$ 13,914,042	\$ 318,024	\$ 14,232,066
Investments	7,500	4,299,127	4,306,627
Accrued interest receivable	-	8,123	8,123
Real estate and personal property tax receivable (net)	2,457,027	-	2,457,027
Betterment assessment receivable	2,520	-	2,520
Due from federal and state governments	210,988	2,445,004	2,655,992
Due from other funds	3,645,080	1,605,255	5,250,335
Advance to Cemetery Fund	390,000	-	390,000
Other receivables	419,167	18,901	438,068
Inventory	16,940	-	16,940
Other assets	30,450	-	30,450
Total assets	<u>\$ 21,093,714</u>	<u>\$ 8,694,434</u>	<u>\$ 29,788,148</u>
 Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued expenditures	\$ 729,875	\$ 289,165	\$ 1,019,040
Due to other funds	4,882,321	1,000,699	5,883,020
Advance from General Fund	-	390,000	390,000
Deferred revenues	1,699,897	-	1,699,897
Other liabilities	152,583	-	152,583
Total liabilities	<u>7,464,676</u>	<u>1,679,864</u>	<u>9,144,540</u>

(Continued)

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

TOWN OF BARRINGTON, RHODE ISLAND
Balance Sheet (Continued)
Governmental Funds
June 30, 2012

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances:			
Nonspendable:			
LR Peck School House building maintenance	-	10,000	10,000
Cemetery perpetual care	-	138,826	138,826
Tax title property	30,450	-	30,450
Inventory	16,940	-	16,940
Long-term advance to Cemetery Fund	390,000	-	390,000
Restricted for:			
Cemeteries and burial grounds	-	1,715,264	1,715,264
Education programs	812,061	118,802	930,863
Public safety programs	-	96,005	96,005
Historical records preservation	-	100,144	100,144
Community service programs	-	35,956	35,956
Capital projects	-	1,999,381	1,999,381
Other programs	-	17,959	17,959
Committed for:			
Capital projects	350,000	2,815,547	3,165,547
Recreation programs	73,477	-	73,477
Assigned to:			
2013 budget	25,000	-	25,000
Restoration projects	9,491	-	9,491
Recreation programs	13,063	-	13,063
Recycling projects	58,734	-	58,734
Education enrichment programs	66,058	-	66,058
Unassigned	<u>11,783,764</u>	<u>(33,314)</u>	<u>11,750,450</u>
Total fund balances	<u>13,629,038</u>	<u>7,014,570</u>	<u>20,643,608</u>
Total liabilities and fund balances	<u>\$ 21,093,714</u>	<u>\$ 8,694,434</u>	<u>\$ 29,788,148</u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Assets
June 30, 2012

Total Fund Balances - Total Governmental Funds	\$ 20,643,608
 <i>Amounts reported for Governmental Activities in the Statement of Net Assets are different because:</i>	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. See note 2 to the financial statements.	53,040,653
Accrued interest receivable on property taxes is reported as revenue in Government-Wide financial statements in the period earned. In Governmental Funds financial statements, interest on property taxes is reported when received.	126,152
Other long-term receivables are not available to pay for current period expenditures and, therefore, are deferred in Governmental Funds financial statements.	218,181
Delinquent taxes are recognized as revenue in the period for which levied in the Government-Wide financial statements, but are reported as deferred revenue (a liability) in Governmental Funds financial statements.	1,152,705
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in Governmental Funds Balance Sheet.	(93,815)
The Internal Service Fund is used by management to charge the costs of Health and Dental Insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Government-Wide Statement of Net Assets.	2,050,000
Long-term liabilities (including bonds, loans, and capital leases payable, compensated absences and net OPEB obligation) are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet. See note 6 to the financial statements.	(16,482,787)
Bond issue costs are reported as expenditures in the Governmental Funds financial statements. The cost and related accumulated amortization is reflected as an other asset on the Government-Wide financial statements.	<u>146,672</u>
 Net Assets of Governmental Activities	 <u><u>\$ 60,801,369</u></u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
General property taxes	\$ 54,971,016	\$ -	\$ 54,971,016
Intergovernmental revenues	278,600	-	278,600
Investment income	34,308	(58,686)	(24,378)
Other local revenues	2,722,959	-	2,722,959
State and federal aid and grants	5,559,699	2,091,895	7,651,594
Other revenues	436,247	710,303	1,146,550
Total revenues	<u>64,002,829</u>	<u>2,743,512</u>	<u>66,746,341</u>
Expenditures:			
<i>Current:</i>			
Legislative, judicial and general administrative	1,536,131	19,823	1,555,954
Public safety	4,343,980	121,589	4,465,569
Public works	2,296,305	224,288	2,520,593
Refuse and recycling contract	850,356	-	850,356
Food service	-	790,678	790,678
Conservation of health	45,000	-	45,000
Personnel charges	3,168,864	-	3,168,864
Recreation	423,104	66,004	489,108
Public libraries	1,172,614	-	1,172,614
Community services	-	214,244	214,244
Senior services	110,931	-	110,931
Inspections	95,527	-	95,527
Government utilities	287,223	-	287,223
Education	45,078,757	1,102,656	46,181,413
Cemetery	-	181,989	181,989
Miscellaneous	29,269	-	29,269
Debt Service	3,030,355	-	3,030,355
Capital outlay	13,020	3,582,108	3,595,128
Total expenditures	<u>62,481,436</u>	<u>6,303,379</u>	<u>68,784,815</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>1,521,393</u>	<u>(3,559,867)</u>	<u>(2,038,474)</u>

(Continued)

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other financing sources (uses):			
Capital related debt issued	-	729,600	729,600
Transfers from other funds	76,306	1,796,808	1,873,114
Transfers to other funds	<u>(1,796,808)</u>	<u>(76,306)</u>	<u>(1,873,114)</u>
Total other financing sources (uses)	<u>(1,720,502)</u>	<u>2,450,102</u>	<u>729,600</u>
Net change in fund balances	(199,109)	(1,109,765)	(1,308,874)
Fund balances - beginning of year, restated	<u>13,828,147</u>	<u>8,124,335</u>	<u>21,952,482</u>
Fund balances - end of year	<u>\$ 13,629,038</u>	<u>\$ 7,014,570</u>	<u>\$ 20,643,608</u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in the Fund Balances to Government-Wide Statement of Activities
For the Year Ended June 30, 2012

Net Changes in Fund Balances - Total Governmental Funds	\$ (1,308,874)
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental Funds financial statements report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital asset additions recorded in the current period.	3,833,072
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in Governmental Funds financial statements.	(2,054,472)
Loss on disposal of capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, the loss on disposal of capital assets is not reported as an expenditure in the Governmental Funds financial statements.	(46,110)
Long-term compensated absences are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds financial statements. This is the amount of the change in long-term compensated absences in the current period.	(33,067)
Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Assets. Repayment of bond principal and payment to refunded bond escrow agent are expenditures in Government Funds, but the payments reduce long-term liabilities in the Government-Wide Statement of Net Assets.	
This amount represents bond principal payments during the current period.	2,555,000
This amount represents bonds issued during the current period.	(729,600)
Accrued interest on long-term debt is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in Governmental Funds financial statements. The following amount represents the change in accrued interest from prior year.	(22,630)
The Internal Service Fund is used by management to charge the costs of Health and Dental Insurance to individual funds. The net revenues (expenses) of the Internal Service Fund is reported with Governmental Activities in the Government-Wide financial statements.	376,539
Debt issued at a premium provide current financial resources to Governmental Funds, but are deferred and amortized in the Government-Wide financial statements. Debt issuance costs and loss on refundings are expenditures in the Governmental Funds, but are deferred and amortized in the Government-Wide financial statements.	
This amount represents debt issuance costs incurred during the current period.	7,150
This amount represents amortization on loss on refundings during the current period.	(58,802)
This amount represents amortization of premium on debt during the current period.	30,881
This amount represents amortization of debt issuance costs during the current period.	(31,424)
Loan and capital lease proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Assets. Repayment of bond and capital lease principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Assets.	
This amount represents loan and capital lease principal payments during the current period.	98,791
Long-term net other post employment benefit (OPEB) obligation is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, long-term net OPEB obligation is not reported as expenditures in Governmental Funds financial statements. This is the amount of the change in long-term net OPEB obligation in the current period.	(446,139)
Revenues in the Government-Wide Statement of Activities that are not measurable and available in Governmental Funds are not reported as revenue in the Governmental Funds.	162,902
Change in Net Assets of Governmental Activities	<u>\$ 2,333,217</u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Net Assets
Proprietary Funds
June 30, 2012

	<u>Enterprise Fund</u> <u>Wastewater</u>	<u>Internal</u> <u>Service Fund</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,925,049	\$ 2,896,088
Accounts receivable:		
Sewer use	2,102,930	-
Sewer improvement assessment	1,107,139	-
Due from federal and state government	456,981	-
Due from other funds	3,583,102	416,481
Total current assets	<u>9,175,201</u>	<u>3,312,569</u>
Noncurrent assets:		
Capital assets:		
Depreciable assets - net	25,951,582	-
Construction in progress	22,408	-
Other assets	117,082	148,400
Total noncurrent assets	<u>26,091,072</u>	<u>148,400</u>
Total assets	<u>35,266,273</u>	<u>3,460,969</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	136,355	1,138,562
Due to other funds	3,308,328	-
Accrued interest payable	62,168	-
Claims payable	-	272,407
Accrued compensated absences	14,884	-
Current portion of bonds and loan payable	722,000	-
Total current liabilities	<u>4,243,735</u>	<u>1,410,969</u>
Noncurrent liabilities:		
Accrued compensated absences	6,210	-
Bonds and loan payable	12,159,170	-
Total noncurrent liabilities	<u>12,165,380</u>	<u>-</u>
Total liabilities	<u>16,409,115</u>	<u>1,410,969</u>
Net Assets		
Investment in capital assets, net of related debt	14,810,043	-
Unrestricted	4,047,115	2,050,000
Total net assets	<u>\$ 18,857,158</u>	<u>\$ 2,050,000</u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	<u>Enterprise Fund</u> <u>Wastewater</u>	<u>Internal</u> <u>Service Fund</u>
Operating revenues		
Sewer use fees	\$ 3,102,585	\$ -
Charges for insurance and services	-	7,809,355
Total operating revenues	<u>3,102,585</u>	<u>7,809,355</u>
 Operating expenses		
Salaries and benefits	385,834	-
Materials and supplies	1,918	-
Repair and maintenance	177,570	-
Depreciation	1,289,197	-
Utilities	84,831	-
Contractual services	1,186,540	-
Claims	-	4,666,420
Postemployment fund contribution	-	2,411,565
Other expenses	61,287	355,150
Total operating expenses	<u>3,187,177</u>	<u>7,433,135</u>
 Operating income (loss)	<u>(84,592)</u>	<u>376,220</u>
 Nonoperating revenues (expenses)		
Investment income	4,591	319
Amortization expense	(8,594)	-
Interest expense	(346,558)	-
Total nonoperating revenues (expenses)	<u>(350,561)</u>	<u>319</u>
 Change in net assets	<u>(435,153)</u>	<u>376,539</u>
 Total net assets - beginning of year	<u>19,292,311</u>	<u>1,673,461</u>
 Total net assets - end of year	<u>\$ 18,857,158</u>	<u>\$ 2,050,000</u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	Enterprise Fund	Internal
	Wastewater	Service Fund
<i>Cash flows from operating activities</i>		
Cash received from insurance and service charges	\$ -	\$ 7,809,355
Claim payments	-	(4,620,770)
Cash received from customers	3,095,057	-
Cash payments to suppliers for goods and services	(1,587,568)	(355,150)
Cash payments to employees for services	(394,362)	-
Other operating payments	-	(1,717,737)
Increase in deposits	-	(18,700)
	<u>1,113,127</u>	<u>1,096,998</u>
<i>Net cash provided by operating activities</i>		
<i>Cash flows from non-capital financing activities</i>		
Interfund transactions	(7,827)	15,566
	<u>(7,827)</u>	<u>15,566</u>
<i>Net cash provided by (used for) non-capital related financing activities</i>		
	<u>(7,827)</u>	<u>15,566</u>
<i>Cash flows from capital and related financing activities</i>		
Acquisition and construction of capital assets	(64,507)	-
Payment of interest on bonds and loans	(349,773)	-
Payment of principal on bonds and loans	(704,000)	-
	<u>(1,118,280)</u>	<u>-</u>
<i>Net cash used for capital and related financing activities</i>		
<i>Cash flows from investing activities</i>		
Investment income	4,591	319
	<u>4,591</u>	<u>319</u>
<i>Net cash provided by investing activities</i>		
	<u>4,591</u>	<u>319</u>
<i>Net increase (decrease) in cash and cash equivalents</i>	(8,389)	1,112,883
<i>Cash and cash equivalents - beginning of year</i>	<u>1,933,438</u>	<u>1,783,205</u>
<i>Cash and cash equivalents - end of year</i>	<u>\$ 1,925,049</u>	<u>\$ 2,896,088</u>

(Continued)

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	<i>Enterprise Fund</i>	<i>Internal</i>
	<i>Wastewater</i>	<i>Service Fund</i>
<i>Reconciliation of operating income (loss) to net cash provided by operating activities</i>		
Operating income (loss)	\$ (84,592)	\$ 376,220
<i>Adjustments to reconcile operating income (loss) to net cash provided by operating activities:</i>		
Depreciation	1,289,197	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(7,528)	-
Increase (decrease) in accounts payable and accrued expenses	(74,314)	739,478
Increase (decrease) in accrued compensated absences	(9,636)	-
(Increase) decrease in deposits	-	(18,700)
	-	(18,700)
<i>Net cash provided by operating activities</i>	\$ 1,113,127	\$ 1,096,998

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	<i>Post Employment Benefits Trust Fund</i>	<i>Private- Purpose Trusts</i>	<i>Agency Funds</i>
	<u> </u>	<u> </u>	<u> </u>
<i>Assets</i>			
Cash and cash equivalents	\$ 4,246,915	\$ 416,379	\$ 397,648
Investments	-	2,840,380	3,638
Contribution receivable	955,232	-	-
Accrued interest receivable	-	107	-
<i>Total assets</i>	<u>5,202,147</u>	<u>3,256,866</u>	<u>401,286</u>
<i>Liabilities</i>			
Due to other funds	-	14,075	44,495
Deposits held in custody for others	-	-	356,791
<i>Total liabilities</i>	<u>-</u>	<u>14,075</u>	<u>401,286</u>
 <i>Net Assets</i>			
Held in trust for post employment benefits and other purposes	<u>\$ 5,202,147</u>	<u>\$ 3,242,791</u>	<u>\$ -</u>

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

TOWN OF BARRINGTON, RHODE ISLAND
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2012

	<u>Post Employment Benefits Trust Fund</u>	<u>Private- Purpose Trusts</u>
Additions		
Contributions:		
Employer	\$ 2,359,865	\$ -
Plan member	51,700	-
Total contributions	<u>2,411,565</u>	<u>-</u>
Investment income:		
Net appreciation (depreciation) in fair value of investments	-	(50,870)
Interest and dividends	<u>10,901</u>	<u>79,614</u>
Net investment income	<u>10,901</u>	<u>28,744</u>
Total additions	<u>2,422,466</u>	<u>28,744</u>
Deductions		
Benefits	1,717,737	-
Miscellaneous	<u>-</u>	<u>40,246</u>
Total deductions	<u>1,717,737</u>	<u>40,246</u>
Change in net assets	704,729	(11,502)
Net assets - beginning of year	<u>4,497,418</u>	<u>3,254,293</u>
Net assets - end of year	<u>\$ 5,202,147</u>	<u>\$ 3,242,791</u>

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

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Town of Barrington was founded in 1770. The Town is governed largely under the 1958 Barrington Home Rule Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island. The Town operates under a Town Council-Town Manager form of government and provides the following services as authorized by its charter: public safety (police, fire, civil preparedness and harbor control); public works (sanitation, highways and streets, engineering and building maintenance); code enforcement; recreation; education; libraries; social services; and general administrative services.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town of Barrington does not have any component units.

B. BASIS OF PRESENTATION AND ACCOUNTING

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

Government-Wide Financial Statements

The Town's Government-Wide Financial Statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the Town accompanied by a total column. Fiduciary activities of the Town are not included in these statements.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

The Town applies to the Business-Type Activities and the Enterprise Fund all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the Committee on Accounting Procedure.

Governmental Fund Financial Statements

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

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

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Major Governmental Funds:

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

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Assets, a Statement of Revenues, Expenses and Changes in Fund Net Assets, and a Statement of Cash Flows. A column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the Governmental Activities in the Government-Wide Financial Statements.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included in the Statement of Net Assets. The Statement of Revenues, Expenses and Changes in Fund Net Assets present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The Town has one Enterprise Fund as follows:

Wastewater Fund – The Wastewater Fund is used to account for the sewer use fees and the expenses associated with providing wastewater services to Town residents.

The Town has one Internal Service Fund as follows:

Medical Fund – The Medical Fund is used to account for the Town’s self-insured health and dental care programs.

Fiduciary Fund Financial Statements

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

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Post Employment Benefits Trust Fund – This fund was established by Town ordinance effective December 2006 to account for funds to finance other post employment benefits paid by the Town and the payment of these benefits as they come due. The fund presently is accounting for surplus funds derived and transferred from the Town’s Medical Internal Service Fund in conformance with the Town ordinance and the payment of retirees’ benefits on a “pay as you go” basis.

Private Purpose Trust Funds – These funds account for funds held by the Town under various trust arrangements for the benefit of certain individuals. The Private Purpose Trust Funds includes the Land Easement Security Fund, the Amey Tucker Spencer Trust Fund, the Nicholas Gizzarelli Trust Fund, and the Patrick Murphy Trust Fund.

Agency Funds – These funds account for assets held by the Town as agent for various student groups and for funds held for performance bonds. The Agency Funds include the Performance Bond Fund and the Student Activity Funds.

C. CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, the Town considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

D. INVESTMENTS

The Town has implemented Governmental Accounting Standards Board Statement Number 31. As such, investments are recorded at fair value, except for nonparticipating interest earning investment contracts (i.e. certificates of deposit) which are recorded at amortized cost.

E. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE

Accounts receivable and taxes receivable are shown net of an allowance for uncollectible accounts. The allowances are calculated based on the age of the individual receivables.

Property taxes which were levied on September 1, of the current year and other delinquent balances are recorded as receivables.

F. UNBILLED SERVICES RECEIVABLE

Wastewater revenue is recorded when earned. Customers are billed annually. The estimated value of services provided but unbilled at year-end has been included in the accompanying financial statements.

G. INVENTORY

Inventory is maintained on a periodic system and is stated at cost (first in, first out method of inventory valuation). Inventory is generally recorded as expenditures/expenses when consumed.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

H. CAPITAL ASSETS AND DEPRECIATION

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

All capital assets are capitalized at historical or estimated historical cost. Donated capital assets are recorded at fair market values as of the date received. The Town follows the policy of not capitalizing assets with a cost of less than \$5,000 and a useful life of less than 1 year. The Town retroactively adjusted for infrastructure assets in fiscal year 2004.

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

<u>Description</u>	<u>Useful Life</u>
Land improvements	20 – 50 years
Buildings, improvements, pump stations and infrastructure	20 – 50 years
Machinery and equipment	5 – 30 years
Vehicles	5 – 15 years

I. DEBT PREMIUMS AND ISSUANCE COSTS

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

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

J. DEFERRED REVENUE

In the Governmental Fund Financial Statements, deferred revenue represents funds received in advance of being owed or receivables which will be collected and included in revenues of future fiscal years. In the General Fund, deferred revenues relate to property tax receivables and betterment assessment which are assessed on December 31, and billed on the 1st of September to be payable on September 30th (with provisions for quarterly payments), plus delinquent balances less property tax amounts due as of the balance sheet date and received sixty days thereafter.

K. PROPERTY TAXES

The Town is permitted by state law to levy property taxes. Current tax collections for the Town, including the 60-day collections, were approximately 98.17% of the total 2011 levy. The tax rate of the Town is established by the citizens at the Financial Town Meeting.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

The Town's fiscal 2011-2012 property taxes were levied on September 1, 2011 on assessed valuation as of December 31, 2010. Upon levy, taxes are due and payable on September 1 or may be paid quarterly on September 30, December 30, March 30, and June 30. Failure to mail payments by due dates will result in lien on taxpayer's property. Taxable assessed values are established by Tax Assessor's Office and are currently calculated at approximately 100% of current market value for real estate and 98.4% for motor vehicles. A revaluation of all property was completed as of December 31, 2010.

L. COMPENSATED ABSENCES

Under the terms of various contracts and agreements, Town employees are granted vacation and sick leave in varying amounts based on length of service. Vacation benefits are accrued as a liability based on the accumulated benefits earned at June 30. Sick leave benefits are based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability is calculated at the rate of pay in effect at June 30, 2012.

The entire compensated absence liability is reported on the Government-Wide Financial Statements. For Governmental Fund Financial Statements, the amount of accumulated vacation and sick leave has been recorded as a current liability to the extent that the amounts are due to employees that have resigned or retired.

M. ACCRUED LIABILITIES AND LONG-TERM DEBT

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

For Governmental Fund Financial Statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the Fund Financial Statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the Fund Financial Statements until due.

N. ESTIMATES

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

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

NOTE 2 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Nondepreciable assets:				
Land	\$12,186,771	\$ -	\$ -	\$ 12,186,771
Construction in progress	865,477	1,093,093	1,873,511	85,059
	<u>13,052,248</u>	<u>1,093,093</u>	<u>1,873,511</u>	<u>12,271,830</u>
Depreciable assets:				
Land improvements and infrastructure	13,471,939	3,024,311	219,020	16,277,230
Buildings and improvements	44,613,808	320,928	-	44,934,736
Machinery and equipment	3,120,334	545,874	-	3,666,208
Vehicles	5,074,892	722,377	544,502	5,252,767
	<u>66,280,973</u>	<u>4,613,490</u>	<u>763,522</u>	<u>70,130,941</u>
Total capital assets	<u>79,333,221</u>	<u>5,706,583</u>	<u>2,637,033</u>	<u>82,402,771</u>
Less accumulated depreciation for:				
Land improvements and infrastructure	6,926,106	480,947	185,947	7,221,106
Buildings and improvements	14,993,893	761,715	-	15,755,608
Machinery and equipment	2,042,873	329,463	-	2,372,336
Vehicles	4,062,186	482,347	531,465	4,013,068
Total accumulated depreciation	<u>28,025,058</u>	<u>2,054,472</u>	<u>717,412</u>	<u>29,362,118</u>
Governmental activities capital assets, net	<u>\$51,308,163</u>	<u>\$ 3,652,111</u>	<u>\$ 1,919,621</u>	<u>\$ 53,040,653</u>
Business-Type Activities:				
Nondepreciable assets:				
Construction in progress	\$ -	\$ 22,408	\$ -	\$ 22,408
	<u>-</u>	<u>22,408</u>	<u>-</u>	<u>22,408</u>
Depreciable assets:				
Building	3,553,578	-	-	3,553,578
Underground piping	42,447,375	-	-	42,447,375
Pump stations and improvements	8,089,634	-	-	8,089,634
Machinery and equipment	852,162	-	-	852,162
Vehicles	249,564	53,209	21,650	281,123
	<u>55,192,313</u>	<u>53,209</u>	<u>21,650</u>	<u>55,223,872</u>
Total capital assets	<u>55,192,313</u>	<u>75,617</u>	<u>21,650</u>	<u>55,246,280</u>
Less accumulated depreciation for:				
Building	2,160,721	71,072	-	2,231,793
Underground piping	23,812,428	846,967	-	24,659,395
Pump stations and improvements	1,573,599	323,585	-	1,897,184
Machinery and equipment	208,431	38,705	-	247,136
Vehicles	249,564	8,868	21,650	236,782
Total accumulated depreciation	<u>28,004,743</u>	<u>1,289,197</u>	<u>21,650</u>	<u>29,272,290</u>
Business-type activities capital assets, net	<u>\$27,187,570</u>	<u>\$(1,213,580)</u>	<u>\$ -</u>	<u>\$ 25,973,990</u>

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Depreciation expense was charged to governmental functions as follows:

Legislative, judicial and general administrative	\$ 125,987
Public safety	445,430
Public works	566,920
Recreation	130,640
Public libraries	38,999
Senior services	4,966
Education	741,530
Total Depreciation Expense	<u>\$ 2,054,472</u>

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. LEGAL DEBT MARGIN

The Town's legal debt margin as set forth by State Statute is limited to three percent of total taxable assessed value which approximates \$87,005,674. As of June 30, 2012, the Town's debt subject to the legal debt margin is \$20,266,805 and the Town is under the debt limit by \$66,738,869. The debt subject to the debt limitation is based on the type of debt that is issued.

B. DEFICIT FUND BALANCES

The following other governmental funds had deficit fund balances as of June 30, 2012:

Food Service	\$(18,871)
Grants	(33)
Fire Equipment	(14,410)

NOTE 4 – CASH DEPOSITS

DEPOSITS - are in four financial institutions and are carried at cost. The carrying amount of deposits is separately displayed on the Balance Sheet of the Fund Financial Statement and Statement of Net Assets as "Cash and Cash Equivalents".

	<u>Carrying Amount</u>
Total Deposits	\$24,255,495
Add: Petty Cash	1,655
Add: Investments classified as cash equivalents	642,593
Less: Cash classified as investments	<u>(785,598)</u>
Total Cash and Cash Equivalents Reported in the Financial Statements	<u>\$24,114,145</u>

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

CUSTODIAL CREDIT RISK – custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a formal deposit policy for custodial credit risk, but is governed by State Laws as described below. As of June 30, 2012, \$10,312,281 of the Town's bank balance of \$23,423,677 was exposed to custodial credit risk as follows:

	<u>Bank Balance</u>
Insured (federal depository insurance funds)	\$13,111,396
Collateralized with securities held by pledging financial institution or its agent, in the Town's name	9,552,747
Collateralized with securities held by pledging financial institution or its agent, but not in the Town's name	547,222
Uninsured and uncollateralized	212,312
Total	<u>\$23,423,677</u>

Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturities greater than sixty (60) days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. At June 30, 2012, the Town's uncollateralized deposits with institutions were \$212,312. These deposits are held by institutions that meet the minimum capital standards prescribed by the federal regulators.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

NOTE 5 – INVESTMENTS

As of June 30, 2012 the Town had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Money Market Funds	N/A	\$2,357,383	Not rated
Money Market Reserves	N/A	236,196	Not rated
US Treasury Note	July 2012	95,037	AA+
US Treasury Note	July 2013	100,121	AA+
US Treasury Note	January 2014	80,841	AA+
Federal Home Loan Mtg. Corp.	November 2012	10,012	AA+
Federal Home Loan Mtg. Corp.	July 2014	36,837	AA+
Federal National Mtg. Assn.	February 2013	90,286	AA+
Federal National Mtg. Assn.	July 2013	25,936	AA+
Federal National Mtg. Assn.	February 2014	77,951	AA+
Commercial Paper	August 2012	10,046	A-
Commercial Paper	August 2012	5,009	BBB+
Commercial Paper	September 2012	25,157	A-
Commercial Paper	September 2012	25,256	A-
Commercial Paper	October 2012	40,499	A-
Commercial Paper	December 2012	25,284	AA+
Commercial Paper	January 2013	30,737	A-
Commercial Paper	February 2013	20,502	A-
Commercial Paper	April 2013	25,311	AA-
Commercial Paper	May 2013	10,310	A
Commercial Paper	January 2014	45,700	AA+
Commercial Paper	June 2014	21,146	BBB+
Commercial Paper	October 2014	26,395	A+
Commercial Paper	December 2013	26,666	A-
International Bond	January 2013	25,682	A-
International Bond	May 2013	25,740	A+
International Bond	April 2014	15,270	AAA
International Bond	January 2015	25,400	AA-
Money Market Fund	N/A	375,501	N/A
Corporate Notes	July 2012	50,000	A3
Federal Home Loan Mtg. Corp.	July 2012	65,119	AA+
Corporate Notes	November 2017	120,039	A+
Mutual Fund – Fixed Income	Average – 4.44 years	114,526	A (Average)
Mutual Fund – Fixed Income	Average – 6.13 years	55,224	BB (Average)
Mutual Fund – Fixed Income	Average – 4.57 years	209,952	BBB (Average)
Mutual Fund – Fixed Income	Average – 11.32 years	74,243	BB (Average)
Mutual Fund – Fixed Income	Average – 3.17 years	107,202	A (Average)
Mutual Fund – Fixed Income	Average – 6.99 years	51,316	Not rated
International Bond Fund	Average – 11.53 years	14,690	Not rated
International Bond Fund	Average – 2.84 years	23,039	BBB (Average)

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Global High Yield Fund	Average – 7.93 years	46,258	B (Average)
Global High Yield Fund	Average – 5.33 years	106,024	B (Average)
Global High Yield Fund	Average – 3.92 years	25,192	B (Average)
Stock and Equity Funds	N/A	1,519,643	Not rated
Hedge Fund	N/A	141,764	Not rated
REIT	N/A	86,555	Not rated
Commodities Fund	N/A	5,764	Not rated
Other	N/A	7,785	Not rated
Money Market	N/A	267,094	Not rated
		<u>7,007,640</u>	
Add: Cash classified as investments		785,598	
Less: Investment classified as cash equivalents		<u>(642,593)</u>	
<i>Total Investments Reported in the Financial Statements</i>		<u><u>\$7,150,645</u></u>	

The Town has investment policies for the following funds:

General Fund investments are governed by Title 35, Chapter 10, Section 11 of the State’s General Laws. This law generally allows for short-term investments, such as Certificate of Deposits, Money Market Funds, Obligations guaranteed by the U.S. Government, etc. with the goal of seeking reasonable income while preserving capital.

Capital project funds (Reserve Funds) are governed by Title 45, Chapter 11, Section 1 of the State’s General Laws. This law permits, with advice from the Town Council, savings accounts, certificate of deposits, obligations of the U.S. government or its agencies or in any other short-term investment, as would be made by prudent persons of discretion and intelligence.

The Cemetery funds are invested at the discretion of the Cemetery Commission. The policy allows for diversity in equity, fixed income and cash equivalents and to provide a balance in investment return while avoiding speculative issues and avoiding concentration in individual issues or sectors.

The Amey Tucker Spencer private-purpose trust fund’s investment policy is a general ‘balanced return’ strategy. It intends to provide long-term total return opportunities through an allocation of both equities (50% - 70%) and fixed income investments (30% - 50%).

Interest Rate Risk – The Town does not have any restrictions in any of its investment policies that limit investment maturities. The Capital Projects fund is the only fund that is particularly sensitive to interest rate risk due to its high concentration in government bonds. In order to minimize risk of fair value losses arising from interest rate fluctuations, we are using the three-month U.S. Treasury Bill as a performance benchmark.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Credit Risk –The Town is governed by State Laws that limit investment choices to short-term investments for its' public deposits (General Fund) and reserve funds (Capital Projects). The Town has further limited its investment in the Capital Projects fund to obligation of the U.S. Government and its agencies and the top two tiers of commercial paper. The investment choices in the other funds are not limited.

Concentration of Credit Risk –The Town does not have any policies that limit the amount that can be invested with one issuer. Currently, the Town invests 66% of its' total investments with the Bank of America and its' affiliates, either directly or indirectly.

Custodial Credit Risk – Custodial credit risk for investments is the risk that in the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investment in common stock is \$1,119,495 is held by the investment's counterparty in the Town's name. The Federal Home Loan Mortgage Corporation investments of \$111,968, the Federal National Mortgage Association investments of \$194,173, US Treasury Notes of \$275,999, along with the Commercial Paper and Corporate Bonds totaling \$600,149 are held in the investment's counterparty in the Town's name. The Town does not have a policy governing custodial credit risk.

Foreign Currency Risk – The Town does not have a policy governing foreign currency risk. The Town's exposure to foreign currency risk is as follows:

<u>Investment</u>	<u>Currency</u>	<u>Maturity</u>	<u>Fair Value</u>
International Bond	British pound	January 2013	\$25,682
International Bond	European euro	May 2013	25,740
International Bond	European euro	April 2014	15,270
International Bond	Canadian dollar	January 2015	25,400
International Stock	European euro	N/A	28,876
International Stock	Swiss franc	N/A	32,888
International Stock	Canadian dollar	N/A	13,107
International Stock	British pound	N/A	38,248
International Stock	Israeli shekel	N/A	15,776
International Equity Funds	N/A	N/A	271,252
International Fixed Income Funds	N/A	Average - 3 to 12 years	215,203
Total Foreign Currency Risk			<u><u>\$707,442</u></u>

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Financial Statements
June 30, 2012

NOTE 6 – LONG TERM LIABILITIES

A. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds, loans and capital leases payable:					
General obligation bonds	\$ 11,500,000	\$ 729,600	\$ 2,555,000	\$ 9,674,600	\$ 1,519,600
Loans payable	3,668,959	-	75,000	3,593,959	202,955
Capital leases payable	80,867	-	23,791	57,076	27,701
	<u>15,249,826</u>	<u>729,600</u>	<u>2,653,791</u>	<u>13,325,635</u>	<u>1,750,256</u>
Plus amortized premium on bonds	121,739	-	30,881	90,858	-
Less deferred amount of refundings	(310,608)	-	(58,801)	(251,807)	-
Total bonds, loans and capital leases	<u>15,060,957</u>	<u>729,600</u>	<u>2,625,871</u>	<u>13,164,686</u>	<u>1,750,256</u>
Other liabilities:					
Compensated absences	669,852	36,708	3,640	702,920	35,000
Net other post employment benefit obligation	2,169,042	446,139	-	2,615,181	-
Total Governmental Activities Long-Term Liabilities	<u>\$ 17,899,851</u>	<u>\$ 1,212,447</u>	<u>\$ 2,629,511</u>	<u>\$ 16,482,787</u>	<u>\$ 1,785,256</u>
Business Type Activities:					
General obligation bonds	\$ 4,210,000	\$ -	\$ 185,000	\$ 4,025,000	\$ 195,000
Loan payable	9,375,170	-	519,000	8,856,170	527,000
Compensated absences	30,730	21,094	30,730	21,094	14,884
Business-Type Activities Long-Term Liabilities	<u>\$ 13,615,900</u>	<u>\$ 21,094</u>	<u>\$ 734,730</u>	<u>\$ 12,902,264</u>	<u>\$ 736,884</u>

All debt of the Governmental Activities is general obligation debt. The payments on the bonds, loans and capital leases are made from the General Fund. The compensated absences from Governmental Activities are paid from the General Fund. The net other post employment benefit obligation will be paid from the General Fund. All debt and compensated absences of the Business-Type Activities are paid from the Wastewater Fund.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

B. GENERAL OBLIGATION BONDS DEBT SERVICE REQUIREMENTS

The debt service requirements at June 30, 2012, were as follows:

<u><i>Fiscal Year Ended June 30,</i></u>	<i>Governmental Activities General Obligation Bonds</i>		<i>Business-Type Activities General Obligation Bonds</i>	
	<u><i>Principal</i></u>	<u><i>Interest</i></u>	<u><i>Principal</i></u>	<u><i>Interest</i></u>
2013	\$1,519,600	\$282,000	\$ 195,000	\$ 175,983
2014	1,260,000	245,983	200,000	167,695
2015	1,245,000	211,151	210,000	159,195
2016	1,090,000	175,680	220,000	148,695
2017	1,085,000	143,504	230,000	137,695
2018-2022	3,475,000	235,556	1,320,000	533,832
2023-2027	-	-	1,650,000	223,350
	<u>\$9,674,600</u>	<u>\$1,293,874</u>	<u>\$4,025,000</u>	<u>\$1,546,445</u>

C. CAPITAL LEASE COMMITMENTS

The Town acquired office equipment valued at \$120,195 that was financed with lease purchase agreements.

Obligations of governmental activities under capital leases at June 30, 2012 were as follows:

<u><i>Fiscal Year Ended June 30,</i></u>	<u><i>Lease Payment Requirements</i></u>
2013	\$34,550
2014	31,671
Total minimum lease payments	66,221
Less: Amount representing interest cost	(9,145)
Present value of minimum lease payments	<u>\$57,076</u>

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Financial Statements
 June 30, 2012

D. BONDS PAYABLE								
<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Outstanding June 30, 2011</u>	<u>New Issues</u>	<u>Refundings and Maturities During Year</u>	<u>Outstanding June 30, 2012</u>
<i>Governmental Activities:</i>								
General Obligation Bond	07/15/02	3.00-4.00%	04/15/12	\$ 10,000,000	\$ 800,000	\$ -	\$ 800,000	\$ -
Refunding Bond	08/07/01	4.00-5.00%	12/01/11	7,870,000	340,000	-	340,000	-
General Obligation Bond	01/15/05	2.00-3.50%	01/15/15	1,470,000	600,000	-	150,000	450,000
General Obligation Bond	06/15/06	4.00-4.60%	06/15/21	3,765,000	2,780,000	-	225,000	2,555,000
Refunding Bond	05/06/09	2.00-3.125%	10/01/19	9,200,000	6,980,000	-	1,040,000	5,940,000
General Obligation Bond	08/03/11	2.68%	08/01/18	729,600	-	729,600	-	729,600
Total Governmental Activities					<u>11,500,000</u>	<u>729,600</u>	<u>2,555,000</u>	<u>9,674,600</u>
<i>Business-Type Activities:</i>								
General Obligation Bond	06/15/07	4.20-5.00%	06/15/27	4,845,000	4,210,000	-	185,000	4,025,000
Total Business-Type Activities					<u>4,210,000</u>	<u>-</u>	<u>185,000</u>	<u>4,025,000</u>
Total Bonds Payable					<u>\$ 15,710,000</u>	<u>\$ 729,600</u>	<u>\$ 2,740,000</u>	<u>\$ 13,699,600</u>

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

E. LOANS PAYABLE

Governmental Activities – On August 1, 2007, the Town entered into a loan agreement in the amount of \$735,000 with RI Health and Educational Building Corporation. The loan bears interest of 4.25 - 4.50% and is due April 1, 2008-2017.

On March 29, 2011 the Town entered into a loan agreement with Rhode Island Clean Water Finance Agency in the amount of \$3,270,400. The loan agreement includes principal forgiveness of \$51,441 for a net loan amount of \$3,218,959 that will be repaid by the Town. The loan proceeds are to be used by the Town for various landfill and drainage projects. The Agency pays project invoices certified by the Town directly to the contractors or reimburses the Town for costs incurred on the projects. As of June 30, 2012 a loan payable of \$3,218,959 is reflected in the Government-Wide Financial Statements - Governmental Activities. A due from the Rhode Island Clean Water Finance Agency of \$1,976,492 is shown for that portion of the \$3,218,959 net loan which has not been advanced as of June 30, 2012. The Town is responsible to drawdown the full loan amount and to repay the net loan amount. The loan bears interest of .92% - 3.83% and is due September 1, 2012 – 2031.

Business-Type Activities – The Town of Barrington has entered into three loan agreements with the Rhode Island Clean Water Protection Finance Agency as follows:

<u>Loan Date</u>	<u>Original Loan Amount</u>	<u>Interest Rate</u>	<u>Matures</u>
December 30, 2004	\$4,392,000	1.208%	September 1, 2005-2024
December 21, 2006	3,908,000	1.240%	September 1, 2008-2027
December 12, 2007	3,156,170	1.344%	September 1, 2008-2027

The loan proceeds are to be used by the Town for the upgrade of the sewer treatment system. The Agency pays project invoices certified by the Town directly to the contractors or reimburses the Town for costs incurred on the projects. As of June 30, 2012 loans payable of \$8,856,170 are reflected in the Waste Water Fund. A due from the Rhode Island Clean Water Protection Finance Agency of \$456,981 is shown for that portion of the \$3,156,170 loan which has not been advanced as of June 30, 2012. The Town is responsible to drawdown and to repay the full amount of the loan. The loans are secured by a pledge of waste water system revenues.

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Financial Statements
June 30, 2012

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

<i>Fiscal Year</i> <i>Ending June 30,</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2013	\$ 202,955	\$ 110,910	\$ 527,000	\$157,398
2014	203,940	106,348	536,000	148,434
2015	205,908	101,412	545,000	139,184
2016	207,877	96,059	554,000	129,640
2017	209,845	90,113	564,000	119,787
2018-2022	724,423	383,542	2,978,000	440,149
2023-2027	837,614	264,569	2,733,000	157,092
2028-2032	1,001,397	97,801	419,170	3,997
	<u>\$3,593,959</u>	<u>\$1,250,754</u>	<u>\$8,856,170</u>	<u>\$1,295,681</u>

F. PRIOR-YEAR DEFEASANCE OF DEBT

In prior years, the Town defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. On June 30, 2012, \$5,945,000 of bonds outstanding are considered defeased.

NOTE 7 – INTERFUND BALANCES

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

	<i>Due From:</i>					<i>Total</i>
	<i>General Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Enterprise Fund</i>	<i>Private Purpose Trust Funds</i>	<i>Agency Funds</i>	
<i>Due To:</i>						
General Fund	\$ (722,517)	\$ 1,000,699	\$ 3,308,328	\$ 14,075	\$ 44,495	\$ 3,645,080
Nonmajor Governmental Funds	1,605,255	-	-	-	-	1,605,255
Enterprise Fund	3,583,102	-	-	-	-	3,583,102
Internal Service Fund	416,481	-	-	-	-	416,481
<i>Total</i>	<u>\$4,882,321</u>	<u>\$1,000,699</u>	<u>\$3,308,328</u>	<u>\$14,075</u>	<u>\$ 44,495</u>	<u>\$ 9,249,918</u>

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

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

The advance balance from the General Fund to the Cemetery Fund is being repaid annually with interest paid semi-annually through June 2, 2014.

NOTE 8 – INTERFUND TRANSFERS

	<i>Transfer From:</i>		
<i>Transfer To:</i>	<i>General Fund</i>	<i>Nonmajor Governmental Funds</i>	<i>Total</i>
General Fund	\$ -	\$ 76,306	\$ 76,306
Nonmajor Governmental Funds	1,796,808	-	1,796,808
<i>Total</i>	\$ 1,796,808	\$ 76,306	\$ 1,873,114

Transfers are used to move revenues from the fund that the budget requires to collect them, to the funds that the budget requires to expend them.

NOTE 9 – NET ASSETS/FUND BALANCES

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

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

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

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

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash (e.g. inventories and tax title property).

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Restricted Fund Balance – This classification includes amounts that have constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority.

Assigned Fund Balance – This classification includes amounts constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned Fund Balance – This classification is the residual fund balance for the General Fund. This classification represents fund balance that has not been assigned to another fund and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Committed fund balances are established, modified or rescinded by a resolution adopted at a Financial Town Meeting or an ordinance adopted by the Town Council. Assigned fund balances are authorized by the School Committee for education related expenditures, as empowered by state law, or by the Financial Town Meeting and/or designee, i.e. Finance Director for all other expenditures. The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Town considers unrestricted fund balance classifications to be used in the following order when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used: 1) committed; 2) assigned; and 3) unassigned.

The Town has the following minimum fund balance and net asset policies:

- General Fund – 15% of regular general fund operating expenditures or no less than 2 months of regular general fund operating expenditures.
- Wastewater Fund – one year worth of sewer use charges.
- Medical Fund – minimum balance of \$2,050,000.

NOTE 10 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

A. ACCOUNTS RECEIVABLE

The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables within the subsequent year. The real estate and personal property tax receivable includes an allowance for doubtful accounts of \$541,856 and other receivables – rescue services include an allowance for doubtful accounts of \$131,000.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities at June 30, 2012, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other</u>	<u>Total</u>
Governmental activities:				
General Fund	\$ 427,261	\$ 302,614	\$ 152,583	\$ 882,458
Other Governmental Funds	289,165	-	-	289,165
Internal Service Fund	-	1,138,562	-	1,138,562
Total	<u>\$ 716,426</u>	<u>\$1,441,176</u>	<u>\$ 152,583</u>	<u>\$ 2,310,185</u>
Business-type activities:				
Water Fund	<u>\$ 131,080</u>	<u>\$ 5,275</u>	<u>\$ -</u>	<u>\$ 136,355</u>

NOTE 11 – POST EMPLOYMENT BENEFITS

Plan Description

The Town of Barrington administers a single-employer, defined benefit post-employment health insurance plan. This plan does not include the pension benefits discussed in Note 16. The plan provides medical insurance for eligible retirees and their dependents through the Town's group health insurance plan, which cover both active and retired members. Benefit provisions are established and amended by the union contracts through negotiations between the Town and the respective unions or as established by the Town Ordinance for non-union employees. The plan is reported as a Trust Fund in the Town's financial statements. The plan does not issue a publicly available financial report.

The plan provides the following benefits based on employee group:

- Police – Medical coverage (single or family) for remainder of the fiscal year of retirement plus 5 additional years or until Medicare eligible or until retiree secures employment with equivalent coverage. Officers may continue coverage for up to 4 additional years with the entire cost paid by the retiree.
- Fire - Medical coverage (single or family) for remainder of the fiscal year of retirement plus 5 additional years or until Medicare eligible or until retiree secures employment with equivalent coverage. In no event does coverage continue past age 65. Firefighters retiring after 7/1/1999 must contribute 20% of the premium.
- Public Works - Medical coverage (single or family) for 5 years after retirement. Members hired after 7/1/1991 must contribute 20% of the premium. Members hired after 7/1/1995 are not eligible for postretirement medical coverage.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

- Dispatchers - Medical coverage (single or family) for 2 years after retirement. Members hired after 7/1/1995 receive coverage for 1 year after retirement. Members hired after 7/1/1993 must contribute 20% of the premium.
- Other Town Employees – Upon retirement with 20 years of service, medical coverage (single or family) for remainder of the fiscal year of retirement plus 5 additional years or until Medicare eligible or until retiree secures employment with equivalent coverage. Upon retirement with 10 to 19 years of service, coverage is extended for only 3 years past the fiscal year of retirement. Members hired after 7/1/1991 must contribute 20% of the premium. Members hired after 9/1/1994 are not eligible for postretirement medical coverage.
- Certified Teachers – Medical coverage (single or family) for the amount of years following retirement based on years of service as follows:

<u>Service</u>	<u>Individual</u>	<u>Family</u>
10-24	7	3
25-29	7	4
30+	7	5

Retirees hired after 7/1/1994 contribute the same amount required just prior to retirement. Effective 9/1/2010 future retirees hired after 7/1/1994 will contribute 20% of the premiums.

- School Custodians - Medical coverage (single or family) for the amount of years following retirement based on years of service as follows:

<u>Service</u>	<u>Individual</u>	<u>Family</u>
10-19	7	3
20+	7	5

Retirees hired before 7/1/2007 contribute 15% of the premium. Retirees hired after 7/1/2007 contribute 20% of the premium. Effective 7/1/2010 new employees are not eligible for retiree benefits.

- School Support Staff and Non-Union - Medical coverage (single or family) for the amount of years following retirement based on years of service as follows:

Employees hired before 12/31/1997:

<u>Service</u>	<u>Individual</u>	<u>Family</u>
10-19	7	4
20+	7	5

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Employees hired after 12/31/1997:

<u>Service</u>	<u>Individual</u>	<u>Family</u>
10-14	5	3
15-19	6	4
20+	7	5

Retirees contribute 15% of the premium. Members may elect to deny coverage and receive a “buyback” of \$2,500 per year.

As of July 1, 2010 the plan membership data is as follows:

Active employees	478
Retirees and beneficiaries	93
	<u>571</u>

Funding Policy

Contribution requirements are negotiated between the Town and the respective unions or are established by Town Ordinance for non-union employees. The Town is required to contribute the cost of medical benefits, less the amount of any applicable employee share of medical premiums. For the year ended June 30, 2012, 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. However, the Post Employment Benefit Trust Fund also receives surplus funds derived from the Medical Fund in conformance with the Town Ordinance. For the fiscal year ended June 30, 2012, the Town contributed \$2,359,865 to the plan.

Summary of Significant Accounting Policies

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

Method Used to Value Investments – Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Annual OPEB Cost and Net OPEB Obligation

The Town’s annual other post-employment benefit (OPEB) cost for the plan is calculated based on the annual required contribution (ARC) for the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (or funding excess) over a period not to exceed thirty years.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the Town's net OPEB obligation:

Annual required contribution (ARC)	\$2,838,651
Interest on net OPEB obligation	108,452
Adjustment to annual required contribution	(141,099)
Annual OPEB cost	<u>\$2,806,004</u>
Contributions made	<u>2,359,865</u>
Increase in net OPEB obligation	446,139
Net OPEB obligation, beginning of year	<u>2,169,042</u>
Net OPEB obligation, end of year	<u>\$2,615,181</u>

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

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/10	\$2,590,340	58.9%	\$1,513,245
6/30/11	\$2,815,874	76.7%	\$2,169,042
6/30/12	\$2,806,004	84.1%	\$2,615,181

Funded Status and Funding Progress

The funded status of the Town's plan as of July 1, 2010, the most recent actuarial valuation, is as follows:

Actuarial Accrued Liability (AAL)	\$25,488,883
Actuarial Value of Plan Assets	<u>3,742,557</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$21,746,326</u>
Funded ratio (Actuarial Value of Plan Assets/AAL)	14.7%
Annual Covered Payroll (Active Plan Members)	\$28,335,333
UAAL as a Percentage of Covered Payroll	76.7%

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

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

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The July 1, 2010 actuarial valuation used the projected unit credit funding actuarial cost method (with service proration). Under this funding method, projected benefits are assumed to accrue on a straight line basis from the date of hire to the date of retirement for each participant. Normal cost for a participant is the present value of the projected benefit which accrues in the current plan year. Normal cost for the plan is the sum of the normal costs for all participants. The actuarial assumptions included: a) 5% interest discount rate; b) 7.5% long term rate of return on assets; and c) medical cost trend rate – 8% per year graded off 0.5% per year to an ultimate rate of 4.5% per year. The unfunded actuarial accrued liability as of July 1, 2010 is being amortized using the level dollar 30-year open amortization basis. The actuarial value of assets is equal to fair market value.

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

NOTE 12 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. LITIGATION

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

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

B. FEDERALLY ASSISTED PROGRAMS - COMPLIANCE AUDITS

The Town and School Department participate in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2012 were audited in connection with the accompanying financial statements under the Single Audit concept and the auditor's reports thereon are presented in the Single Audit Section of this report. The amount, if any, of expenditures which may be disallowed will not be material to the financial position of the Town.

NOTE 13 – MEDICAL FUND

The Town established a Medical Fund to account for its health and dental care coverage programs which are accounted for in an Internal Service Fund.

The Town utilizes a "cost plus basis" plan under which the Town pays for the actual cost of covered health care services plus a fee to the provider for the administration of the program.

In order to avoid catastrophic losses, the Town purchases specific stop loss re-insurance. Under the stop loss re-insurance, the Town is covered for medical claims in excess of \$225,000 per person per contract period.

The Town oversees the self-insured program and claims payment services are provided by Blue Cross and Blue Shield of Rhode Island and Delta Dental of Rhode Island, the plan administrators. All funds of the Town participate in the program and make payments to the Medical Fund based on recommendations made by the plan administrators. In fiscal year 2008, the Town established a Post Employment Benefit Trust Fund. The cost of retirees' participation in the Medical Fund is accounted for in the Post Employment Benefit Trust Fund.

The claims liability of \$272,407 reported in the Medical Fund at June 30, 2012 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Medical Fund's claims liability for the past three fiscal years were:

	<i><u>Beginning Fiscal Year Liability</u></i>	<i><u>Current Year Claims and Changes In Estimate</u></i>	<i><u>Claims Payments</u></i>	<i><u>Balance Fiscal Year End</u></i>
2009-2010	\$203,164	\$4,265,494	\$4,194,563	\$274,095
2010-2011	\$274,095	\$5,249,501	\$5,276,487	\$247,109
2011-2012	\$247,109	\$4,646,068	\$4,620,770	\$272,407

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

NOTE 14 – RISK MANAGEMENT

The Town of Barrington is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a non-profit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) which provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement which outlines the rights and responsibilities of both the Trust and the Town.

The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust retains internally for payment from the pooled contributions of its members. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years.

NOTE 15 – RESTATEMENTS

The following restatements were recorded to beginning fund balances in the Governmental Fund Financial Statements:

	<i>General Fund</i>	<i>Other Governmental Funds</i>
Fund balances - June 30, 2011, as previously reported	\$ 13,670,198	\$ 8,282,284
Reclassification of fund in accordance with GASB Statement No. 54	<u>157,949</u>	<u>(157,949)</u>
Fund balances - June 30, 2011, as restated	<u>\$ 13,828,147</u>	<u>\$ 8,124,335</u>

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

NOTE 16 – PENSION PLANS

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

All Barrington Public School certified school personnel participate in the Employees' Retirement System of the State of Rhode Island ("ERS"), a cost-sharing multiple-employer defined benefit plan administered by the State of Rhode Island. The payroll for employees covered by the ERS for the year ended June 30, 2012 was \$22,473,170 which consisted of \$326,822 for employees charged to federal programs and \$22,146,348 for all other employees.

The State of Rhode Island's Employees' Retirement System issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 50 Service Avenue, Warwick, Rhode Island 02886 or at www.ersri.org.

Plan Description

Eligibility and benefit provisions are established by Rhode Island General Laws, Title 16, Chapter 16-16, which are subject to amendment by the General Assembly. All Barrington School Department certified school personnel are eligible to participate in the System if they are certified by the Board of Regents, engaged in teaching as principal occupation and are regularly employed on at least a half time basis. Superintendents, principals, business agents and other administrators participate as teachers. The plan provides retirement and disability benefits, annual cost-of-living adjustments (COLAs), and death benefits to plan members and beneficiaries.

Funding Policy

The funding policy is established by Rhode Island General Laws, Title 16, Chapter 16-16. Covered employees were required by State Statute to contribute 9.5% of their salary to the plan. The State and the School Department are required to contribute an amount determined annually by the actuary and as provided by State Statute. The split between the State and the School Department is specified by State Statute. The contribution requirement for the year ended June 30, 2012 was 22.32%. The Teachers' Plan cost is paid 60% by the School Department and 40% by the State. However, the State will pay the total cost of the contribution deferrals which were .27% for the year ended June 30, 2012. This results in a contribution requirement for Schools of 13.23% and a contribution requirement for the State of 9.09%.

The State contribution for the cut off year ended June 30, 2012 was \$2,013,103, which represented 8.96% of covered payroll. The payments made by the State to the Employees' Retirement System are considered on behalf of payments and are reported as a revenue and as an expenditure in the financial statements. The contribution requirement for the cut off year ended June 30, 2012 was \$5,143,556, which consisted of \$3,006,072 from the School Department (\$72,947 for federal employees and \$2,933,125 for other employees), and \$2,137,484 from employees. These contributions represented 13.38% and 9.5% of covered payroll respectively. The annual required contribution was determined as part of the June 30, 2009 actuarial valuation.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

The School Department does not have any investments or related party investments with the State Plan. The School Department's contribution represented 2.09% of total contributions required of all participating entities.

Three-Year Trend Information

<i>Fiscal Year</i>	<i>Annual Required Contribution</i>	<i>Percentage Contributed</i>
2010	\$2,467,321	100%
2011	\$2,496,947	100%
2012	\$3,006,072	100%

Pension Reform Impacting Future Periods

In November 2011, the Rhode Island General Assembly enacted comprehensive pension reform legislation which included implementing a supplemental defined contribution plan and other benefit and eligibility changes including changes in the automatic COLA, including suspension/reduction of COLAs. The above changes and other provisions of the reform enacted are effective July 1, 2012.

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

The Town of Barrington participates in the Municipal Employees' Retirement System ("MERS"), an agent multiple employer defined benefit plan administered by the State of Rhode Island. All Town employees except certified school personnel participate in the MERS. The payroll for employees including School Department noncertified personnel covered by the System for the year ended June 30, 2012 was \$9,980,738 (General employees - \$7,293,036, Police officers - \$1,437,854, Firefighters 20-year plan - \$327,846, and Firefighters 25-year plan \$922,002).

The State of Rhode Island's Municipal Employees' Retirement System issues a publicly available annual financial report that includes financial statements and required supplementary information. That report may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 50 Service Avenue, Warwick, Rhode Island 02886 or at www.ersri.org.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Plan Description

The following eligibility and benefit provisions are established by Rhode Island General Laws, Title 45, Chapter 19, 19.1, 21, 21.1, 21.2 and 21.3 and may be amended by State Statute. The MERS generally provides retirement benefits equal to 2% of a member's final average compensation multiplied by the number years of total service up to 37.5 years, to a maximum benefit of 75% of final average compensation. Final average compensation is the average of the three highest consecutive years of earned compensation exclusive of overtime, bonuses or severance pay. Such benefits are available to general employees at or after age 58 with 10 years of service or after 30 years regardless of age. Such benefits are also available to police and firefighters at or after age 55 with 10 years of service or after 25 years regardless of age. Under the 20-year service optional plan, police and firefighters may retire after 20 years of service with no restriction on age. This optional plan provides a benefit equal to 2.5% of final average compensation per year of service up to 30 years, to a maximum benefit of 75% of final average compensation. Early retirement is only available to police and firefighters under the normal plan. The plan also provides non-service connected disability benefits after 5 years of service, service connected disability benefits with no minimum service requirement, survivors' benefits, and certain lump sum death benefits. Employees are vested in their retirement benefits upon the completion of 10 years of service. Members employed by municipalities who elect one of the optional COLA provisions receive an increase equal to 3% of the original retirement benefit each year beginning January 1 following the member's retirement. The Town has elected COLA Plan C. Police officers participate in the optional 20-year plan.

Funding Policy

General employees are required by State Statute to contribute 6% of their annual earnings. The contribution rate is increased to 7% with the optional cost-of-living provision. Police and firefighters are required by State Statute to contribute 7%. The contribution rate is increased to 8% with the optional cost-of-living provision. The contribution rate is increased by an additional 1% for the 20-year service plan. The Town is required to contribute based on an actuarially determined amount and as provided by State Statute for each participating municipality. The Town contribution rate for fiscal year 2012 was 5.06% of covered payroll for general employees; 30.41% for police; 11.60% for firefighters with the 20-year service optional plan; and 13.68% for the firefighters with the 25-year service plan.

Annual Pension Cost

For fiscal 2012, the Town's annual pension cost of \$970,309 for the MERS was equal to the Town's required and actual contributions.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

Three-Year Trend Information

GENERAL MUNICIPAL EMPLOYEES

<u><i>Fiscal Year</i></u>	<u><i>Annual Pension Cost (APC)</i></u>	<u><i>Percentage of APC Contributed</i></u>	<u><i>Net Pension Obligation</i></u>
2010	\$211,682	100%	\$ -
2011	\$183,728	100%	\$ -
2012	\$368,897	100%	\$ -

POLICE OFFICERS

<u><i>Fiscal Year</i></u>	<u><i>Annual Pension Cost (APC)</i></u>	<u><i>Percentage of APC Contributed</i></u>	<u><i>Net Pension Obligation</i></u>
2010	\$330,516	100%	\$ -
2011	\$389,613	100%	\$ -
2012	\$437,252	100%	\$ -

FIREFIGHTER'S 20-YEAR SERVICE PLAN

<u><i>Fiscal Year</i></u>	<u><i>Annual Pension Cost (APC)</i></u>	<u><i>Percentage of APC Contributed</i></u>	<u><i>Net Pension Obligation</i></u>
2010	\$34,537	100%	\$ -
2011	\$19,958	100%	\$ -
2012	\$38,030	100%	\$ -

FIREFIGHTER'S 25-YEAR SERVICE PLAN

<u><i>Fiscal Year</i></u>	<u><i>Annual Pension Cost (APC)</i></u>	<u><i>Percentage of APC Contributed</i></u>	<u><i>Net Pension Obligation</i></u>
2010	\$131,288	100%	\$ -
2011	\$136,425	100%	\$ -
2012	\$126,130	100%	\$ -

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

The required contribution was determined as part of the June 30, 2009 actuarial valuation. The actuarial method used is the entry age actuarial cost method. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) a rate that will amortize the unfunded actuarial accrued liability. Significant actuarial assumptions used in the June 30, 2009 valuation include the following:

- 1) Investment return – 8.25%, compounded annually, composed of an assumed 3.0% inflation rate and a 5.25% net real rate of return
- 2) Projected salary increases – general employees – a 4.5% wage inflation assumption (composed of a 3% price inflation assumption and a 1.5% additional general increase) plus a service related component; police/fire employees – a 4.75% wage inflation assumption (composed of a 3% price inflation assumption and a 1.75% additional general increase) plus a service related component
- 3) Cost of living adjustment – 3%, not compounded

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income. The MERS' unfunded actuarial accrued liability is being amortized over 30 years as a level percentage of payroll on a closed basis. The remaining amortization period at June 30, 2009 was 20 years.

Funded Status and Funding Progress

Information on the funded status and funding progress of each plan as of June 30, 2011, the most recent actuarial valuation date, is as follows:

- **General Employees** – The plan was 98.5% funded. The actuarial accrued liability for benefits was \$29,264,290, and the actuarial value of assets was \$28,836,713, resulting in an unfunded actuarial accrued liability (UAAL) of \$427,577. The covered payroll (annual payroll of active employees covered by the plan) was \$7,167,675, and the ratio of the UAAL to covered payroll was 6.0%.
- **Police Officers** – The plan was 62.3% funded. The actuarial accrued liability for benefits was \$11,201,725, and the actuarial value of assets was \$6,974,810, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,226,915. The covered payroll (annual payroll of active employees covered by the plan) was \$1,372,589, and the ratio of the UAAL to covered payroll was 308.0%.
- **Firefighters – 20-Year Optional Plan** – The plan was 86.3% funded. The actuarial accrued liability for benefits was \$8,919,497, and the actuarial value of assets was \$7,695,747, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,223,750. The covered payroll (annual payroll of active employees covered by the plan) was \$315,807, and the ratio of the UAAL to covered payroll was 387.5%.

TOWN OF BARRINGTON, RHODE ISLAND

Notes to Financial Statements

June 30, 2012

- **Firefighter – 25-Year Plan** – The plan was 85.5% funded. The actuarial accrued liability for benefits was \$1,540,529, and the actuarial value of assets was \$1,317,886, resulting in an unfunded actuarial accrued liability (UAAL) of \$222,643. The covered payroll (annual payroll of active employees covered by the plan) was \$941,031, and the ratio of the UAAL to covered payroll was 23.7%.

The June 30, 2011 actuarial valuation used the same methods and assumptions described above under annual pension cost, except the investment rate of return was reduced to 7.5%; the projected salary increases were reduced to 4% for general employee and 4.25% for police/fire employees; and the amortization period for the UAAL has been changed to 25 years from June 30, 2010.

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

Pension Reform Impacting Future Periods

In November 2011, the Rhode Island General Assembly enacted comprehensive pension reform legislation which included implementing a supplemental defined contribution plan and other benefit and eligibility changes including changes in the automatic COLA, including suspension/reduction of COLAs. The above changes and other provisions of the reform enacted are effective July 1, 2012.

REQUIRED SUPPLEMENTARY INFORMATION

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

Schedule of Funding Progress - Pension Plans and Other Postemployment Benefit Plan

Budgetary Comparison Schedule - General Fund

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

TOWN OF BARRINGTON, RHODE ISLAND
Required Supplementary Information - Pension Plans and Other Post Employment Benefit Plan
Schedule of Funding Progress (1)
"Unaudited"

	<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Assets</i>	<i>Actuarial Accrued Liability (AAL) (2)</i>	<i>Unfunded Liability/ (Funding Excess)</i>	<i>Funded Ratio</i>	<i>Covered Payroll</i>	<i>Unfunded Liability/ (Funding Excess) as a Percentage of Covered Payroll</i>
General Municipal Employees							
Pension Plan (3)	6/30/2009	\$29,456,427	\$27,991,776	(\$1,464,651)	105.2%	\$7,220,306	(20.3%)
	6/30/2010	\$29,052,043	\$27,853,879	(\$1,198,164)	104.3%	\$7,332,956	(16.3%)
	6/30/2011	\$28,836,713	\$29,264,290	\$427,577	98.5%	\$7,167,675	6.0%
Municipal Police							
Pension Plan (3)	6/30/2009	\$7,193,130	\$10,602,888	\$3,409,758	67.8%	\$1,291,422	264.0%
	6/30/2010	\$6,947,102	\$10,786,413	\$3,839,311	64.4%	\$1,258,412	305.1%
	6/30/2011	\$6,974,810	\$11,201,725	\$4,226,915	62.3%	\$1,372,589	308.0%
Firefighter Pension Plan							
(20-Year Plan) (3)	6/30/2009	\$8,731,954	\$8,662,986	(\$68,968)	100.8%	\$474,279	(14.5%)
	6/30/2010	\$8,186,260	\$9,173,635	\$987,375	89.2%	\$488,509	202.1%
	6/30/2011	\$7,695,747	\$8,919,497	\$1,223,750	86.3%	\$315,807	387.5%
Firefighter Pension Plan							
(25-Year Plan) (3)	6/30/2009	\$874,160	\$1,314,721	\$440,561	66.5%	\$804,843	54.7%
	6/30/2010	\$1,090,048	\$1,414,268	\$324,220	77.1%	\$817,363	39.7%
	6/30/2011	\$1,317,886	\$1,540,529	\$222,643	85.5%	\$941,031	23.7%
Other Post Employment							
Benefit Plan	7/1/2008	\$2,578,511	\$21,471,689	\$18,893,178	12.0%	\$26,775,106	70.6%
	7/1/2010	\$3,742,557	\$25,488,883	\$21,746,326	14.7%	\$28,335,333	76.7%

(1) The information included in the schedule of funding progress was obtained from the annual actuarial valuation at the date indicated.

(2) Pension Plans - Entry Age Normal and OPEB Plan - Projected Unit Credit.

(3) The June 30, 2010 and 2011 actuarial valuation amounts reflect the comprehensive pension reform changes enacted by the Rhode Island General Assembly in November 2011. The original June 30, 2010 actuarial valuation amounts were revised to reflect the pension reform changes.

TOWN OF BARRINGTON, RHODE ISLAND
Required Supplementary Information
Other Post Employment Benefit Plan
Schedule of Annual Required Contributions
"Unaudited"

<u><i>Year Ended June 30</i></u>	<u><i>Annual Required Contribution</i></u>	<u><i>Percentage Contributed</i></u>
2009	\$ 2,597,104	82.7%
2010	\$ 2,597,104	58.8%
2011	\$ 2,838,651	76.1%
2012	\$ 2,838,651	83.1%

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
General property taxes	\$ 54,844,501	\$ 54,844,501	\$ 54,971,016	\$ 126,515
Intergovernmental revenues	247,000	247,000	278,600	31,600
Investment and interest income	240,000	240,000	238,126	(1,874)
Other local revenue	1,100,956	1,100,956	1,345,753	244,797
State aid and grants	1,249,616	1,249,616	1,188,275	(61,341)
Rescue service fees	170,000	170,000	170,000	-
Miscellaneous	388,479	388,479	541,382	152,903
Re-appropriation of working capital	350,000	350,000	350,000	-
Total revenues	<u>58,590,552</u>	<u>58,590,552</u>	<u>59,083,152</u>	<u>492,600</u>
Expenditures				
Current:				
Legislative, judicial and general administrative:				
Town council	21,046	21,046	19,275	1,771
Town manager	198,627	198,627	198,143	484
Town clerk	221,328	221,328	214,301	7,027
Finance	337,982	337,982	337,665	317
Computer operations	86,985	86,985	86,983	2
Tax assessor	124,895	124,895	122,582	2,313
Town solicitor	150,000	150,000	141,375	8,625
Judge of probate	2,406	2,406	2,241	165
Planning board	102,387	102,387	101,836	551
Zoning board	8,443	8,443	8,413	30
Animal control	15,000	15,000	13,857	1,143
Agency support	6,400	6,400	6,400	-
Board of canvassers	28,075	28,075	18,638	9,437
Insurance	282,150	282,150	250,511	31,639
	<u>1,585,724</u>	<u>1,585,724</u>	<u>1,522,220</u>	<u>63,504</u>
Public safety:				
Fire department	1,749,567	1,749,567	1,672,430	77,137
Hydrant rental	140,400	140,400	138,400	2,000
Police department	2,313,104	2,313,104	2,307,477	5,627
Sealer of weights and measure	1,328	1,328	1,128	200
Harbor control	37,143	37,143	36,955	188
Civil defense	3,750	3,750	1,850	1,900
	<u>4,245,292</u>	<u>4,245,292</u>	<u>4,158,240</u>	<u>87,052</u>
Public works	<u>2,144,931</u>	<u>2,144,931</u>	<u>2,286,353</u>	<u>(141,422)</u>
Refuse collection contract	<u>846,630</u>	<u>846,630</u>	<u>850,356</u>	<u>(3,726)</u>
Conservation of health	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Personnel charges:				
Social security and medicare	564,695	564,695	546,315	18,380
Pensions	910,371	910,371	856,437	53,934
Compensated absences	35,000	35,000	2,880	32,120
Medical and dental coverage	1,733,058	1,733,058	1,750,957	(17,899)
Unemployment insurance	7,500	7,500	12,275	(4,775)
	<u>3,250,624</u>	<u>3,250,624</u>	<u>3,168,864</u>	<u>81,760</u>

(Continued)

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

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Continued)
General Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Public library</i>	1,172,613	1,172,613	1,172,614	(1)
<i>Recreation department</i>	103,303	103,303	93,912	9,391
<i>Senior services</i>	115,928	115,928	110,931	4,997
<i>Inspections</i>	96,210	96,210	95,527	683
Government utilities:				
Town hall	69,700	69,700	70,661	(961)
Peck center	112,750	112,750	92,445	20,305
Public safety	184,800	184,800	126,867	57,933
	<u>367,250</u>	<u>367,250</u>	<u>289,973</u>	<u>77,277</u>
<i>Capital items</i>	26,000	26,000	19,921	6,079
<i>Miscellaneous</i>	64,400	64,400	21,960	42,440
Debt service:				
Principal on bonded debt	2,773,000	2,773,000	2,631,250	141,750
Interest on bonded debt	418,319	418,319	399,105	19,214
	<u>3,191,319</u>	<u>3,191,319</u>	<u>3,030,355</u>	<u>160,964</u>
<i>Public schools appropriation</i>	40,554,328	40,554,328	40,554,328	-
Total expenditures	<u>57,809,552</u>	<u>57,809,552</u>	<u>57,420,554</u>	<u>388,998</u>
<i>Excess of revenues over expenditures before other financing sources and uses</i>	<u>781,000</u>	<u>781,000</u>	<u>1,662,598</u>	<u>881,598</u>
Other financing sources and uses				
Transfers from other funds:				
Capital project funds	78,000	78,000	76,306	(1,694)
Transfers to other funds:				
Capital project funds	(859,000)	(859,000)	(859,000)	-
Total other financing sources and uses	<u>(781,000)</u>	<u>(781,000)</u>	<u>(782,694)</u>	<u>(1,694)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	879,904	<u>\$ 879,904</u>
<i>Re-appropriation of working capital</i>			(350,000)	
Fund balance, beginning of year (budgetary basis)			<u>11,791,126</u>	
Fund balance, end of year (budgetary basis)			<u>\$ 12,321,030</u>	

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

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Required Supplementary Information

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

	General Municipal Employees Pension Plan	Municipal Police Pension Plan
Valuation date	6/30/2011	6/30/2011
Actuarial cost method	Entry Age	Entry Age
Amortization method	Level percent of payroll - over a closed period	Level percent of payroll - over a closed period
Amortization period	25 year period from June 30, 2010 or 24 years as of the valuation date	25 year period from June 30, 2010 or 24 years as of the valuation date
Asset valuation method	Market value of assets with a 5-year phase-in of actual investment return in excess of (less than) expected investment income	Market value of assets with a 5-year phase-in of actual investment return in excess of (less than) expected investment income
Actuarial assumptions:		
Investment rate of return	7.5%, compounded annually, composed of an assumed 2.75% inflation rate and a 4.75% net real rate of return	7.5%, compounded annually, composed of an assumed 2.75% inflation rate and a 4.75% net real rate of return
Projected salary increases	The sum of a 4% wage inflation assumption (composed of a 2.75% price inflation assumption and 1.25% additional general increase) and service related component	The sum of a 4.25% wage inflation assumption (composed of a 2.75% price inflation assumption and 1.5% additional general increase) and service related component
Cost-of-living adjustments	Assumed to be 2% per annum for all units. The actual COLA will be determined based on the plan's five-year average investment rate minus 5.5% and will range from zero to 4.0%	Assumed to be 2% per annum for all units. The actual COLA will be determined based on the plan's five-year average investment rate minus 5.5% and will range from zero to 4.0%
Participant information	Active employees 180 Retirees and beneficiaries 119 <u> 299</u>	Active employees 22 Retirees and beneficiaries 26 <u> 48</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Required Supplementary Information (Continued)

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

	<i>Firefighters Pension Plan (20-Year Plan)</i>	<i>Firefighters Pension Plan (25-Year Plan)</i>	<i>Other Post Employment Benefit Plan</i>
Valuation date	6/30/2011	6/30/2011	7/1/2010
Actuarial cost method	Entry Age	Entry Age	Projected Unit Credit Funding
Amortization method	Level percent of payroll - over a closed period	Level percent of payroll - over a closed period	Level dollar - over an open period
Amortization period	25 year period from June 30, 2010 or 24 years as of the valuation date	25 year period from June 30, 2010 or 24 years as of the valuation date	30 years
Asset valuation method	Market value of assets with a 5-year phase-in of actual investment return in excess of (less than) expected investment income	Market value of assets with a 5-year phase-in of actual investment return in excess of (less than) expected investment income	Fair market value
Actuarial assumptions:			
Investment rate of return	7.5%, compounded annually, composed of an assumed 2.75% inflation rate and a 4.75% net real rate of return	7.5%, compounded annually, composed of an assumed 2.75% inflation rate and a 4.75% net real rate of return	5% interest discount rate; 7.5% long-term rate of return
Projected salary increases	The sum of a 4.25% wage inflation assumption (composed of a 2.75% price inflation assumption and 1.5% additional general increase) and service related component	The sum of a 4.25% wage inflation assumption (composed of a 2.75% price inflation assumption and 1.5% additional general increase) and service related component	Not applicable
Cost-of-living adjustments	Assumed to be 2% per annum for all units. The actual COLA will be determined based on the plan's five-year average investment rate minus 5.5% and will range from zero to 4.0%	Assumed to be 2% per annum for all units. The actual COLA will be determined based on the plan's five-year average investment rate minus 5.5% and will range from zero to 4.0%	Not applicable
Medical trend cost rate	Not applicable	Not applicable	8% per year graded off 0.5% per year to an ultimate rate of 4.5% per year
Participant information	Active employees Retirees and beneficiaries <u>5</u> <u>32</u> <u>37</u>	Active employees Retirees and beneficiaries <u>18</u> <u>1</u> <u>19</u>	Active employees Retirees and beneficiaries <u>478</u> <u>93</u> <u>571</u>

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2012

NOTE 2 - BUDGETARY DATA AND BUDGETARY COMPLIANCE

In accordance with the Barrington Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund. The General Fund is subject to an annual operating budget approved by the taxpayers at the Annual Financial Town Meeting. The annual operating budget's appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the reappropriation of accumulated surpluses to the extent necessary. The General Fund operating budget is in conformance with the legally enacted budgetary basis, which is not in conformance with generally accepted accounting principles. The accompanying budgetary comparison schedule is reflected on the budgetary basis. The difference between the budgetary basis and generally accepted accounting principles is explained below.

Appropriations in addition to those contained in the annual operating budget require approval by taxpayers at a Financial Town Meeting. Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer. The Town Manager has authority to make such transfers within departments. Transfers made outside the departmental level require approval by taxpayers at a Financial Town Meeting. The level on which General Fund expenditures may not legally exceed appropriations is at the department level.

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

<u>Revenues and Other Financing Sources</u>	<u>General Fund</u>
Actual amounts (budgetary basis)	\$59,159,458
Differences – budget to GAAP:	
The pension contributions made to the Employees Retirement System by the State on behalf of the Town of Barrington are not reported as a budgetary revenue, but are a current year revenue for financial reporting purposes.	2,013,103
Re-appropriation of working capital is a revenue for budgetary purposes, but not for financial reporting purposes.	(350,000)
Unbudgeted revenues not included for budgetary purposes, but included for financial reporting purposes.	<u>3,256,574</u>
<i>Total revenues and other financing sources as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds</i>	<u>\$64,079,135</u>

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2012

<u>Expenditures and Other Financing Uses</u>	<u>General Fund</u>
Actual amounts (budgetary basis)	\$58,279,554
Differences – budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies or equipment are received for financial reporting purposes.	(24,050)
Unbudgeted expenditures not included for budgetary purposes, but is included for financial reporting purposes.	4,009,637
The pension contributions made to the Employees Retirement System by the State on behalf of the Town of Barrington are not reported as a budgetary expenditure, but are a current year expenditure for financial reporting purposes.	<u>2,013,103</u>
<i>Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds</i>	<u><u>\$64,278,244</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

THIS SECTION CONTAINS THE FOLLOWING:

Combining Fund Financial Statements for Nonmajor Governmental Funds

Combining Fund Financial Statements for Private Purpose Trust Fund

Combining Statement of Net Assets for Agency Funds

Other Supplementary Information

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

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

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

School Restricted Fund - was established to account for the receipt and disbursement of State and Federal Grants for education.

Food Service Fund - was established to account for the fees and federal reimbursements and related expenditures for the School's food service program.

Cemetery Fund – was established to account for monies donated for the Town cemetery and for revenue from the sale of cemetery lots.

Public Safety Donations - was established to account for donations from citizens to be used for the benefit of public safety employees.

10% Computer-Tech Fund - was established to account for fees collected to fund expenditures for technology in the Town Clerk's Office.

Substance Abuse Grant - was established to account for State's Bramley Grant for substance abuse.

Police Computer Block Grant - was established to account for the receipts and disbursements of grants relating to computer operations for the Police Department.

Recreation Field Grant - was established for improvements at St. Andrews Field.

Bicentennial - was established to account for money remaining from 1988 and for future use in connection with the tricentennial celebration.

Historical Records Fund - was established to account for monies set aside for the maintenance of historical records.

Community Development Block Grant - was established to account for the Community Development Block Grant receipts and disbursements.

Drug Free Grant and Marijuana Grant - were established by a federal grant to establish and strengthen collaboration among communities and reduce substance abuse among youth.

Safe Streets Grant - was established by a grant to improve the pedestrian infrastructure leading to Hampton Meadows School.

Grants Fund - was established to account for Town, Federal and State grants.

Miscellaneous Funds - was established to account for various state and private grants earmarked for a specific project or program.

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

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

L.R. Peck Schoolhouse - was established to account for monies donated by the Peck family to support the maintenance of the library building.

Cemetery Perpetual Fund - was established to set aside 20% of the revenue from the sale of cemetery lots mandated by State statute.

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	<i>Special Revenue Funds</i>					
	<i>School Restricted</i>	<i>Food Service</i>	<i>Cemetery Fund</i>	<i>Public Safety Donations</i>	<i>10% Computer- Tech</i>	<i>Substance Abuse Grant</i>
ASSETS						
Cash	\$ -	\$ 212,338	\$ -	\$ -	\$ -	\$ -
Investments	-	-	2,219,215	55,239	-	-
Interest receivable	-	-	300	-	-	-
Due from federal and state governments	356,466	14,587	-	-	-	2,096
Due from other funds	118,802	-	-	7	62,699	33,860
Other receivables	18,901	-	-	-	-	-
Total assets	\$ 494,169	\$ 226,925	\$ 2,219,515	\$ 55,246	\$ 62,699	\$ 35,956
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenditures	\$ -	\$ 140,194	\$ 11,278	\$ -	\$ -	\$ -
Due to other funds	375,367	105,602	102,973	-	-	-
Advance from General Fund	-	-	390,000	-	-	-
Total liabilities	375,367	245,796	504,251	-	-	-
Fund balances						
Nonspendable:						
Peck House building maintenance	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-
Restricted for:						
Cemeteries and burial grounds	-	-	1,715,264	-	-	-
Education programs	118,802	-	-	-	-	-
Public safety programs	-	-	-	55,246	-	-
Historical records preservation	-	-	-	-	62,699	-
Community service programs	-	-	-	-	-	35,956
Capital projects	-	-	-	-	-	-
Other programs	-	-	-	-	-	-
Committed for:						
Capital projects	-	-	-	-	-	-
Unassigned	-	(18,871)	-	-	-	-
Total fund balances	118,802	(18,871)	1,715,264	55,246	62,699	35,956
Total liabilities and fund balances	\$ 494,169	\$ 226,925	\$ 2,219,515	\$ 55,246	\$ 62,699	\$ 35,956

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	<i>Special Revenue Funds</i>				
	<i>Police Computer Block Grant</i>	<i>Recreation Field Grant</i>	<i>Bicentennial</i>	<i>Historical Records</i>	<i>Community Development Block Grant</i>
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	1,147	-	-
Interest receivable	-	-	8	-	-
Due from federal and state governments	-	-	-	-	5,894
Due from other funds	-	3,373	-	37,445	-
Other receivables	-	-	-	-	-
	-	-	-	-	-
Total assets	\$ -	\$ 3,373	\$ 1,155	\$ 37,445	\$ 5,894
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	5,894
Advance from General Fund	-	-	-	-	-
	-	-	-	-	-
Total liabilities	-	-	-	-	5,894
Fund balances					
Nonspendable:					
Peck House building maintenance	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-
Restricted for:					
Cemeteries and burial grounds	-	-	-	-	-
Education programs	-	-	-	-	-
Public safety programs	-	-	-	-	-
Historical records preservation	-	-	-	37,445	-
Community service programs	-	-	-	-	-
Capital projects	-	-	-	-	-
Other programs	-	3,373	1,155	-	-
Committed for:					
Capital projects	-	-	-	-	-
Unassigned	-	-	-	-	-
	-	-	-	-	-
Total fund balances	-	3,373	1,155	37,445	-
Total liabilities and fund balances	\$ -	\$ 3,373	\$ 1,155	\$ 37,445	\$ 5,894

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	<i>Special Revenue Funds</i>					<i>Total Special Revenue Funds</i>
	<i>Drug Free Grant</i>	<i>Safe Streets Grant</i>	<i>Marijuana Grant</i>	<i>Grants Fund</i>	<i>Miscellaneous Funds</i>	
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 212,338
Investments	-	-	-	-	-	2,275,601
Interest receivable	-	-	-	-	-	308
Due from federal and state governments	31,377	7,827	11,414	38,851	-	468,512
Due from other funds	-	-	-	-	44,941	301,127
Other receivables	-	-	-	-	-	18,901
Total assets	\$ 31,377	\$ 7,827	\$ 11,414	\$ 38,851	\$ 44,941	\$ 3,276,787
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenditures	\$ 1,498	\$ 6,799	\$ 1,375	\$ 6,244	\$ -	\$ 167,388
Due to other funds	29,879	1,028	10,039	32,640	-	663,422
Advance from General Fund	-	-	-	-	-	390,000
Total liabilities	31,377	7,827	11,414	38,884	-	1,220,810
Fund balances						
Nonspendable:						
Peck House building maintenance	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-
Restricted for:						
Cemeteries and burial grounds	-	-	-	-	-	1,715,264
Education programs	-	-	-	-	-	118,802
Public safety programs	-	-	-	-	40,759	96,005
Historical records preservation	-	-	-	-	-	100,144
Community service programs	-	-	-	-	-	35,956
Capital projects	-	-	-	-	-	-
Other programs	-	-	-	-	4,182	8,710
Committed for:						
Capital projects	-	-	-	-	-	-
Unassigned	-	-	-	(33)	-	(18,904)
Total fund balances	-	-	-	(33)	44,941	2,055,977
Total liabilities and fund balances	\$ 31,377	\$ 7,827	\$ 11,414	\$ 38,851	\$ 44,941	\$ 3,276,787

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	<i>Capital Project Funds</i>						
	<i>Bonded Construction Projects Fund</i>	<i>Town Computer</i>	<i>Town Hall Improvement</i>	<i>School Athletic Facility</i>	<i>School Computer Technology</i>	<i>School Renovation</i>	<i>DPW Pavement Management</i>
ASSETS							
Cash	\$ 105,686	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	41,573	1,076	23,306	-	226,083	2,860
Interest receivable	-	279	7	156	-	1,515	19
Due from federal and state governments	1,976,492	-	-	-	-	-	-
Due from other funds	-	-	162,149	-	112,676	811,667	-
Other receivables	-	-	-	-	-	-	-
Total assets	\$ 2,082,178	\$ 41,852	\$ 163,232	\$ 23,462	\$ 112,676	\$ 1,039,265	\$ 2,879
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenditures	\$ 65,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	17,714	27,054	-	1,880	-	-	-
Advance from General Fund	-	-	-	-	-	-	-
Total liabilities	82,797	27,054	-	1,880	-	-	-
Fund balances							
Nonspendable:							
Peck House building maintenance	-	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-	-
Restricted for:							
Cemeteries and burial grounds	-	-	-	-	-	-	-
Education programs	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-
Historical records preservation	-	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-	-
Capital projects	1,999,381	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	-
Committed for:							
Capital projects	-	14,798	163,232	21,582	112,676	1,039,265	2,879
Unassigned	-	-	-	-	-	-	-
Total fund balances	1,999,381	14,798	163,232	21,582	112,676	1,039,265	2,879
Total liabilities and fund balances	\$ 2,082,178	\$ 41,852	\$ 163,232	\$ 23,462	\$ 112,676	\$ 1,039,265	\$ 2,879

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	Capital Project Funds					
	Auto Replacement	Fire Apparatus Replacement	Land Conservation	School Vehicle Replacement	Police Cove Park	DPW Equipment Replacement
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	99,269	296,037	5,420	50,069	232,415	365,886
Interest receivable	665	1,983	36	336	-	2,453
Due from federal and state governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	29	28,950
Other receivables	-	-	-	-	-	-
Total assets	\$ 99,934	\$ 298,020	\$ 5,456	\$ 50,405	\$ 232,444	\$ 397,289
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	90,282	114,919	-	22,324	-	-
Advance from General Fund	-	-	-	-	-	-
Total liabilities	90,282	114,919	-	22,324	-	-
Fund balances						
Nonspendable:						
Peck House building maintenance	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-
Restricted for:						
Cemeteries and burial grounds	-	-	-	-	-	-
Education programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Historical records preservation	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Other programs	-	-	-	-	-	-
Committed for:						
Capital projects	9,652	183,101	5,456	28,081	232,444	397,289
Unassigned	-	-	-	-	-	-
Total fund balances	9,652	183,101	5,456	28,081	232,444	397,289
Total liabilities and fund balances	\$ 99,934	\$ 298,020	\$ 5,456	\$ 50,405	\$ 232,444	\$ 397,289

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	Capital Project Funds					
	R.I. Fire Safety Upgrades	Software Assessor & Treasurer	Environmental Issues	Public Safety Building Improvements	Police Equipment	Peck Center Improvements
ASSETS						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	130,915	227,648	59,790	32,644	35,499
Interest receivable	-	-	-	-	-	238
Due from federal and state governments	-	-	-	-	-	-
Due from other funds	72,925	-	10,524	9	6,277	-
Other receivables	-	-	-	-	-	-
Total assets	\$ 72,925	\$ 130,915	\$ 238,172	\$ 59,799	\$ 38,921	\$ 35,737
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenditures	\$ -	\$ -	\$ 1,007	\$ -	\$ -	\$ -
Due to other funds	-	61,604	-	-	-	1,500
Advance from General Fund	-	-	-	-	-	-
Total liabilities	-	61,604	1,007	-	-	1,500
Fund balances						
Nonspendable:						
Peck House building maintenance	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-
Restricted for:						
Cemeteries and burial grounds	-	-	-	-	-	-
Education programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Historical records preservation	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Other programs	-	-	-	-	-	-
Committed for:						
Capital projects	72,925	69,311	237,165	59,799	38,921	34,237
Unassigned	-	-	-	-	-	-
Total fund balances	72,925	69,311	237,165	59,799	38,921	34,237
Total liabilities and fund balances	\$ 72,925	\$ 130,915	\$ 238,172	\$ 59,799	\$ 38,921	\$ 35,737

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	<i>Capital Project Funds</i>						
	<i>Harbormaster Equipment</i>	<i>Federal Road Reconstruction</i>	<i>Transient Dock</i>	<i>Maple Ave. Reconstruction Design</i>	<i>Fire Equipment</i>	<i>School Long Range Planning</i>	<i>Total Capital Project Funds</i>
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,686
Investments	22,521	-	-	-	13,288	-	1,866,299
Interest receivable	-	-	-	-	-	-	7,687
Due from federal and state governments	-	-	-	-	-	-	1,976,492
Due from other funds	8,003	5,314	7,320	49,576	27,989	-	1,303,408
Other receivables	-	-	-	-	-	-	-
Total assets	\$ 30,524	\$ 5,314	\$ 7,320	\$ 49,576	\$ 41,277	\$ -	\$ 5,259,572
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ 55,687	\$ -	\$ 121,777
Due to other funds	-	-	-	-	-	-	337,277
Advance from General Fund	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	55,687	-	459,054
Fund balances							
Nonspendable:							
Peck House building maintenance	-	-	-	-	-	-	-
Cemetery perpetual care	-	-	-	-	-	-	-
Restricted for:							
Cemeteries and burial grounds	-	-	-	-	-	-	-
Education programs	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-
Historical records preservation	-	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	1,999,381
Other programs	-	-	-	-	-	-	-
Committed for:							
Capital projects	30,524	5,314	7,320	49,576	-	-	2,815,547
Unassigned	-	-	-	-	(14,410)	-	(14,410)
Total fund balances	30,524	5,314	7,320	49,576	(14,410)	-	4,800,518
Total liabilities and fund balances	\$ 30,524	\$ 5,314	\$ 7,320	\$ 49,576	\$ 41,277	\$ -	\$ 5,259,572

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2012

	<u>Permanent Funds</u>			<i>Total All Nonmajor Governmental Funds</i>
	<i>LR Peck School House</i>	<i>Cemetery Perpetual Care</i>	<i>Total Permanent Funds</i>	
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ 318,024
Investments	19,059	138,168	157,227	4,299,127
Interest receivable	128	-	128	8,123
Due from federal and state governments	-	-	-	2,445,004
Due from other funds	-	720	720	1,605,255
Other receivables	-	-	-	18,901
Total assets	<u>\$ 19,187</u>	<u>\$ 138,888</u>	<u>\$ 158,075</u>	<u>\$ 8,694,434</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ 289,165
Due to other funds	-	-	-	1,000,699
Advance from General Fund	-	-	-	390,000
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,679,864</u>
Fund balances				
Nonspendable:				
Peck House building maintenance	10,000	-	10,000	10,000
Cemetery perpetual care	-	138,826	138,826	138,826
Restricted for:				
Cemeteries and burial grounds	-	-	-	1,715,264
Education programs	-	-	-	118,802
Public safety programs	-	-	-	96,005
Historical records preservation	-	-	-	100,144
Community service programs	-	-	-	35,956
Capital projects	-	-	-	1,999,381
Other programs	9,187	62	9,249	17,959
Committed for:				
Capital projects	-	-	-	2,815,547
Unassigned	-	-	-	(33,314)
Total fund balances	<u>19,187</u>	<u>138,888</u>	<u>158,075</u>	<u>7,014,570</u>
Total liabilities and fund balances	<u>\$ 19,187</u>	<u>\$ 138,888</u>	<u>\$ 158,075</u>	<u>\$ 8,694,434</u>

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<i>Special Revenue Funds</i>					
	<i>School Restricted</i>	<i>Food Service</i>	<i>Cemetery Fund</i>	<i>Public Safety Donations</i>	<i>10% Computer- Tech</i>	<i>Substance Abuse Grant</i>
Revenues						
State and federal aid and grants	\$ 1,079,134	\$ 103,523	\$ 15,281	\$ -	\$ -	\$ 33,151
Investment and interest income	-	150	(63,030)	30	-	-
Other revenue	5,494	584,059	74,605	-	21,451	1,500
Total revenues	<u>1,084,628</u>	<u>687,732</u>	<u>26,856</u>	<u>30</u>	<u>21,451</u>	<u>34,651</u>
Expenditures						
Current:						
Legislative, judicial and general administrative	-	-	-	-	11,264	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Food service	-	790,678	-	-	-	-
Community services	-	-	-	-	-	31,936
Education	1,102,656	-	-	-	-	-
Cemetery	-	-	181,989	-	-	-
Capital items	-	-	-	-	-	-
Total expenditures	<u>1,102,656</u>	<u>790,678</u>	<u>181,989</u>	<u>-</u>	<u>11,264</u>	<u>31,936</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(18,028)</u>	<u>(102,946)</u>	<u>(155,133)</u>	<u>30</u>	<u>10,187</u>	<u>2,715</u>
Other financing sources (uses)						
Capital related debt issued	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(18,028)</u>	<u>(102,946)</u>	<u>(155,133)</u>	<u>30</u>	<u>10,187</u>	<u>2,715</u>
Fund balances - beginning of year, restated	<u>136,830</u>	<u>84,075</u>	<u>1,870,397</u>	<u>55,216</u>	<u>52,512</u>	<u>33,241</u>
Fund balances - end of year	<u>\$ 118,802</u>	<u>\$ (18,871)</u>	<u>\$ 1,715,264</u>	<u>\$ 55,246</u>	<u>\$ 62,699</u>	<u>\$ 35,956</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<i>Special Revenue Funds</i>				
	<i>Police Computer Block Grant</i>	<i>Recreation Field Grant</i>	<i>Bicentennial</i>	<i>Historical Records</i>	<i>Community Development Block Grant</i>
Revenues					
State and federal aid and grants	\$ -	\$ -	\$ -	\$ -	\$ 21,659
Investment and interest income	-	-	3	-	-
Other revenue	-	-	-	3,710	-
Total revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>3,710</u>	<u>21,659</u>
Expenditures					
Current:					
Legislative, judicial and general administrative	-	-	-	7,989	-
Public safety	3,517	-	-	-	-
Public works	-	-	-	-	-
Recreation	-	-	-	-	-
Food service	-	-	-	-	-
Community services	-	-	-	-	21,688
Education	-	-	-	-	-
Cemetery	-	-	-	-	-
Capital items	-	-	-	-	-
Total expenditures	<u>3,517</u>	<u>-</u>	<u>-</u>	<u>7,989</u>	<u>21,688</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(3,517)</u>	<u>-</u>	<u>3</u>	<u>(4,279)</u>	<u>(29)</u>
Other financing sources (uses)					
Capital related debt issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,517)	-	3	(4,279)	(29)
Fund balances - beginning of year, restated	<u>3,517</u>	<u>3,373</u>	<u>1,152</u>	<u>41,724</u>	<u>29</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ 3,373</u>	<u>\$ 1,155</u>	<u>\$ 37,445</u>	<u>\$ -</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<i>Special Revenue Funds</i>					<i>Total Special Revenue Funds</i>
	<i>Drug Free Grant</i>	<i>Safe Streets Grant</i>	<i>Marijuana Grant</i>	<i>Grants Fund</i>	<i>Miscellaneous Funds</i>	
Revenues						
State and federal aid and grants	\$ 118,945	\$ 9,645	\$ 41,675	\$ 350,346	\$ 3,750	\$ 1,777,109
Investment and interest income	-	-	-	-	-	(62,847)
Other revenue	-	-	-	-	1,227	692,046
Total revenues	<u>118,945</u>	<u>9,645</u>	<u>41,675</u>	<u>350,346</u>	<u>4,977</u>	<u>2,406,308</u>
Expenditures						
Current:						
Legislative, judicial and general administrative	-	-	-	-	570	19,823
Public safety	-	9,645	-	90,087	18,340	121,589
Public works	-	-	-	224,288	-	224,288
Recreation	-	-	-	36,004	-	36,004
Food service	-	-	-	-	-	790,678
Community services	118,945	-	41,675	-	-	214,244
Education	-	-	-	-	-	1,102,656
Cemetery	-	-	-	-	-	181,989
Capital items	-	-	-	-	-	-
Total expenditures	<u>118,945</u>	<u>9,645</u>	<u>41,675</u>	<u>350,379</u>	<u>18,910</u>	<u>2,691,271</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33)</u>	<u>(13,933)</u>	<u>(284,963)</u>
Other financing sources (uses)						
Capital related debt issued	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33)</u>	<u>(13,933)</u>	<u>(284,963)</u>
Fund balances - beginning of year, restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,874</u>	<u>2,340,940</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33)</u>	<u>\$ 44,941</u>	<u>\$ 2,055,977</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<i>Capital Project Funds</i>						
	<i>Bonded Construction Projects Fund</i>	<i>Town Computer</i>	<i>Town Hall Improvement</i>	<i>School Athletic Facility</i>	<i>School Computer Technology</i>	<i>School Renovation</i>	<i>DPW Pavement Management</i>
Revenues							
State and federal aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,646	\$ -
Investment and interest income	309	40	(2)	57	-	554	6
Other revenue	-	-	10,000	-	-	-	-
Total revenues	<u>309</u>	<u>40</u>	<u>9,998</u>	<u>57</u>	<u>-</u>	<u>77,200</u>	<u>6</u>
Expenditures							
Current:							
Legislative, judicial and general administrative	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-
Capital items	1,713,594	27,054	22,851	1,880	147,857	720,259	-
Total expenditures	<u>1,713,594</u>	<u>27,054</u>	<u>22,851</u>	<u>1,880</u>	<u>147,857</u>	<u>720,259</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(1,713,285)</u>	<u>(27,014)</u>	<u>(12,853)</u>	<u>(1,823)</u>	<u>(147,857)</u>	<u>(643,059)</u>	<u>6</u>
Other financing sources (uses)							
Capital related debt issued	729,600	-	-	-	-	-	-
Transfers from other funds	-	-	175,000	-	150,000	950,308	-
Transfers to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>729,600</u>	<u>-</u>	<u>175,000</u>	<u>-</u>	<u>150,000</u>	<u>950,308</u>	<u>-</u>
Net change in fund balances	(983,685)	(27,014)	162,147	(1,823)	2,143	307,249	6
Fund balances - beginning of year, restated	<u>2,983,066</u>	<u>41,812</u>	<u>1,085</u>	<u>23,405</u>	<u>110,533</u>	<u>732,016</u>	<u>2,873</u>
Fund balances - end of year	<u>\$ 1,999,381</u>	<u>\$ 14,798</u>	<u>\$ 163,232</u>	<u>\$ 21,582</u>	<u>\$ 112,676</u>	<u>\$ 1,039,265</u>	<u>\$ 2,879</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Capital Project Funds					
	Auto Replacement	Fire Apparatus Replacement	Land Conservation	School Vehicle Replacement	Police Cove Park	DPW Equipment Replacement
Revenues						
State and federal aid and grants	\$ -	\$ 61,988	\$ -	\$ -	\$ -	\$ 176,152
Investment and interest income	484	1,352	14	(50)	126	848
Other revenue	-	1,167	-	-	-	-
Total revenues	<u>484</u>	<u>64,507</u>	<u>14</u>	<u>(50)</u>	<u>126</u>	<u>177,000</u>
Expenditures						
Current:						
Legislative, judicial and general administrative	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Recreation	-	-	30,000	-	-	-
Food service	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Education	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-
Capital items	102,438	278,074	-	22,324	-	397,202
Total expenditures	<u>102,438</u>	<u>278,074</u>	<u>30,000</u>	<u>22,324</u>	<u>-</u>	<u>397,202</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(101,954)</u>	<u>(213,567)</u>	<u>(29,986)</u>	<u>(22,374)</u>	<u>126</u>	<u>(220,202)</u>
Other financing sources (uses)						
Capital related debt issued	-	-	-	-	-	-
Transfers from other funds	60,000	100,000	30,000	-	-	250,000
Transfers to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>60,000</u>	<u>100,000</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Net change in fund balances	(41,954)	(113,567)	14	(22,374)	126	29,798
Fund balances - beginning of year, restated	<u>51,606</u>	<u>296,668</u>	<u>5,442</u>	<u>50,455</u>	<u>232,318</u>	<u>367,491</u>
Fund balances - end of year	<u>\$ 9,652</u>	<u>\$ 183,101</u>	<u>\$ 5,456</u>	<u>\$ 28,081</u>	<u>\$ 232,444</u>	<u>\$ 397,289</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Capital Project Funds					
	R.I. Fire Safety Upgrades	Software Assessor & Treasurer	Environmental Issues	Public Safety Building Improvements	Police Equipment	Peck Center Improvements
Revenues						
State and federal aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment and interest income	-	71	132	34	17	82
Other revenue	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>71</u>	<u>132</u>	<u>34</u>	<u>17</u>	<u>82</u>
Expenditures						
Current:						
Legislative, judicial and general administrative	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Food service	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Education	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-
Capital items	-	11,620	40,521	-	17,227	1,500
Total expenditures	<u>-</u>	<u>11,620</u>	<u>40,521</u>	<u>-</u>	<u>17,227</u>	<u>1,500</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>-</u>	<u>(11,549)</u>	<u>(40,389)</u>	<u>34</u>	<u>(17,210)</u>	<u>(1,418)</u>
Other financing sources (uses)						
Capital related debt issued	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	23,500	-
Transfers to other funds	-	(50,000)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>23,500</u>	<u>-</u>
Net change in fund balances	-	(61,549)	(40,389)	34	6,290	(1,418)
Fund balances - beginning of year, restated	<u>72,925</u>	<u>130,860</u>	<u>277,554</u>	<u>59,765</u>	<u>32,631</u>	<u>35,655</u>
Fund balances - end of year	<u>\$ 72,925</u>	<u>\$ 69,311</u>	<u>\$ 237,165</u>	<u>\$ 59,799</u>	<u>\$ 38,921</u>	<u>\$ 34,237</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<i>Capital Project Funds</i>						
	<i>Harbormaster Equipment</i>	<i>Federal Road Reconstruction</i>	<i>Transient Dock</i>	<i>Maple Ave. Reconstruction Design</i>	<i>Fire Equipment</i>	<i>School Long Range Planning</i>	<i>Total Capital Project Funds</i>
Revenues							
State and federal aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 314,786
Investment and interest income	13	-	-	-	14	-	4,101
Other revenue	-	-	-	-	-	-	11,167
Total revenues	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>330,054</u>
Expenditures							
Current:							
Legislative, judicial and general administrative	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	30,000
Food service	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-	-
Capital items	-	-	-	-	77,707	-	3,582,108
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,707</u>	<u>-</u>	<u>3,612,108</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>13</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(77,693)</u>	<u>-</u>	<u>(3,282,054)</u>
Other financing sources (uses)							
Capital related debt issued	-	-	-	-	-	-	729,600
Transfers from other funds	8,000	-	-	-	50,000	-	1,796,808
Transfers to other funds	-	-	-	-	-	(26,306)	(76,306)
Total other financing sources (uses)	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>(26,306)</u>	<u>2,450,102</u>
Net change in fund balances	8,013	-	-	-	(27,693)	(26,306)	(831,952)
Fund balances - beginning of year, restated	<u>22,511</u>	<u>5,314</u>	<u>7,320</u>	<u>49,576</u>	<u>13,283</u>	<u>26,306</u>	<u>5,632,470</u>
Fund balances - end of year	<u>\$ 30,524</u>	<u>\$ 5,314</u>	<u>\$ 7,320</u>	<u>\$ 49,576</u>	<u>\$ (14,410)</u>	<u>\$ -</u>	<u>\$ 4,800,518</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	<u>Permanent Funds</u>			<i>Total All Nonmajor Governmental Funds</i>
	<i>LR Peck School House</i>	<i>Cemetery Perpetual Care</i>	<i>Total Permanent Funds</i>	
Revenues				
State and federal aid and grants	\$ -	\$ -	\$ -	\$ 2,091,895
Investment and interest income	47	13	60	(58,686)
Other revenue	-	7,090	7,090	710,303
Total revenues	<u>47</u>	<u>7,103</u>	<u>7,150</u>	<u>2,743,512</u>
Expenditures				
Current:				
Legislative, judicial and general administrative	-	-	-	19,823
Public safety	-	-	-	121,589
Public works	-	-	-	224,288
Recreation	-	-	-	66,004
Food service	-	-	-	790,678
Community services	-	-	-	214,244
Education	-	-	-	1,102,656
Cemetery	-	-	-	181,989
Capital items	-	-	-	3,582,108
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,303,379</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>47</u>	<u>7,103</u>	<u>7,150</u>	<u>(3,559,867)</u>
Other financing sources (uses)				
Capital related debt issued	-	-	-	729,600
Transfers from other funds	-	-	-	1,796,808
Transfers to other funds	-	-	-	(76,306)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,450,102</u>
Net change in fund balances	47	7,103	7,150	(1,109,765)
Fund balances - beginning of year, restated	<u>19,140</u>	<u>131,785</u>	<u>150,925</u>	<u>8,124,335</u>
Fund balances - end of year	<u>\$ 19,187</u>	<u>\$ 138,888</u>	<u>\$ 158,075</u>	<u>\$ 7,014,570</u>

TOWN OF BARRINGTON, RHODE ISLAND
Special Revenue Funds - School Restricted Fund
Combining Balance Sheet
June 30, 2012

	<i>Amgen</i>	<i>Literacy</i>	<i>Perkins</i>	<i>RTTT Standard Curriculum</i>	<i>RTTT Educator Effectiveness</i>	<i>RTTT IIS Set Aside</i>	<i>RTTT Educator Effectiveness Set Aside</i>
ASSETS							
Due from the state	\$ -	\$ -	\$ -	\$ 1,105	\$ 1,688	\$ -	\$ -
Due from other funds	5,102	104,081	-	-	-	-	-
Other receivables	-	-	18,788	-	-	-	-
	Total assets	\$ 104,081	\$ 18,788	\$ 1,105	\$ 1,688	\$ -	\$ -
 LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ -	\$ 18,788	\$ 1,105	\$ 1,688	\$ -	\$ -
	Total liabilities	-	18,788	1,105	1,688	-	-
	Fund balances - restricted	104,081	-	-	-	-	-
	Total liabilities and fund balances	\$ 104,081	\$ 18,788	\$ 1,105	\$ 1,688	\$ -	\$ -

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Special Revenue Funds - School Restricted Fund
Combining Balance Sheet (Continued)
June 30, 2012

	<i>RTTT Human Capital Set Aside</i>	<i>Preschool Incentive Section 619</i>	<i>Education Jobs</i>	<i>Special General Assembly Volunteer Program</i>	<i>Title II</i>	<i>Title I</i>	<i>Project IDEA Part B</i>
ASSETS							
Due from the state	\$ -	\$ 4,089	\$ 21,591	\$ -	\$ 30,297	\$ 27,285	\$ 270,411
Due from other funds	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	113
Total assets	<u>\$ -</u>	<u>\$ 4,089</u>	<u>\$ 21,591</u>	<u>\$ -</u>	<u>\$ 30,297</u>	<u>\$ 27,285</u>	<u>\$ 270,524</u>
 LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ 4,089	\$ 21,591	\$ -	\$ 30,297	\$ 27,285	\$ 270,524
Total liabilities	<u>-</u>	<u>4,089</u>	<u>21,591</u>	<u>-</u>	<u>30,297</u>	<u>27,285</u>	<u>270,524</u>
Fund balances - restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 4,089</u>	<u>\$ 21,591</u>	<u>\$ -</u>	<u>\$ 30,297</u>	<u>\$ 27,285</u>	<u>\$ 270,524</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Special Revenue Funds - School Restricted Fund
Combining Balance Sheet (Continued)
June 30, 2012

	<u>Title III LEP</u>	<u>Champlin</u>	<u>Target</u>	<u>Feinstein</u>	<u>Healthier US Schools Challenge Grant</u>	<u>Intel & Society for Science and the Public</u>	<u>Total</u>
ASSETS							
Due from the state	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,466
Due from other funds	-	55	824	7,240	500	1,000	118,802
Other receivables	-	-	-	-	-	-	18,901
Total assets	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 824</u>	<u>\$ 7,240</u>	<u>\$ 500</u>	<u>\$ 1,000</u>	<u>\$ 494,169</u>
 LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 375,367
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>375,367</u>
Fund balances - restricted	<u>-</u>	<u>55</u>	<u>824</u>	<u>7,240</u>	<u>500</u>	<u>1,000</u>	<u>118,802</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 824</u>	<u>\$ 7,240</u>	<u>\$ 500</u>	<u>\$ 1,000</u>	<u>\$ 494,169</u>

TOWN OF BARRINGTON, RHODE ISLAND
Special Revenue Funds - School Restricted Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2012

	<u>Amgen</u>	<u>Literacy</u>	<u>Perkins</u>	<u>RTTT Standard Curriculum</u>	<u>RTTT Educator Effectiveness</u>	<u>RTTT IIS Set Aside</u>	<u>RTTT Educator Effectiveness Set Aside</u>
Revenues							
Intergovernmental revenues	\$ -	\$ -	\$ 31,323	\$ 1,105	\$ 1,688	\$ 5,332	\$ 18
Other revenue	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>31,323</u>	<u>1,105</u>	<u>1,688</u>	<u>5,332</u>	<u>18</u>
Expenditures							
Salaries	-	-	15,171	1,020	-	-	-
Employee benefits	-	-	219	85	-	-	-
Purchased services	-	-	868	-	1,688	5,332	18
Supplies and materials	252	990	-	-	-	-	-
Capital outlay	625	-	15,065	-	-	-	-
Total expenditures	<u>877</u>	<u>990</u>	<u>31,323</u>	<u>1,105</u>	<u>1,688</u>	<u>5,332</u>	<u>18</u>
Net change in fund balances	(877)	(990)	-	-	-	-	-
Fund balances - beginning of year	<u>5,979</u>	<u>105,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ 5,102</u>	<u>\$ 104,081</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Special Revenue Funds - School Restricted Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
For the Fiscal Year Ended June 30, 2012

	<i>RTTT Human Capital Set Aside</i>	<i>Preschool Incentive Section 619</i>	<i>Education Jobs</i>	<i>Special General Assembly Volunteer Program</i>	<i>Title II</i>	<i>Title I</i>	<i>Project IDEA Part B</i>
Revenues							
Intergovernmental revenues	\$ 11,846	\$ 25,134	\$ 81,642	\$ 1,204	\$ 74,203	\$ 72,203	\$ 767,073
Other revenue	-	-	-	-	-	-	-
Total revenues	<u>11,846</u>	<u>25,134</u>	<u>81,642</u>	<u>1,204</u>	<u>74,203</u>	<u>72,203</u>	<u>767,073</u>
Expenditures							
Salaries	-	19,387	57,149	-	-	53,141	361,931
Employee benefits	-	5,747	24,493	-	-	18,702	102,618
Purchased services	11,846	-	-	669	72,232	-	247,963
Supplies and materials	-	-	-	535	1,971	360	35,162
Capital outlay	-	-	-	-	-	-	19,399
Total expenditures	<u>11,846</u>	<u>25,134</u>	<u>81,642</u>	<u>1,204</u>	<u>74,203</u>	<u>72,203</u>	<u>767,073</u>
Net change in fund balances	-	-	-	-	-	-	-
Fund balances - beginning of year	-	-	-	-	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Special Revenue Funds - School Restricted Fund
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
For the Fiscal Year Ended June 30, 2012

	<u>Title III LEP</u>	<u>Champlin</u>	<u>Target</u>	<u>Feinstein</u>	<u>Healthier US Schools Challenge Grant</u>	<u>Intel & Society for Science and the Public</u>	<u>Total</u>
Revenues							
Intergovernmental revenues	\$ 5,863	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 1,079,134
Other revenue	-	-	394	5,100	-	-	5,494
Total revenues	<u>5,863</u>	<u>-</u>	<u>394</u>	<u>5,100</u>	<u>500</u>	<u>-</u>	<u>1,084,628</u>
Expenditures							
Salaries	-	-	-	-	-	-	507,799
Employee benefits	-	-	-	-	-	-	151,864
Purchased services	2,034	5,416	-	685	-	-	348,751
Supplies and materials	615	8,520	616	3,402	-	-	52,423
Capital outlay	3,214	3,516	-	-	-	-	41,819
Total expenditures	<u>5,863</u>	<u>17,452</u>	<u>616</u>	<u>4,087</u>	<u>-</u>	<u>-</u>	<u>1,102,656</u>
Net change in fund balances	-	(17,452)	(222)	1,013	500	-	(18,028)
Fund balances - beginning of year	-	17,507	1,046	6,227	-	1,000	136,830
Fund balances - end of year	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 824</u>	<u>\$ 7,240</u>	<u>\$ 500</u>	<u>\$ 1,000</u>	<u>\$ 118,802</u>

**COMBINING FINANCIAL STATEMENTS
FOR PRIVATE PURPOSE TRUST FUNDS**

Private Purpose Trust Funds
were established to account for assets held
by the Town in a fiduciary capacity for individuals,
governmental entities and others. Trust funds are operated
by carrying out specific requirements, or other governing regulations.

Land Easement Security - was established to protect the conservation easements.

Amy Tucker Spencer Trust - was established to account for money held on behalf of the Amy Tucker Spencer Trust.

Nicholas Gizzarelli and Patrick Murphy Scholarship Funds - were established to account for scholarships.

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Net Assets
Private-Purpose Trusts
June 30, 2012

	<u>Land Easement Security</u>	<u>Amy Tucker Spencer Trust</u>	<u>Nicholas Gizzarelli Trust</u>	<u>Patrick Murphy Trust</u>	<u>Total Private- Purpose Trusts</u>
Assets					
Cash and cash equivalents	\$ 11,624	\$ 375,499	\$ 18,222	\$ 11,034	\$ 416,379
Investments	16,043	2,824,337	-	-	2,840,380
Accrued interest receivable	107	-	-	-	107
	<u>27,774</u>	<u>3,199,836</u>	<u>18,222</u>	<u>11,034</u>	<u>3,256,866</u>
Total assets					
	<u>27,774</u>	<u>3,199,836</u>	<u>18,222</u>	<u>11,034</u>	<u>3,256,866</u>
Liabilities					
Due to other funds	-	13,075	-	1,000	14,075
Total liabilities	<u>-</u>	<u>13,075</u>	<u>-</u>	<u>1,000</u>	<u>14,075</u>
Net Assets					
Held in trust for other purposes	<u>\$ 27,774</u>	<u>\$ 3,186,761</u>	<u>\$ 18,222</u>	<u>\$ 10,034</u>	<u>\$ 3,242,791</u>

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Changes in Net Assets
Private-Purpose Trusts
For the Fiscal Year Ended June 30, 2012

	<u>Land Easement Security</u>	<u>Amy Tucker Spencer Trust</u>	<u>Nicholas Gizzarelli Trust</u>	<u>Patrick Murphy Trust</u>	<u>Total Private- Purpose Trusts</u>
Additions					
Investment earnings:					
Net increase (decrease) in fair value of investments	\$ (105)	\$ (50,765)	\$ -	\$ -	\$ (50,870)
Interest and dividends	150	79,448	9	7	79,614
Net investment earnings	<u>45</u>	<u>28,683</u>	<u>9</u>	<u>7</u>	<u>28,744</u>
Total additions	<u>45</u>	<u>28,683</u>	<u>9</u>	<u>7</u>	<u>28,744</u>
Deductions					
Miscellaneous	<u>-</u>	<u>40,246</u>	<u>-</u>	<u>-</u>	<u>40,246</u>
Total deductions	<u>-</u>	<u>40,246</u>	<u>-</u>	<u>-</u>	<u>40,246</u>
Change in net assets	45	(11,563)	9	7	(11,502)
Net assets - beginning of year	<u>27,729</u>	<u>3,198,324</u>	<u>18,213</u>	<u>10,027</u>	<u>3,254,293</u>
Net assets - end of year	<u><u>\$ 27,774</u></u>	<u><u>\$ 3,186,761</u></u>	<u><u>\$ 18,222</u></u>	<u><u>\$ 10,034</u></u>	<u><u>\$ 3,242,791</u></u>

AGENCY FUNDS

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

Performance Bond Fund - is to account for monies held in connection with development projects.

Student Activity Funds - has been established to account for school activities such as field trips, yearbooks and proms.

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Net Assets
Agency Funds
June 30, 2012

	<u><i>Performance Bond Fund</i></u>	<u><i>Student Activity Funds</i></u>	<u><i>Total Agency Funds</i></u>
<i>Assets</i>			
Cash	\$ -	\$ 397,648	\$ 397,648
Investments	<u>3,638</u>	<u>-</u>	<u>3,638</u>
<i>Total assets</i>	<u><u>\$ 3,638</u></u>	<u><u>\$ 397,648</u></u>	<u><u>\$ 401,286</u></u>
 <i>Liabilities</i>			
Due to other funds	\$ -	\$ 44,495	\$ 44,495
Deposits held in custody for others	<u>3,638</u>	<u>353,153</u>	<u>356,791</u>
<i>Total liabilities</i>	<u><u>\$ 3,638</u></u>	<u><u>\$ 397,648</u></u>	<u><u>\$ 401,286</u></u>

TOWN OF BARRINGTON, RHODE ISLAND
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2012

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2012</u>
PERFORMANCE BOND FUND				
<i>Assets</i>				
Investments	\$ 3,636	\$ 2	\$ -	\$ 3,638
Total assets	<u>\$ 3,636</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 3,638</u>
<i>Liabilities</i>				
Deposits held in custody for others	\$ 3,636	\$ 2	\$ -	\$ 3,638
Total liabilities	<u>\$ 3,636</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 3,638</u>
STUDENT ACTIVITY FUND				
<i>Assets</i>				
Cash	\$ 389,218	\$ 456,273	\$ 447,843	\$ 397,648
Total assets	<u>\$ 389,218</u>	<u>\$ 456,273</u>	<u>\$ 447,843</u>	<u>\$ 397,648</u>
<i>Liabilities</i>				
Due to other funds	\$ 41,866	\$ 440,415	\$ 437,786	\$ 44,495
Deposits held in custody for others	347,352	955,431	949,630	353,153
Total liabilities	<u>\$ 389,218</u>	<u>\$ 1,395,846</u>	<u>\$ 1,387,416</u>	<u>\$ 397,648</u>
TOTAL AGENCY FUNDS				
<i>Assets</i>				
Cash	\$ 389,218	\$ 456,273	\$ 447,843	\$ 397,648
Investments	3,636	2	-	3,638
Total assets	<u>\$ 392,854</u>	<u>\$ 456,275</u>	<u>\$ 447,843</u>	<u>\$ 401,286</u>
<i>Liabilities</i>				
Due to other funds	\$ 41,866	\$ 440,415	\$ 437,786	\$ 44,495
Deposits held in custody for others	350,988	955,433	949,630	356,791
Total liabilities	<u>\$ 392,854</u>	<u>\$ 1,395,848</u>	<u>\$ 1,387,416</u>	<u>\$ 401,286</u>

TOWN OF BARRINGTON, RHODE ISLAND

*Tax Collector's Annual Report
For the Fiscal Year Ended June 30, 2012*

Real Estate and Personal Property Taxes

<u>Tax Year</u>	<u>Balance June 30, 2011</u>	<u>Assessments December 31, 2010</u>	<u>Additions</u>	<u>Abatements and Adjustments</u>	<u>Amount to be Collected</u>	<u>Current Year Collections</u>	<u>Balance June 30, 2012</u>
2011	\$ -	\$ 55,162,905	\$ 174,879	\$ (159,781)	\$ 55,178,003	\$ 52,869,247	\$ 2,308,756
2010	2,136,234	-	1,092	(49,322)	2,088,004	1,899,950	188,054
2009	136,929	-	1,092	(34,277)	103,744	62,798	40,946
2008	61,812	-	1,446	(74)	63,184	12,637	50,547
2007	45,622	-	1,386	(644)	46,364	5,983	40,381
2006	32,011	-	1,326	-	33,337	4,408	28,929
2005	32,102	-	419	-	32,521	4,970	27,551
2004	31,634	-	403	-	32,037	4,627	27,410
2003	27,468	-	351	-	27,819	2,097	25,722
2002 and prior	282,592	-	1,393	-	283,985	23,398	260,587
	<u>\$ 2,786,404</u>	<u>\$ 55,162,905</u>	<u>\$ 183,787</u>	<u>\$ (244,098)</u>	<u>\$ 57,888,998</u>	<u>\$ 54,890,115</u>	2,998,883
						<i>Allowance for Uncollectible Accounts</i>	<u>(541,856)</u>
						<i>Net Property Tax Receivable</i>	<u>\$ 2,457,027</u>

Schedule of Most Recent Net Assessed Property Value by Category

<u>Description of Property</u>	<u>Valuation</u>	<u>Levy</u>
<i>Real property</i>	\$ 2,781,333,460	\$ 49,924,936
<i>Motor vehicles</i>	131,149,649	5,508,285
<i>Tangible personal property</i>	<u>34,749,865</u>	<u>623,760</u>
<i>Total</i>	2,947,232,974	56,056,981
<i>Exemptions</i>	<u>47,043,847</u>	<u>894,076</u>
<i>Net assessed value</i>	<u>\$ 2,900,189,127</u>	<u>\$ 55,162,905</u>

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Revenues and Expenditures - Budget and Actual
School Department Operating Budget
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Town appropriation	\$40,554,328	\$40,554,328	\$40,554,328	\$ -
State aid	2,349,976	2,349,976	2,282,481	(67,495)
Other revenues	275,000	275,000	342,717	67,717
Re-appropriated school surplus	200,000	200,000	200,000	-
Total revenues	<u>43,379,304</u>	<u>43,379,304</u>	<u>43,379,526</u>	<u>222</u>
Expenditures				
Salaries	28,183,030	28,183,030	27,906,698	276,332
Employee benefits	9,427,100	9,427,100	9,183,760	243,340
Purchased services	3,952,868	3,952,868	4,331,577	(378,709)
Supplies and materials	1,632,725	1,632,725	1,387,483	245,242
Capital outlay	102,343	102,343	142,639	(40,296)
Other costs	81,238	81,238	41,094	40,144
Total expenditures	<u>43,379,304</u>	<u>43,379,304</u>	<u>42,993,251</u>	<u>386,053</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 386,275</u>	<u>\$ 386,275</u>

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of General Fund - Fund Balance - Restricted for Education Programs
June 30, 2012

Restricted for Education:

School Committee designation for capital reserve technology	\$ 150,000
School Committee designation for capital projects	28,268
School Committee designation for use in subsequent year budget	200,000
Minimum balance per internal School Committee policy	<u>433,793</u>
<i>Total</i>	<u><u>\$ 812,061</u></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.

Statistical Section

This part of the Town of Barrington's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
------------------------	-----------------------

Financial Trends	99-104
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These schedules contain trend information to help the reader understand how the Town's financial position has changed over time.

Revenue Capacity	105-109
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These schedules contain information to help the reader understand and assess the factors affecting the Town's ability to generate its most significant local revenue sources, the real and personal property tax .

Debt Capacity	110-112
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These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Economic and Demographic Information	113-115
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These schedules offer economic and demographic indicators to help the reader understand the environment within which the Town's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information	116-117
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These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

TOWN OF BARRINGTON, RHODE ISLAND

Net Assets by Component

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental Activities:										
Invested in Capital Assets, Net of Related Debt	\$15,191,202	\$ 18,153,902	\$ 20,590,446	\$ 24,214,301	\$ 28,835,298	\$ 31,776,134	\$ 35,496,104	\$ 37,883,842	\$ 39,401,218	\$ 42,022,020
Restricted for:										
Other Purposes	3,291,680	3,848,472	4,405,509	4,895,296	5,261,383	4,029,348	3,400,277	3,929,650	4,213,486	3,045,017
Unrestricted	<u>14,111,923</u>	<u>14,651,987</u>	<u>14,434,529</u>	<u>15,528,697</u>	<u>14,874,222</u>	<u>16,335,555</u>	<u>14,889,871</u>	<u>16,415,459</u>	<u>14,853,448</u>	<u>15,734,332</u>
Total Governmental Activities Net Assets	<u>32,594,805</u>	<u>36,654,361</u>	<u>39,430,484</u>	<u>44,638,294</u>	<u>48,970,903</u>	<u>52,141,037</u>	<u>53,786,252</u>	<u>58,228,951</u>	<u>58,468,152</u>	<u>60,801,369</u>
Business-type Activities:										
Invested in Capital Assets, Net of Related Debt	22,200,348	21,519,879	20,687,287	20,631,978	20,856,307	17,750,893	16,593,234	15,956,063	15,338,614	14,810,043
Unrestricted	<u>2,493,701</u>	<u>2,438,649</u>	<u>2,728,861</u>	<u>2,358,076</u>	<u>1,081,823</u>	<u>3,264,530</u>	<u>3,960,256</u>	<u>3,928,437</u>	<u>3,953,697</u>	<u>4,047,115</u>
Total Business-type Activities Net Assets	<u>24,694,049</u>	<u>23,958,528</u>	<u>23,416,148</u>	<u>22,990,054</u>	<u>21,938,130</u>	<u>21,015,423</u>	<u>20,553,490</u>	<u>19,884,500</u>	<u>19,292,311</u>	<u>18,857,158</u>
Primary Government:										
Invested in Capital Assets, Net of Related Debt	37,391,550	39,673,781	41,277,733	44,846,279	49,691,605	49,527,027	52,089,338	53,839,905	54,739,832	56,832,063
Restricted	3,291,680	3,848,472	4,405,509	4,895,296	5,261,383	4,029,348	3,400,277	3,929,650	4,213,486	3,045,017
Unrestricted	<u>16,605,624</u>	<u>17,090,636</u>	<u>17,163,390</u>	<u>17,886,773</u>	<u>15,956,045</u>	<u>19,600,085</u>	<u>18,850,127</u>	<u>20,343,896</u>	<u>18,807,145</u>	<u>19,781,447</u>
Total Primary Government Net Assets	<u>\$57,288,854</u>	<u>\$ 60,612,889</u>	<u>\$ 62,846,632</u>	<u>\$ 67,628,348</u>	<u>\$ 70,909,033</u>	<u>\$ 73,156,460</u>	<u>\$ 74,339,742</u>	<u>\$ 78,113,451</u>	<u>\$ 77,760,463</u>	<u>\$ 79,658,527</u>

Source: Town of Barrington Comprehensive Annual Financial Report

TOWN OF BARRINGTON, RHODE ISLAND

*Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)*

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Expenses										
Governmental Activities:										
Legislative, judicial & general administrative	\$ 1,475,542	\$ 1,655,308	\$ 1,946,104	\$ 2,112,096	\$ 2,038,419	\$ 2,486,851	\$ 2,292,203	\$ 2,195,653	\$ 3,146,408	\$ 2,263,025
Public Safety	4,333,257	4,760,467	4,989,128	5,517,743	6,050,622	6,410,401	6,724,665	6,582,461	7,003,975	6,643,647
Public Works	2,691,463	2,824,941	3,276,748	3,374,563	3,603,991	3,936,958	4,014,723	3,892,353	4,095,223	3,393,290
Refuse and Recycling Contract	-	-	-	-	-	-	-	-	-	850,356
Conservation of health	46,400	46,400	46,400	46,400	46,500	46,500	46,500	45,000	45,000	45,000
Recreation	75,477	152,514	123,139	127,645	251,104	112,949	478,607	453,893	403,042	520,193
Public Libraries	1,081,812	1,130,023	1,229,106	1,212,214	1,288,108	1,309,051	1,379,549	1,405,635	1,369,703	1,410,086
Community Services	20,951	29,295	36,506	34,811	77,166	193,616	271,691	290,165	230,402	214,244
Senior Services	106,938	108,183	109,577	113,765	123,532	126,457	130,052	123,993	114,798	126,671
Inspections	71,440	74,578	78,694	85,903	91,171	97,754	100,900	103,390	101,974	106,514
Education	32,372,761	34,188,158	36,017,633	38,127,935	40,618,689	42,810,401	44,462,190	45,782,765	47,244,029	48,231,760
Cemetery	101,459	107,197	156,546	88,483	127,437	136,477	124,133	165,042	175,577	181,989
Interest and Fiscal Charges	1,421,317	1,278,465	1,155,768	1,052,401	1,076,533	970,101	836,727	513,233	484,343	482,330
Total Governmental Activities Expenses	<u>43,798,817</u>	<u>46,355,529</u>	<u>49,165,349</u>	<u>51,893,959</u>	<u>55,393,272</u>	<u>58,637,516</u>	<u>60,861,940</u>	<u>61,553,583</u>	<u>64,414,474</u>	<u>64,469,105</u>
Business-type Activities:										
Wastewater	1,298,056	2,249,010	2,283,302	2,310,224	3,566,331	3,885,063	3,379,443	3,540,231	3,689,584	3,542,329
Total Business-type Activities Expenses	<u>1,298,056</u>	<u>2,249,010</u>	<u>2,283,302</u>	<u>2,310,224</u>	<u>3,566,331</u>	<u>3,885,063</u>	<u>3,379,443</u>	<u>3,540,231</u>	<u>3,689,584</u>	<u>3,542,329</u>
Total Primary Government Expenses	<u>\$ 45,096,873</u>	<u>\$ 48,604,539</u>	<u>\$ 51,448,651</u>	<u>\$ 54,204,183</u>	<u>\$ 58,959,603</u>	<u>\$ 62,522,579</u>	<u>\$ 64,241,383</u>	<u>\$ 65,093,814</u>	<u>\$ 68,104,058</u>	<u>\$ 68,011,434</u>
Program Revenues										
Governmental Activities:										
Charges for services:										
Legislative, judicial & General administrative	\$ 699,708	\$ 838,951	\$ 960,418	\$ 901,169	\$ 934,501	\$ 795,156	\$ 705,255	\$ 711,303	\$ 777,017	\$ 877,568
Public Safety	279,554	287,825	387,668	376,378	390,622	464,573	566,228	534,999	491,739	708,112
Public Works	70,099	103,543	91,411	87,218	88,913	108,219	109,463	107,172	118,900	85,822
Recreation	37,390	82,688	64,101	73,101	239,124	242,391	330,187	280,364	293,836	301,291
Public Libraries	48,701	47,392	41,485	44,930	48,180	47,637	56,578	53,392	43,446	43,109
Community Services	-	-	-	-	-	-	-	-	1,847	-
Senior Services	23,119	21,480	16,835	16,724	15,121	13,688	12,017	10,685	10,202	8,538
Inspections	154,801	151,476	180,475	190,895	156,484	188,867	179,847	161,271	134,595	159,445
Education	707,009	761,984	839,834	805,502	918,563	973,461	1,224,632	1,286,101	1,201,705	1,121,158
Cemetery	72,819	89,845	113,455	85,550	93,480	82,899	43,907	91,780	92,226	81,695
Interest and Fiscal Charges	30,600	33,660	30,600	23,220	-	-	-	-	-	-
Operating Grants and Contributions	4,345,620	5,238,655	5,571,952	6,012,426	6,345,934	6,583,353	5,967,768	6,696,129	6,209,249	6,983,909
Capital Grants and Contributions	503,722	-	310,000	978,456	226,993	755,354	140,914	759,126	347,441	457,534
Total Governmental Activities Program Revenues	<u>6,973,142</u>	<u>7,657,499</u>	<u>8,608,234</u>	<u>9,595,569</u>	<u>9,457,915</u>	<u>10,255,598</u>	<u>9,336,796</u>	<u>10,692,322</u>	<u>9,722,203</u>	<u>10,828,181</u>

(continued)

Source: Town of Barrington Comprehensive Annual Financial Report

TOWN OF BARRINGTON, RHODE ISLAND

Changes in Net Assets (continued)

Last Ten Fiscal Years

(accrual basis of accounting)

(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Business-type Activities:										
Charges for Services:										
Wastewater	\$ 1,538,615	\$ 1,510,865	\$ 1,724,229	\$ 1,849,463	\$ 2,467,099	\$ 2,853,030	\$ 2,890,726	\$ 2,862,036	\$ 3,089,947	\$ 3,102,585
Total Business-type Activities Program Revenues	<u>1,538,615</u>	<u>1,510,865</u>	<u>1,724,229</u>	<u>1,849,463</u>	<u>2,467,099</u>	<u>2,853,030</u>	<u>2,890,726</u>	<u>2,862,036</u>	<u>3,089,947</u>	<u>3,102,585</u>
Total Primary Government Program Revenues	<u>\$ 8,511,757</u>	<u>\$ 9,168,364</u>	<u>\$ 10,332,463</u>	<u>\$ 11,445,032</u>	<u>\$ 11,925,014</u>	<u>\$ 13,108,628</u>	<u>\$ 12,227,522</u>	<u>\$ 13,554,358</u>	<u>\$ 12,812,150</u>	<u>\$ 13,930,766</u>
Net (Expense)/Revenue										
Governmental Activities	\$(36,825,675)	\$(38,698,030)	\$(40,557,115)	\$(42,298,390)	\$(45,935,357)	\$ (48,381,918)	\$ (51,525,144)	\$ (50,861,261)	\$ (54,692,271)	\$ (53,640,924)
Business-type Activities	240,559	(738,145)	(559,073)	(460,761)	(1,099,232)	(1,032,033)	(488,717)	(678,195)	(599,637)	(439,744)
Total Primary Government Net (Expense)/Revenue	<u>\$(36,585,116)</u>	<u>\$(39,436,175)</u>	<u>\$(41,116,188)</u>	<u>\$(42,759,151)</u>	<u>\$(47,034,589)</u>	<u>\$ (49,413,951)</u>	<u>\$ (52,013,861)</u>	<u>\$ (51,539,456)</u>	<u>\$ (55,291,908)</u>	<u>\$ (54,080,668)</u>
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes	\$ 36,945,117	\$ 38,923,706	\$ 41,017,475	\$ 43,318,933	\$ 45,209,931	\$ 47,615,942	\$ 49,739,166	\$ 51,606,856	\$ 53,403,849	\$ 55,189,403
State Aid and in lieu of taxes	3,699,738	3,030,035	3,027,643	3,333,339	3,712,909	3,721,897	3,574,912	3,106,968	787,468	787,406
Investment Earnings	348,117	791,407	594,189	826,433	1,305,282	178,022	(407,282)	406,624	621,023	(24,059)
Miscellaneous	66,172	41,004	76,307	27,495	39,844	36,191	263,563	183,512	119,132	21,391
Total Governmental Activities	<u>41,059,144</u>	<u>42,786,152</u>	<u>44,715,614</u>	<u>47,506,200</u>	<u>50,267,966</u>	<u>51,552,052</u>	<u>53,170,359</u>	<u>55,303,960</u>	<u>54,931,472</u>	<u>55,974,141</u>
Business-type Activities:										
Investment Earnings	5,919	2,624	16,693	34,667	47,308	109,326	26,784	9,205	7,448	4,591
Total Business-type Activities	<u>5,919</u>	<u>2,624</u>	<u>16,693</u>	<u>34,667</u>	<u>47,308</u>	<u>109,326</u>	<u>26,784</u>	<u>9,205</u>	<u>7,448</u>	<u>4,591</u>
Total Primary Government	<u>41,065,063</u>	<u>42,788,776</u>	<u>44,732,307</u>	<u>47,540,867</u>	<u>50,315,274</u>	<u>51,661,378</u>	<u>53,197,143</u>	<u>55,313,165</u>	<u>54,938,920</u>	<u>55,978,732</u>
Governmental Activities	4,233,469	4,088,122	4,158,499	5,207,810	4,332,609	3,170,134	1,645,215	4,442,699	239,201	2,333,217
Business-type Activities	246,478	(735,521)	(542,380)	(426,094)	(1,051,924)	(922,707)	(461,933)	(668,990)	(592,189)	(435,153)
Total Primary Government Changes in Net Assets	<u>\$ 4,479,947</u>	<u>\$ 3,352,601</u>	<u>\$ 3,616,119</u>	<u>\$ 4,781,716</u>	<u>\$ 3,280,685</u>	<u>\$ 2,247,427</u>	<u>\$ 1,183,282</u>	<u>\$ 3,773,709</u>	<u>\$ (352,988)</u>	<u>\$ 1,898,064</u>

Source: Town of Barrington Comprehensive Annual Financial Report

TOWN OF BARRINGTON, RHODE ISLAND
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund										
Reserved	\$ 101,650	\$ 69,111	\$ 40,462	\$ 107,160	\$ 147,947	\$ 96,377	\$ 108,213	\$ 140,754	\$ -	\$ -
Unreserved	9,146,526	9,223,171	9,390,297	9,669,196	9,463,064	10,198,993	10,065,173	11,142,692	-	-
Nonspendable	-	-	-	-	-	-	-	-	636,515	437,390
Restricted	-	-	-	-	-	-	-	-	1,721,621	812,061
Committed	-	-	-	-	-	-	-	-	157,949	423,477
Assigned	-	-	-	-	-	-	-	-	517,786	172,346
Unassigned	-	-	-	-	-	-	-	-	10,794,276	11,783,764
Total General Fund	<u>\$ 9,248,176</u>	<u>\$ 9,292,282</u>	<u>\$ 9,430,759</u>	<u>\$ 9,776,356</u>	<u>\$ 9,611,011</u>	<u>\$10,295,370</u>	<u>\$10,173,386</u>	<u>\$11,283,446</u>	<u>\$13,828,147</u>	<u>\$13,629,038</u>
All Other Governmental Funds										
Reserved	\$ 69,510	\$ 78,710	\$ 194,337	\$ 119,276	\$ 128,976	\$ 127,011	\$ 139,530	\$ 159,317	\$ -	\$ -
Unreserved, Undesignated, Reported in:										
Special Revenue Funds	3,363,802	3,921,931	4,261,985	4,827,642	5,255,475	4,032,064	3,429,976	4,017,142	-	-
Capital Projects Funds	9,833,224	5,524,717	3,917,739	5,792,482	3,526,862	3,309,146	2,696,667	3,583,660	-	-
Permanent Fund	15,532	15,868	17,354	21,462	27,552	33,255	34,779	9,058	-	-
Nonspendable	-	-	-	-	-	-	-	-	141,736	148,826
Restricted	-	-	-	-	-	-	-	-	5,333,195	4,083,511
Committed	-	-	-	-	-	-	-	-	2,649,404	2,815,547
Unassigned	-	-	-	-	-	-	-	-	-	(33,314)
Total All Other Governmental Funds	<u>13,282,068</u>	<u>9,541,226</u>	<u>8,391,415</u>	<u>10,760,862</u>	<u>8,938,865</u>	<u>7,501,476</u>	<u>6,300,952</u>	<u>7,769,177</u>	<u>8,124,335</u>	<u>7,014,570</u>
Total Governmental Funds	<u>\$22,530,244</u>	<u>\$18,833,508</u>	<u>\$17,822,174</u>	<u>\$20,537,218</u>	<u>\$18,549,876</u>	<u>\$17,796,846</u>	<u>\$16,474,338</u>	<u>\$19,052,623</u>	<u>\$21,952,482</u>	<u>\$20,643,608</u>

Notes: In 2011 the Town implemented GASB No. 54, reserved and unreserved fund balances are no longer used. Fund balances are now reported as nonspendable, restricted, committed, assigned and unassigned.

Source: Town of Barrington Comprehensive Annual Financial Report

TOWN OF BARRINGTON, RHODE ISLAND
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Revenues					
Property Taxes	\$ 36,909,552	\$ 38,761,540	\$ 40,854,688	\$ 43,100,006	\$ 45,024,580
Intergovernmental	1,204,317	1,331,953	328,799	1,506,171	1,766,866
Interest and investment income	313,819	767,066	529,526	707,781	1,180,667
Other Local Revenues	1,326,371	1,510,240	1,584,891	1,574,356	1,485,342
State Aid and grants	7,070,031	6,712,251	8,303,751	7,998,142	8,257,286
Other Revenues	1,402,616	1,414,504	1,681,191	1,613,026	1,918,719
Total Revenues	<u>48,226,706</u>	<u>50,497,554</u>	<u>53,282,846</u>	<u>56,499,482</u>	<u>59,633,460</u>
Expenditures					
Current:					
Legislative, Judicial & General Administrative	990,840	1,145,447	1,314,401	1,450,832	1,449,082
Public Safety	3,225,916	3,412,504	3,615,565	3,687,832	3,860,232
Public Works	2,181,141	2,271,869	2,299,449	2,409,238	2,404,442
Refuse and recycling contract	-	-	-	-	-
Food Service	657,004	735,275	684,186	716,965	735,133
Conservation of health	46,400	46,400	46,400	46,400	46,500
Personnel Charges	1,671,813	1,852,952	2,155,121	2,439,737	2,786,617
Recreation	67,699	102,615	102,215	100,027	122,199
Public Libraries	968,937	957,731	1,059,794	1,013,369	1,075,410
Community Services	19,915	28,259	35,470	34,811	77,166
Senior Services	92,062	95,337	102,212	105,974	108,840
Inspections	64,210	66,551	70,409	79,535	81,538
Government Utilities	254,811	272,883	284,158	316,375	293,543
Education	30,771,327	32,866,414	34,905,223	36,762,006	39,255,122
Cemetery	101,459	107,197	156,546	88,483	127,437
Miscellaneous	87,010	58,778	101,388	30,469	34,396
Capital Outlay	3,586,531	5,479,601	3,945,292	3,367,484	4,228,955
Debt Service:					
Principal Retirement	3,437,300	3,681,500	3,891,500	3,856,500	3,861,500
Interest and Fiscal Charges	1,338,607	1,274,186	1,159,393	1,043,401	1,072,690
Total Expenditures	<u>49,562,982</u>	<u>54,455,499</u>	<u>55,928,722</u>	<u>57,549,438</u>	<u>61,620,802</u>
Excess of Revenues Over (Under) Expenditures					
Before other financing sources (uses)	<u>(1,336,276)</u>	<u>(3,957,945)</u>	<u>(2,645,876)</u>	<u>(1,049,956)</u>	<u>(1,987,342)</u>
Other Financing Sources (Uses)					
Proceeds from issuance of bonds	10,000,000	-	1,470,000	3,765,000	-
Proceeds from Capital lease	-	-	164,542	-	-
Sale of Capital Assets	-	-	-	-	-
Payment - Bond Refunding Agent	-	-	-	-	-
Transfers In	31,402,264	33,231,725	35,130,142	36,644,911	38,557,438
Transfers Out	<u>(31,208,039)</u>	<u>(33,075,602)</u>	<u>(35,130,142)</u>	<u>(36,644,911)</u>	<u>(38,557,438)</u>
Total Other Financing Sources (Uses)	<u>10,194,225</u>	<u>156,123</u>	<u>1,634,542</u>	<u>3,765,000</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 8,857,949</u>	<u>\$ (3,801,822)</u>	<u>\$ (1,011,334)</u>	<u>\$ 2,715,044</u>	<u>\$ (1,987,342)</u>
Debt Service as a percentage of noncapital expenditures	10.39%	10.12%	9.72%	9.04%	8.60%

Source: Town of Barrington Comprehensive Annual Financial Report

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Changes in Fund Balances - Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues					
Property Taxes	\$ 47,202,592	\$ 49,369,428	\$ 51,543,496	\$ 53,135,006	\$ 54,971,016
Intergovernmental	3,750,169	238,109	254,257	271,343	278,600
Interest and investment income	55,745	(435,252)	400,136	618,707	(24,378)
Other Local Revenues	1,655,265	1,882,807	1,981,900	2,542,203	2,722,959
State Aid and grants	6,928,887	9,285,897	9,771,202	6,816,395	7,651,594
Other Revenues	1,941,576	2,005,271	1,854,416	1,231,645	1,146,550
Total Revenues	<u>61,534,234</u>	<u>62,346,260</u>	<u>65,805,407</u>	<u>64,615,299</u>	<u>66,746,341</u>
Expenditures					
Current:					
Legislative, Judicial & General Administrative	1,501,203	1,645,002	1,500,098	1,787,284	1,555,954
Public Safety	4,080,027	4,274,151	4,288,614	4,406,356	4,465,569
Public Works	2,486,456	2,666,645	2,809,745	3,003,885	2,520,593
Refuse and recycling contract	-	-	-	-	850,356
Food Service	739,898	744,097	729,861	716,326	790,678
Conservation of health	46,500	46,500	45,000	45,000	45,000
Personnel Charges	2,991,916	2,891,835	2,950,273	3,059,395	3,168,864
Recreation	167,237	258,732	251,488	323,426	489,108
Public Libraries	1,091,647	1,125,663	1,152,488	1,152,486	1,172,614
Community Services	193,616	271,691	790,165	230,402	214,244
Senior Services	112,587	115,857	112,935	100,657	110,931
Inspections	85,192	90,518	94,331	93,335	95,527
Government Utilities	288,708	326,265	369,705	329,003	287,223
Education	41,101,300	41,807,413	43,321,939	44,289,862	46,181,413
Cemetery	136,477	1,100,167	245,469	204,461	181,989
Miscellaneous	34,104	36,038	31,571	39,684	29,269
Capital Asset Outlay	4,390,064	2,412,878	1,389,554	2,462,019	3,595,128
Debt Service:					
Principal Retirement	3,126,500	3,121,000	2,647,550	2,626,850	2,631,250
Interest and Fiscal Charges	960,650	950,082	496,336	438,968	399,105
Total Expenditures	<u>63,534,082</u>	<u>63,884,534</u>	<u>63,227,122</u>	<u>65,309,399</u>	<u>68,784,815</u>
Excess of Revenues Over (Under) Expenditures					
Before other financing sources (uses)	<u>(1,999,848)</u>	<u>(1,538,274)</u>	<u>2,578,285</u>	<u>(694,100)</u>	<u>(2,038,474)</u>
Other Financing Sources (Uses)					
Proceeds from issuance of bonds	1,246,818	9,316,805	-	3,218,959	729,600
Proceeds from Capital lease	-	120,195	-	-	-
Sale of Capital Assets	-	-	-	375,000	-
Payment -Bond Refunding Agent	-	(9,221,234)	-	-	-
Transfers In	41,052,607	39,532,905	42,023,571	2,031,682	1,873,114
Transfers Out	(41,052,607)	(39,532,905)	(42,023,571)	(2,031,682)	(1,873,114)
Total Other Financing Sources (Uses)	<u>1,246,818</u>	<u>215,766</u>	<u>-</u>	<u>3,593,959</u>	<u>729,600</u>
Net Change in Fund Balances	<u>\$ (753,030)</u>	<u>\$ (1,322,508)</u>	<u>\$ 2,578,285</u>	<u>\$ 2,899,859</u>	<u>\$ (1,308,874)</u>
Debt Service as a percentage of noncapital expenditures					
	6.91%	6.62%	5.08%	4.88%	4.65%

Source: Town of Barrington Comprehensive Annual Financial Report

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

<i>Fiscal Year</i>	<i>Real Property</i>					<i>Personal Property</i>			
	<i>Residential</i>	<i>Commercial</i>	<i>Less Tax-Exempt Property</i>	<i>Total Taxable Assessed Value</i>	<i>Direct Tax Rate</i>	<i>Estimated Actual Value</i>	<i>Tangible Personal Property</i>	<i>Tangible Estimated Actual Value</i>	<i>Tax Rate Personal Property</i>
2003	\$1,235,105,800	\$ 53,834,200	\$ 23,014,400	\$ 1,265,925,600	\$26.10	\$1,541,014,704	\$ 25,416,800	\$ 25,416,800	\$26.10
2004*	1,908,741,400	63,217,100	32,356,000	1,939,602,500	18.00	1,939,602,500	27,583,400	27,583,400	18.00
2005	1,922,405,000	63,394,500	33,480,900	1,952,318,600	18.99	2,007,488,588	29,941,400	29,941,400	18.99
2006	1,943,334,200	63,477,700	32,221,700	1,974,590,200	19.75	2,617,517,254	31,232,700	31,232,700	19.75
2007*	3,056,497,000	103,352,100	46,726,448	3,113,122,652	13.25	3,113,122,652	33,548,550	33,548,550	13.25
2008	3,078,118,000	104,880,200	43,353,963	3,139,644,237	13.85	3,243,252,497	37,623,295	37,623,295	13.85
2009	3,094,776,200	103,695,200	44,597,247	3,153,874,153	14.45	3,153,874,153	31,807,095	31,807,095	14.45
2010*	2,898,579,200	148,001,200	44,196,633	3,002,383,767	16.10	2,667,918,215	33,601,790	33,601,790	16.10
2011	2,883,410,800	139,142,300	45,024,265	2,977,528,835	16.10	2,977,528,835	33,322,770	33,322,770	16.10
2012*	2,655,216,160	126,117,300	44,979,839	2,736,353,621	17.95	2,736,353,621	34,749,865	34,749,865	17.95

(Continued)

* Real property is valued in full every 3 years with a State mandated update of the current market value (statistical) in the third year following each reappraisal. FY 2012 was performed one year ahead of schedule.

The estimated actual value for real property based on CPI for Northeast Housing.

Personal property tax is assessed on all tangible personal property used in business in Barrington.

**Source: Tax Assessor's Annual Report to the State of Rhode Island
Town of Barrington Comprehensive Annual Financial Report**

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

<i>Fiscal Year</i>	<i>Personal Property</i>				<i>Total</i>			
	<i>Motor Vehicles</i>	<i>Less Tax-Exempt Property</i>	<i>Motor Vehicle Total Motor Vehicle Taxable Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Tax Rate Motor Vehicles</i>	<i>Assessed Value</i>	<i>Estimated Actual Value</i>	<i>Ratio</i>
2003	\$ 127,119,991	\$ 51,454,632	\$ 75,665,359	\$ 152,536,791	\$42.00	\$1,367,007,759	\$1,693,551,495	80.72%
2004*	133,294,397	52,905,378	80,389,019	160,877,797	42.00	2,047,574,919	2,100,480,297	97.48%
2005	129,995,889	52,513,624	77,482,265	159,937,289	42.00	2,059,742,265	2,167,425,877	95.03%
2006	142,301,731	58,342,806	83,958,925	173,534,431	42.00	2,089,781,825	2,822,284,385	74.05%
2007*	148,818,521	67,943,803	80,874,718	182,367,071	42.00	3,227,545,920	3,329,038,273	96.95%
2008	151,635,393	70,953,837	80,681,556	189,258,688	42.00	3,257,949,088	3,470,134,480	93.89%
2009	156,225,938	71,231,539	84,994,399	188,033,033	42.00	3,270,675,647	3,373,714,281	96.95%
2010*	142,609,486	71,724,757	70,884,729	176,211,276	42.00	3,106,870,286	2,877,731,281	107.96%
2011	131,401,783	2,261,400	129,140,383	164,724,553	42.00	3,139,991,988	3,175,576,158	98.88%
2012*	131,149,649	2,064,008	129,085,641	165,899,514	42.00	2,900,189,127	2,937,003,000	98.75%

* Real property is valued in full every 3 years with a State mandated update of the current market value (statistical) in the third year following each reappraisal. FY 2012 was performed one year ahead of schedule.

The estimated actual value for real property based on CPI for Northeast Housing.

Personal property tax is assessed on all tangible personal property used in business in Barrington.

**Source: Tax Assessor's Annual Report to the State of Rhode Island
Town of Barrington Comprehensive Annual Financial Report**

TOWN OF BARRINGTON, RHODE ISLAND

*Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Fiscal Years
(Unaudited)*

<i>General Fund</i>	<i>Real Estate & Personal Property</i>	<i>Motor Vehicle</i>
2003	\$26.10	\$42.00
2004	\$18.00	\$42.00
2005	\$18.99	\$42.00
2006	\$19.75	\$42.00
2007	\$13.25	\$42.00
2008	\$13.85	\$42.00
2009	\$14.45	\$42.00
2010	\$16.10	\$42.00
2011	\$16.10	\$42.00
2012	\$17.95	\$42.00

Notes: The rates presented for a particular calendar year are the rates that, when applied to assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rhode Island State Law limits the amount a municipality can raise real estate taxes to 104.00% of the prior year rate.

The Town does not have any overlapping governments.

Source: Finance Department, Barrington, Rhode Island

TOWN OF BARRINGTON, RHODE ISLAND
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

<u>Collection Year</u>	<u>Tax Levy</u>	<u>Current Fiscal Year Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Subsequent Years Tax Collections/Abatements</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>	<u>Receivable Balance</u>
2003	\$ 36,879,632	\$35,419,194	96.04%	\$ 1,435,109	\$36,854,303	99.93%	\$ 25,329
2004	38,778,604	37,202,362	95.94%	1,550,520	38,752,882	99.93%	25,722
2005	40,939,227	39,255,610	95.89%	1,656,207	40,911,817	99.93%	27,410
2006	43,246,713	41,601,178	96.20%	1,617,984	43,219,162	99.94%	27,551
2007	44,958,569	43,194,294	96.08%	1,735,346	44,929,640	99.94%	28,929
2008	47,361,934	45,449,229	95.96%	1,872,324	47,321,553	99.91%	40,381
2009	49,569,162	47,388,028	95.60%	2,130,587	49,518,615	99.90%	50,547
2010	51,296,265	49,321,218	96.15%	1,934,101	51,255,319	99.92%	40,946
2011	53,624,871	51,488,637	96.02%	1,948,180	53,436,817	99.65%	188,054
2012	55,178,003	52,869,247	95.82%	-	52,869,247	95.82%	2,308,756

Source: Finance Department, Barrington, Rhode Island
 Audit - General File - Tax Collection Summary
 (1) **Current Levy adjusted for additions/deletions**

TOWN OF BARRINGTON, RHODE ISLAND

Principal Taxpayers

Real Estate Tax

2003 and 2012

(Unaudited)

<u>Name of Taxpayer</u>	<u>2012</u>	
	<u>Assessed Value</u>	<u>Percent of Real Property Assessed Value</u>
ACP Shopping Center Assoc.	\$ 17,691,100	0.65%
RI Country Club Inc.	13,642,700	0.50%
Shineharmony Holdings, LLC	12,786,100	0.47%
Atria Bay Spring LLC	12,316,300	0.45%
The Cove Haven Corp.	9,399,000	0.34%
Homeowner	4,250,000	0.16%
Homeowner	4,000,000	0.15%
Homeowner	3,969,300	0.15%
Barrington Cove Limited Partnership	3,786,900	0.14%
Homeowner	3,547,100	0.13%
Totals	\$ 85,388,500	3.12%
Total Assessed Valuation	\$2,736,353,621	

<u>Name of Taxpayer</u>	<u>2003</u>	
	<u>Assessed Value</u>	<u>Percent of Real Property Assessed Value</u>
Bay Spring Village	\$ 8,585,900	0.63%
ACP Shopping Center Association LP	7,765,500	0.57%
RI Country Club, Inc.	5,482,800	0.40%
New England Gas	5,286,700	0.39%
Narragansett Electric	4,608,900	0.34%
Homeowner	3,626,900	0.27%
VF Realty Company	3,212,000	0.23%
Barrington Cove Ltd. Partnership	3,168,500	0.23%
Homeowner	2,662,200	0.19%
Shaw's Supermarket	2,645,900	0.19%
Totals	\$ 47,045,300	3.44%
Total Assessed Valuation	\$1,367,007,759	

Source: Assessor's Statement of Assessed Values and Tax Levy

TOWN OF BARRINGTON, RHODE ISLAND
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years
(Unaudited)

<i>Year</i>	<i>Governmental Activities</i>			<i>Business-Type Activities</i>		<i>Total Primary Government</i>	<i>Percentage of Personal Income</i>	<i>Per Capita</i>
	<i>General Obligation Bonds</i>	<i>Capital Lease</i>	<i>Note/Loan Payable</i>	<i>General Obligation Bonds</i>	<i>CWFA Loans Payable</i>			
2003	\$ 31,835,000	\$ 180,000	\$ 572,255	\$ -	\$ -	\$ 32,587,255	5.40%	\$ 1,938
2004	28,280,000	90,000	375,000	-	-	28,745,000	4.76%	1,709
2005	26,075,000	164,542	250,000	-	4,392,000	30,881,542	5.12%	1,836
2006	26,110,000	138,009	125,000	-	4,203,000	30,576,009	5.07%	1,818
2007	22,375,000	108,614	-	4,845,000	7,920,000	35,248,614	5.84%	2,096
2008	19,340,000	76,048	1,175,000	4,720,000	10,882,170	36,193,218	6.00%	2,152
2009	16,620,000	121,863	1,100,000	4,555,000	10,387,170	32,784,033	5.43%	1,949
2010	14,050,000	101,301	525,000	4,385,000	9,885,170	28,946,471	4.80%	1,721
2011	11,500,000	80,867	3,668,959	4,210,000	9,375,170	28,834,996	4.78%	1,768
2012	9,674,600	57,076	3,593,959	4,025,000	8,856,170	26,206,805	4.34%	1,607

Source: Finance Department, Barrington, Rhode Island

Note: The Town has no overlapping debt

TOWN OF BARRINGTON, RHODE ISLAND
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

<i>Fiscal Year</i>	<i>General Obligation Bonds</i>	<i>CWFA GO Bonds</i>	<i>Net General Bonded Debt</i>	<i>(a) Ratio of Net Bonded Debt to Estimated Actual Value</i>	<i>Net Bonded Debt per Capita</i>
2003	\$31,835,000	\$ -	\$ 31,835,000	2.51%	\$ 1,893
2004	28,280,000	-	28,280,000	1.46%	1,681
2005	26,075,000	4,392,000	30,467,000	1.56%	1,811
2006	26,110,000	4,203,000	30,313,000	1.54%	1,802
2007	27,220,000	7,920,000	35,140,000	1.13%	2,089
2008	24,060,000	10,882,170	34,942,170	1.08%	2,078
2009	21,175,000	10,387,170	31,562,170	1.00%	1,877
2010	18,435,000	9,885,170	28,320,170	0.94%	1,684
2011	15,710,000	12,594,129	28,304,129	0.95%	1,735
2012	13,699,600	12,075,129	25,774,729	0.94%	1,580

Source: Finance Department, Barrington, Rhode Island

(a) - Net assessed value - real property

Note: The Town has no overlapping debt

TOWN OF BARRINGTON, RHODE ISLAND
Computation of Legal Debt Margin
Last Ten Fiscal Years
(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Taxable Assessed Valuation	\$ 1,367,007,759	(2) \$ 2,047,574,919	\$ 2,059,742,265	\$ 2,089,781,825	(2) \$ 3,227,545,920	\$ 3,257,949,088	\$ 3,270,675,647	(2) \$ 3,106,870,286	\$ 3,139,991,988	(2) \$ 2,900,189,127
Debt Limit (1)	\$ 41,010,233	\$ 61,427,248	\$ 61,792,268	\$ 62,693,455	\$ 96,826,378	\$ 97,738,473	\$ 98,120,269	\$ 93,206,109	\$ 94,199,760	\$ 87,005,674
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	\$ 960,000	\$ 520,000	\$ 1,470,000	\$ 5,115,000	\$ 9,630,000	\$ 9,165,000	\$ 8,655,000	\$ 8,130,000	\$ 7,590,000	\$ 7,759,600
Capital Lease	180,000	90,000	164,542	138,009	108,614	76,048	121,863	101,301	80,867	57,076
Note Payable	500,000	375,000	250,000	125,000	-	-	-	525,000	450,000	375,000
Revolving Loan	-	-	4,392,000	4,203,000	7,920,000	11,557,170	10,387,170	9,885,170	12,594,129	12,075,129
Amount of Debt Subject to Limit	1,640,000	985,000	6,276,542	9,581,009	17,658,614	20,798,218	19,164,033	18,641,471	20,714,996	20,266,805
Legal Debt Margin	\$ 39,370,233	\$ 60,442,248	\$ 55,515,726	\$ 53,112,446	\$ 79,167,764	\$ 76,940,255	\$ 78,956,236	\$ 74,564,638	\$ 73,484,764	\$ 66,738,869
Legal Debt Margin as a Percentage of the Debt Limit	96.00%	98.40%	89.84%	84.72%	81.76%	78.72%	80.47%	80.00%	78.01%	76.71%

Source: Finance Department, Barrington, Rhode Island

- (1) The Town's legal debt margin as set forth by Rhode Island State Statute is limited to three percent of total taxable assessed value.
(2) Town-wide revaluation

TOWN OF BARRINGTON, RHODE ISLAND
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

<u>Year</u>	<u>Population (1)</u>	<u>Median Family Income (in thousands) (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate(2)</u>
2003	16,819	\$84,657	\$35,881	3.8%
2004	16,819	84,657	35,881	3.6%
2005	16,819	84,657	35,881	3.5%
2006	16,819	84,657	35,881	3.7%
2007	16,819	84,657	35,881	3.4%
2008	16,819	84,657	35,881	5.3%
2009	16,819	84,657	35,881	9.2%
2010	16,819	84,657	35,881	8.6%
2011	16,310	116,295	46,029	7.7%
2012	16,310	116,295	46,029	7.2%

Sources: (1) 2010 US Census
(2) Department of Labor & Training, local area unemployment statistics

TOWN OF BARRINGTON, RHODE ISLAND

Principal Employers

2012 and 2003

(Unaudited)

<u>Employer</u>	<u>Nature of Business</u>	<u>2012</u>		
		<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Town of Barrington	Municipality	547	1	49.10%
Bayside YMCA	Recreation	150	2	13.46%
Shaw's Super Market	Food & Beverage Store	70	3	6.28%
EastBay Center	Health	60	4	5.39%
Saint Andrews School	Private School	57	5	5.12%
Rhode Island Country Club	Golf Course/Country Club	55	6	4.94%
Bay Spring Village	Senior Assisted Living	50	7	4.49%
Newport Creamery	Food & Beverage	43	8	3.86%
United States Postal Service	US Postal Service	42	9	3.77%
Residential Properties, LTD	Real Estate	40	10	3.59%
Total		<u>1,114</u>		<u>100%</u>
		<u>1,114</u>		

Note: 2003 information is unavailable.

**Sources: 2012 Bristol County, Rhode Island - Polk City Directory
2012 Town Payroll Records**

TOWN OF BARRINGTON, RHODE ISLAND
Town Government Employees by Function/Activity
Last Ten Years
(Unaudited)

<u>Function/Program</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<i>General Government</i>										
Manager	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Clerk	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Finance	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Assessor	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Planning/Zoning	0.00	0.00	0.00	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Building Official	1.50	1.50	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Senior Center	5.00	5.00	5.00	5.00	4.00	4.00	4.50	3.00	3.50	4.00
Recreation	6.50	7.00	9.00	7.00	9.50	9.25	9.00	6.50	6.00	6.00
Library	31.00	31.00	31.00	31.00	33.00	30.00	30.00	33.50	31.00	30.00
<i>Public Safety</i>										
Police	26.00	26.00	26.00	26.00	26.00	24.50	25.50	25.00	25.00	25.00
Harbor Patrol	1.00	1.25	1.75	1.75	3.00	2.00	2.50	1.25	2.00	2.00
Dispatch	6.50	6.50	6.50	6.50	6.00	5.00	5.50	5.00	5.50	5.50
Animal Control	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Civil Defense	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Fire	21.50	21.50	21.50	24.50	26.50	24.50	24.50	24.00	25.50	25.50
<i>Public Works</i>										
Highway	34.75	34.75	34.75	36.75	35.75	33.25	35.50	33.50	27.50	23.50
Sewer District	6.00	6.00	6.00	6.00	4.00	4.50	4.50	4.50	4.50	4.50
<i>Education</i>										
	395.18	402.50	403.77	404.41	411.39	414.11	409.73	409.34	403.11	402.33
<i>Total</i>	549.43	557.50	561.27	567.91	578.14	570.11	570.23	564.59	552.61	547.33

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee
The count is performed on July 1 each year.

Source: Finance Department, Barrington, Rhode Island

TOWN OF BARRINGTON, RHODE ISLAND

Operating Indicators by Function/Activity

Last Ten Years

(Unaudited)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government										
Legislative and Executive										
Number of resolutions	5	6	11	*11	10	8	12	13	14	7
Number of Town Council meetings	29	32	29	*22	28	22	25	25	31	24
Assessor										
Number of annual deed transfers	594	677	549	531	501	347	386	475	459	481
Number of parcels billed	6,266	6,266	6,290	6,289	6,285	6,293	6,344	6,311	6,316	6,325
Board of Elections										
Number of registered voters	11,009	12,447	12,815	13,434	13,525	13,623	13,791	13,849	13,334	13,748
Number of ballots cast last general election		0			8,432	10,123	10,123	0	7,877	N/A
Percentage of register voters that voted		70%			62.07%	74.31%	74.31%	0.00%	55.73%	N/A
Recorder										
Number of deeds recorded	705	580	536	377	437	344	408	468	442	484
Number of mortgages recorded	3,277	2,011	1,712	1,174	1,098	861	1,008	948	1,138	1,161
Central Purchasing										
Number of bid contracts awarded	35	18	16	*8	14	16	14	16	14	23
Probate Court										
Number of civil cases filed	80	85	79	51	71	78	79	71	88	77
Library										
Number of registered borrowers	15,359	14,487	15,570	14,792	16,557	12,935	12,865	13,478	14,322	14,521
Number of print material	125,437	126,661	128,249	130,530	133,442	136,038	132,932	129,222	128,426	128,680
Non Print Material	7,725	8,342	8,994	9,527	10,018	10,407	10,432	9,959	9,899	9,072
Information Technology										
Number of users served	11,522	11,284	15,991	22,783	32,704	18,812	36,019	40,377	42,866	56,595
Public Safety										
Enforcement										
Number of incidents reported	1,623	1,608	1,174	1,207	1,175	1,410	1,508	1,509	1,678	1,364
Number of citations issued	1,874	1,517	1,383	1,679	1,226	1,341	1,558	1,332	1,567	1,547
Number of arrests	430	392	307	267	298	392	422	352	388	417
Number of accidents	544	530	495	418	416	400	459	392	399	359
Number of Service Calls								28,891	31,867	28,781
Emergency Medical Services										
Number of emergency responses	1,504	1,451	1,618	1,127	1,295	1,320	1,322	1,428	1,891	1,600
Public Works										
Engineer										
Miles of roads resurfaced	12	10	11	0	0	0	0	1	2	2
Number of bridges replaced/improved									1	0
Building Department										
Number of permits issued	1,263	1,427	1,496	1,530	1,412	1,475	1,277	1,336	1,339	1,303
Number of inspections performed	1,831	2,010	2,138	1,918	1,753	1,932	1,628	1,585	1,390	1,614
Sewer District										
Average daily sewage treated	1,567,869	1,609,490	1,803,493	1,846,583	**1,432,000	1,383,554	1,534,515	1,720,264	1,249,441	1,256,584
Number of tap-ins	5,807	5,916	5,936	5,945	5,952	5,934	5,974	5,992	6,005	6,010
Number of customers	5,923	5,952	5,972	5,981	6,625	6,621	6,572	6,683	6,769	6,760
Conservation and Recreation										
Parks										
Number of parks	32	32	32	32	32	32	32	32	33	34
Acreage developed	201	201	201	201	201	201	201	201	201	201
Acreage undeveloped	295	295	295	295	295	295	295	295	295	295
Miles of trails	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5

Source: Finance Department, Barrington, Rhode Island

* Indicates Partial Year

**Reduction due to sewer main break and recalibrated meter.

Addition of Passive Park at Peck Center in 2011

Addition of Chianese Park in 2012

No local elections for Fiscal Year 2012

TOWN OF BARRINGTON, RHODE ISLAND
Capital Asset Statistics by Function/Activity
Last Nine Years
(Unaudited)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government									
Number of general government buildings	1	1	1	1	1	1	1	1	1
Public Safety									
Number of police stations	1	1	1	1	1	1	1	1	1
Number of fire stations	2	2	2	2	2	2	2	2	2
Community Environment									
Miles of streets - local paved	96	96	96	96	96	96	96	96	96
Miles of streets - state paved	13	13	13	13	13	13	13	13	13
Number of pump stations	6	6	6	6	6	6	6	6	6
Number of street lights	1,774	1,774	1,774	1,774	1,799	1,799	1,799	1,799	1,799
Recreation									
Parks	6	6	6	8	8	8	8	9	9
Playgrounds	7	6	6	7	8	8	8	8	8
Tennis Courts	12	12	12	12	13	13	13	13	13
Bathing Beaches	1	1	1	1	1	1	1	1	1
Beach House								1	1
Ball Diamonds:									
Hard Ball	13	13	13	13	10	10	10	10	10
Soft Ball	4	4	4	4	4	4	4	4	4
Basketball Courts:									
Indoor	4	4	4	3	3	3	3	3	3
Outdoor	3	3	3	3	3	3	3	3	3
Multi-Purpose****	6	6	6	6	8	8	8	8	9
Football Fields	2	2	2	1	1	1	1	1	1
Undeveloped Sites	14	14	14	18	18	18	18	18	18
Library									
Branches	1	1	1	1	1	1	1	1	1
Public Works									
Building and garage	1	1	1	1	1	1	1	1	1
Education									
General Administration/Special Service Building	1	1	1	1	1	1	1	1	1
High School	1	1	1	1	1	1	1	1	1
Middle School	1	1	1	1	1	1	1	1	1
Elementary	4	4	4	4	4	4	4	4	4

Note: Prior to 2004
this information was not compiled and is unavailable.

Source: Town of Barrington Comprehensive Annual Financial Report
******Chianese Field Landfill Closure completed in 2012**

SINGLE AUDIT SECTION

This section contains information regarding grant activity for the year ended June 30, 2012 which was audited under the guidelines of the Single Audit Act of 1996 and the United States Office of Management and Budget's Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations".

***REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS***

To the Honorable President
and Members of the Town Council
Barrington, 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 Barrington as of and for the year ended June 30, 2012, which collectively comprise the Town of Barrington's basic financial statements and have issued our report thereon dated December 17, 2012. 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

Management of the Town of Barrington is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Town of Barrington's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Barrington's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Barrington'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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 previously.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Barrington'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*.

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

Bacon & Company, LLC

Warwick, Rhode Island
December 17, 2012

***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***

INDEPENDENT AUDITOR'S REPORT

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

Compliance

We have audited the Town of Barrington's compliance with the types of compliance requirements described in the ***OMB Circular A-133 Compliance Supplement*** that could have a direct and material effect on each of the Town of Barrington's major federal programs for the year ended June 30, 2012. The Town of Barrington's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town of Barrington's management. Our responsibility is to express an opinion on the Town of Barrington's compliance based on our audit.

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

In our opinion, the Town of Barrington complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the Town of Barrington is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Barrington's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the 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 of Barrington'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, others within the entity, the State of Rhode Island Auditor General, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bacon & Company, LLC

Warwick, Rhode Island
December 17, 2012

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

SECTION I - SUMMARY OF AUDITORS' RESULTS

Type of auditor's report issued: unqualified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

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

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

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

Identification of major programs

C DFA Number

84.173A
84.027A
97.036

Name of Program or Cluster

Special Education Cluster
Preschool Section 619
PL-94-142 - Project IDEA
Disaster Grants

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

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

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS

NONE

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
US Department of Education			
Pass-through RI Department of Education:			
Special Education Cluster (IDEA):			
PL-94-142 - Project IDEA	84.027A	2725-13202-201	\$ 767,073
Preschool Section 619	84.173A	2725-13502-201	25,134
Title I, Part A Cluster:			
Title I	84.010A	2725-11702-201	72,203
Title II - Professional Development	84.367A	2725-16402-201	73,932
Title IV	84.186A	2725-12602-201	271
ARRA Education Jobs Fund	84.410	4572-13102-101	81,642
ARRA Race to the Top - Standards & Curriculum	84.395A	4572-13502-110	1,105
ARRA Race to the Top - Educator Effectiveness	84.395A	4572-13502-130	1,688
ARRA Race to the Top - IIS Set Aside	84.395A	4572-13502-160	5,332
ARRA Race to the Top - Educator Effectiveness Set Aside	84.395A	4572-13502-170	18
ARRA Race to the Top - Human Capital Development Set Aside	84.395A	4572-13502-180	11,846
Pass-through the Chariho School District:			
Title III LEP	84.365A	N/A	5,863
Pass-through the East Providence School Department:			
Perkins	84.048	N/A	31,323
Total US Department of Education			<u>1,077,430</u>
US Department of Agriculture			
Pass-through RI Department of Education:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	N/A	91,737
School Breakfast Program	10.553	N/A	4,583
Food Distribution	10.550	N/A	28,288
Total US Department of Agriculture			<u>124,608</u>
US Department of Health and Human Services			
Direct Program:			
Drug Free	93.276	1H79SP014840-01	118,945
Pass through RI Department of Behavioral Healthcare, Developmental Disabilities and Hospitals:			
Reducing the Use of Marijuana and Other Drugs	93.959	N/A	41,675
Pass through RI Department of Health:			
MEDS	93.069	N/A	5,574
Total US Department of Health and Human Services			<u>166,194</u>
US Department of Transportation			
Pass-through RI Department of Transportation:			
Highway Planning and Construction Cluster:			
Safe Routes to School	20.205	N/A	9,645
CMAQ Grant	20.205	N/A	36,004
Total US Department of Transportation			<u>45,649</u>

(Continued)

TOWN OF BARRINGTON, RHODE ISLAND
Schedule of Expenditures of Federal Awards (Continued)
For the Fiscal year Ended June 30, 2012

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
US Department of Homeland Security			
Pass-through RI Emergency Management Agency:			
Disaster Grants	97.036	FEMA 4027-DR-RI	310,350
Total US Department of Homeland Security			<u>310,350</u>
US Department of Housing and Urban Development			
Pass-through RI Division of Planning, Office of Housing and Community Development:			
CDBG - State-Administered CDBG Cluster:			
Community Development Block Grant	14.228	9/01/05	2,419
Community Development Block Grant	14.228	10/01/06	16,269
Community Development Block Grant	14.228	11/01/07	3,000
Total US Department Housing and Urban Development			<u>21,688</u>
US Department of Energy			
Pass-through RI Office of Energy Resources:			
ARRA Energy Efficiency Conservation Block Grant	81.128	GR-9487/GR-8697	127,880
Total US Department of Energy			<u>127,880</u>
US Environmental Protection Agency			
Pass-through RI Department of Environmental Management:			
ARRA Diesel Equipment Replacement	66.040	96101701	61,988
Clean Water Sec. 319 Allin's Cove	66.460	N/A	87,109
Total US Environmental Protection Agency			<u>149,097</u>
US Department of Justice			
Direct Program:			
Bullet Proof Vest	16.607	N/A	5,232
Pass-through RI Public Safety Grant Administration Office:			
Local Law Enforcement Block Grant	16.000	LLEBG-97-BG-101	3,517
JAG Program Cluster:			
ARRA Byrne/JAG	16.803	GR-7995	7,823
ARRA Byrne/JAG	16.803	GR-8214	7,264
Total US Department of Justice			<u>23,836</u>
Total Expenditures of Federal Awards			<u>\$ 2,046,732</u>

TOWN OF BARRINGTON, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
June 30, 2012

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