

# **TOWN OF TIVERTON**

## **ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2014**



**Matthew Wojcik**  
**Town Administrator**

**Denise G. Saurette**  
**Treasurer**

**Prepared by: Finance Department**

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

# TOWN OF TIVERTON, RHODE ISLAND

June 30, 2014

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## **INTRODUCTORY SECTION**

This Section Contains the Following Subsections:

List of Town Officials

**TOWN OF TIVERTON, RHODE ISLAND**

**JUNE 30, 2014**

**TOWN COUNCIL**

Edward A. Roderick, President  
Denise M. de Medeiros, Vice President  
James Arruda  
Joan B. Chabot  
William P. Gerlach  
Jay Lambert  
Brett N. Pelletier

**TOWN ADMINISTRATOR**

Matthew Wojcik

**TOWN TREASURER**

Denise G. Saurette

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## **FINANCIAL SECTION**

This Section Contains the Following Subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information

# HAGUE, SAHADY & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Fall River, MA 02720

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tiverton, Rhode Island (Town) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tiverton, Rhode Island, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Continued*



## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, 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.

### *Other Information*

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

The schedules included in the other supplementary information section are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules included in the other supplementary information section are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated, December 17, 2014, on our consideration of the Town of Tiverton, 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* in considering the Town of Tiverton, Rhode Island's internal control over financial reporting and compliance.

*Hague, Sabady & Co. PC*

Fall River, Massachusetts  
December 17, 2014

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

## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

The management of the Town of Tiverton, Rhode Island (herein, The Town), offers readers of the Town's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented herein conjunction with additional information found within the financial statements.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP). Users of these financial statements (such as investors and rating agencies) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

#### **Financial Highlights**

- ❖ The Town's primary governments net position increased \$2,218,907 as a result of this current year's operations. This increase was attributable to the excess of revenue of \$52,766,060 including general revenues, charges for services and grants (both operating and capital) over expenses of \$50,547,153.
- ❖ The government-wide assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$14,969,028. The net position of business activities increased by \$36,810 or 0.98%, while the net position of Governmental Activities increased by \$2,182,097 or 24.2%.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$50,547,153 a 2.7% increase from the prior year, while revenues collected were \$52,731,970 a 3.5% increase over the prior year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$10,804,252. Of this amount \$2,478,930 or 23.0%, is unassigned and available for use within the Town's designation and fiscal policies. \$1,694,495 is available for School expenditures and \$6,340,230 is set aside for the remaining nonmajor governmental funds.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$2,478,930, or 6.1% of the total general fund expenditures and transfers out for the fiscal year. The current year's revenues and transfers exceeded expenditures and transfers by \$245,038. On a budgetary basis revenues exceeded expenditures and transfers by \$210,523. The School department unrestricted fund ended with a combined fund balance of \$1,694,495 or 5.9% of the current year budget. The current year's revenue and transfers exceed the current year expenditures by \$222,004.

#### **Implementation of New GASB Standards**

In June 2012, the Governmental Accounting Standards Board (GASB) approved a Statement that reflects substantial changes to the accounting and financial reporting of pension plans. Statement No. 67, Financial Reporting for Pension Plans, addresses financial reporting for state and local government pension plans. Statement No. 67 replaces the requirements of Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, for most public employee pension plans and replaces the requirements of Statement No. 50, Pension Disclosures, for those governments and public pension plans. Under Statement No. 67, an emphasis is put on accounting for pension plans whereas Statement No. 25 dealt more with funding pension plans.

*Continued*

## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

#### Implementation of New GASB Standards (Continued)

A key change from Statement No. 25 to Statement No. 67 is the measurement of the liability. GASB 25 subtracts the Actuarial Value of Assets from the Actuarial Accrued Liability to achieve the Unfunded Actuarial Accrued Liability. GASB 67 subtracts the Fiduciary Net Position from the Total Pension Liability to attain the Net Pension Liability. The major difference in the measurements is that GASB 25 allows for asset smoothing, whereas, GASB 67 uses the fair value of assets as of the measurement date.

A chart illustrating the difference between the liability measurements as of June 30, 2013, the last measurement date GASB 25 information is available, is noted below.

As of June 30, 2014			
GASB 67 - Accounting Method		GASB 25 - Funding Method	
Total Pension Liability (TPL)	\$ 14,002,853	Actuarial Accrued Liability (AAL)	\$ 14,002,853
		Actuarial Value of Assets (Market Value including Accrued Contributions)	8,848,568
Fiduciary Net Position	8,848,568	Unfunded Actuarial Accrued Liabilities	5,154,285
Net Pension Liability (NPL)	5,154,285	Funded Ratio	63.2%
Ratio - Fiduciary Net Position/TPL	63.2%		

- Under GASB 25, PSERS' funded ratio for the pension plan increased from 54.8% at June 30, 2013 to 63.2% as of the latest actuarial valuation dated June 30, 2014. This increase was primarily due to gains on investment assets and employer contributions that were more than the normal cost.
- Under GASB 67, PSERS' pension plan ratio of fiduciary net position to total pension liability did not change in comparison to the unfunded actuarial accrued liability noted in GASB 25 on the chart above. This is because the assets included in the GASB 25 conversion were recorded using the market value approach as opposed to an actuarial valuation which would have required the smoothing of assets. As the market value of assets was used in measurement, this ratio is more susceptible to volatility.
- The NPL is larger than the UAAL since the Actuarial Value of Assets, which is smoothed, is larger than the Fiduciary Net Position. The Actuarial Value of Assets is larger as the impact of the FY 2009 Great Recession losses are not fully recognized. For funding purposes, PSERS smoothes asset gains and losses over a 10-year period to reduce volatility.
- GASB 67 separates the accounting for pensions from the funding provisions used for the actuarial valuation. GASB 67 has no impact on how pension plans are funded. The assumptions and methods used in the actuarial valuation to establish the employer contribution rate will not change as a result of its implementation.

#### Overview of the Financial Statements

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

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

The government-wide financial statements provide both long-term and short-term information about the Town as a whole. The fund financial statement focus on the individual components of the Town's government, reporting the Town's operations in more detail than the government-wide statements. Both representations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability. An addition part of the basic financial statements are the notes to the financial statements. The report also contains other required supplementary information as well as additional supplementary information to the basic financial statements themselves.

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## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

**Government-wide financial statements** - are designed to provide readers with a broad overview of the Town's finances in a manner, which is similar to a private-sector business. The statements provide both short-term and long-term information about the Town's financial position, which assists in assessing the Town's economic position at the end of the fiscal year.

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

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

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

In the statement of activities, the operations of the Town are presented in a format that reports the net expense and revenues of its individual functions - the objective being to report the relative burden of each of the Town's functions to the tax payers. Revenues offsetting related functional expenses are separated into three categories: charges for services, operating grants and contributions, and capital grants and contributions.

The government wide financial statements are reported on pages 13 through 16.

**Fund financial statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories-governmental funds, proprietary funds and fiduciary funds.

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

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

## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

#### ***Governmental Funds (Continued)***

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

The basic governmental fund financial statements are presented on pages 17 and 18.

***Proprietary Funds*** - The Town's proprietary funds are used to report financed business-type activities provided to the general public (enterprise funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The Town has two enterprise funds, the Land Acquisition Fund and the Cafeteria Fund. Both are considered to be major funds for financial statement purposes.

The basic proprietary fund financial statements are presented on pages 21 through 23.

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

The fiduciary fund financial statements can be found on pages 24 and 25.

***Notes to Financial Statements*** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 26 through 59.

***Other Required Supplementary Information*** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required supplementary information presents schedules detailing certain pension information, as well as, budgetary comparison schedules for the general fund and the school unrestricted fund to demonstrate compliance with their respective budgets. Required supplementary information is presented on pages 60 through 67.

***Supplementary Information*** - The combining statements referred to earlier in connection with non-major governmental funds, as well as other information, are presented on pages 68 through 104.

***Statistical Section*** - Information contained in the section has not been subject to audit procedures but is included as additional analysis and can be found on pages 105 to 109.

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

##### **Analysis of the Town of Tiverton's Net Position**

As noted earlier, the Town's net position may serve over time as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. The Town's governmental activities assets plus deferred outflows exceeded liabilities plus deferred inflows by \$11,170,726 as of June 30, 2014. This represents a current year's increase of \$2,182,097.

*Continued*

**TOWN OF TIVERTON, RHODE ISLAND**

Management's Discussion and Analysis

For the Year Ended June 30, 2014

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

**Statement of Net Position  
June 30, 2014 and 2013**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>\$ Change</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
<b>Assets</b>							
Current assets	\$ 28,507,772	\$ 23,030,341	\$ 292,776	\$ 396,009	\$ 28,800,548	\$ 23,426,350	\$ 5,374,198
Capital assets	<u>44,808,438</u>	<u>43,989,701</u>	<u>3,505,526</u>	<u>3,508,459</u>	<u>48,313,964</u>	<u>47,498,160</u>	<u>815,804</u>
Total assets	<u>73,316,210</u>	<u>67,020,042</u>	<u>3,798,302</u>	<u>3,904,468</u>	<u>77,114,512</u>	<u>70,924,510</u>	<u>6,190,002</u>
<b>Deferred outflows of resources</b>							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
<b>Liabilities</b>							
Current liabilities	17,796,199	10,181,855	-	142,976	17,796,199	10,324,831	7,471,368
Long-term liabilities	<u>44,349,285</u>	<u>46,794,754</u>	-	-	<u>44,349,285</u>	<u>46,794,754</u>	<u>(2,445,469)</u>
Total liabilities	<u>62,145,484</u>	<u>56,976,609</u>	-	<u>142,976</u>	<u>62,145,484</u>	<u>57,119,585</u>	<u>5,025,899</u>
<b>Deferred inflows of resources</b>							
None	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
<b>Net Position</b>							
Investment in capital assets, net of related debt	11,313,479	9,314,901	3,505,526	3,508,459	14,819,005	12,823,360	1,995,645
Restricted	1,950,015	1,304,601	-	-	1,950,015	1,304,601	645,414
Unrestricted	<u>(2,092,768)</u>	<u>(576,069)</u>	<u>292,776</u>	<u>253,033</u>	<u>(1,799,992)</u>	<u>(323,036)</u>	<u>(1,476,956)</u>
Total net position	<u>\$ 11,170,726</u>	<u>\$ 10,043,433</u>	<u>\$ 3,798,302</u>	<u>\$ 3,761,492</u>	<u>\$ 14,969,028</u>	<u>\$ 13,804,925</u>	<u>\$ 1,164,103</u>

The Town's net position invested in capital assets, net of related debt comprises \$14,819,005 or 99% of total net position, \$14,969,028 consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

In addition, a portion of the Town's net position totaling \$1,930,000 or 9.9% represents resources that are subject to external restriction in how they may be used. Unrestricted net position, totals \$(12,072,753), \$1,428,171 of this amounts is a result of the current year expenditures on the library construction project with the remaining amount available to be used to meet the government's ongoing obligation to citizens and creditors.

## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

#### **Changes in Net Position**

The following analysis provides a summary of the Town's operations for the year ended June 30, 2014. Governmental activities increased the Town's net position by \$2,182,097 for the current period, which equated to a 24.2% increase in the Town's governmental net position, while business-type activities increased the Town's net position by \$36,810, accounting for a 0.98% increase in the business-type net assets. Overall the Town's current year's net position increase was \$2,218,907 which is a 17.4% increase over the prior year.

In the current fiscal year, the Town's governmental fund financial statements ended with a net decrease in the overall fund balances of (\$828,818). The decrease in the overall fund balance is primarily a result of capital assets expenses in the governmental capital project funds.

In the statement of activities, expenditures for capital items are not recorded as expenses, but shown in the balance sheet as capital assets, with depreciation shown as a current year expense which resulted in a net increase of \$1,464,501. Bond payments are not recorded as expenditures but shown in the balance sheet as a reduction in long-term liabilities; this resulted in an increase to the Town's net position of \$2,010,000. Other changes were due to an increase in the Town's other post-employment benefits of \$443,293 and a decrease in the Town's net pension obligation of \$256,180. The overall effect was an increase in the Town's net position of \$2,182,097.

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



**TOWN OF TIVERTON, RHODE ISLAND**

Management's Discussion and Analysis

For the Year Ended June 30, 2014

**Changes in Net Position for the period ending June 30, 2014 and June 30, 2013 (Government-wide level)**

	Changes in Net Position						\$ Change
	Governmental Activities		Business-Type Activities		Total		
	2014	2013	2014	2013	2014	2013	
<b>Revenues</b>							
Program Revenues:							
Charges for service	\$ 3,315,384	\$ 3,206,929	\$ 330,164	\$ 568,644	\$ 3,645,548	\$ 3,775,573	\$ (130,025)
Operating grants & contributions	1,169,486	392,046	249,041	242,405	1,418,527	634,451	784,076
Capital grants & contributions	530,459	472,158			530,459	472,158	58,301
General Revenues:							
Property taxes	37,995,629	36,569,206			37,995,629	36,569,206	1,426,423
State aid to town	1,339,311	1,368,766			1,339,311	1,368,766	(29,455)
State aid to education	6,175,390	6,657,192			6,175,390	6,657,192	(481,802)
Miscellaneous revenue	1,433,967	1,362,670			1,433,967	1,362,670	71,297
Earnings on investments	193,139	89,487	-	-	193,139	89,487	103,652
<b>Total revenue</b>	<b>52,152,765</b>	<b>50,118,454</b>	<b>579,205</b>	<b>811,049</b>	<b>52,731,970</b>	<b>50,929,503</b>	<b>1,802,467</b>
<b>Expenses</b>							
General government	5,837,581	5,914,550			5,837,581	5,914,550	(76,969)
Public safety	6,575,887	6,232,385			6,575,887	6,232,385	343,502
Education	31,811,259	30,812,183			31,811,259	30,812,183	999,076
Public works	3,307,354	2,611,795			3,307,354	2,611,795	695,559
Health and human services	652,678	774,767			652,678	774,767	(122,089)
Parks and recreation	256,524	152,245			256,524	152,245	104,279
Interest on debt	1,437,452	1,911,180			1,437,452	1,911,180	(473,728)
Cafeteria fund	-	-	668,418	821,566	668,418	821,566	(153,148)
<b>Total expenses</b>	<b>49,878,735</b>	<b>48,409,105</b>	<b>668,418</b>	<b>821,566</b>	<b>50,547,153</b>	<b>49,230,671</b>	<b>1,316,482</b>
<b>Increase(decrease) in net assets before transfers</b>	<b>2,274,030</b>	<b>1,709,349</b>	<b>(89,213)</b>	<b>(10,517)</b>	<b>2,184,817</b>	<b>1,698,832</b>	<b>485,985</b>
Transfers in (out) - operating	(126,023)	-	126,023		-	-	-
Loss on disposal of capital assets		(55,533)			-	(55,533)	55,533
Receipt of road surety	34,090	-	-	-	34,090	-	34,090
<b>Increase(decrease) in net position</b>	<b>2,182,097</b>	<b>1,653,816</b>	<b>36,810</b>	<b>(10,517)</b>	<b>2,218,907</b>	<b>1,643,299</b>	<b>575,608</b>
Net position, July 1, 2013, restated *	8,988,629	8,389,617	3,761,492	3,772,009	12,750,121	12,161,626	588,495
<b>Net position, June 30, 2014</b>	<b>\$ 11,170,726</b>	<b>\$ 10,043,433</b>	<b>\$ 3,798,302</b>	<b>\$ 3,761,492</b>	<b>\$ 14,969,028</b>	<b>\$ 13,804,925</b>	<b>\$ 1,164,103</b>

\* See Note 15 for Net Position Restatement

## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

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

**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, the unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$10,804,252. Of this amount \$861,917 or 8.0% is unassigned and available for use within the Town's designation and fiscal policies. The remainder of the fund balance is categorized at various commitment levels as follows.

	2014	2013	\$ Change
<b>Nonspendable for</b>			
Prepays	\$ 181,343	\$ 159,758	\$ 21,585
<b>Restricted for</b>			
Educational programs	1,482,706	809,903	672,803
Public safety programs	449,471	455,745	(6,274)
Health and human services	17,838	38,953	(21,115)
<b>Committed for</b>			
Public safety programs	955,582	898,612	56,970
Public works programs	6,076,206	6,034,513	41,693
General government	93,000	78,000	15,000
Capital projects	54,986	688,056	(633,070)
Various school renovation projects	239,655	-	239,655
Health and human services	8,390	-	8,390
Culture and recreation	383,158	291,279	91,879
<b>Unassigned</b>	861,917	2,170,251	(1,308,334)
<b>Total fund balances</b>	\$ 10,804,252	\$ 11,625,070	\$ (820,818)

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

Unrestricted net assets of the proprietary funds are \$292,776.

#### General Fund Budgetary Highlights:

The original budget for the fiscal year ended June 30, 2014 was adopted at the financial town referendum in the amount of \$47,149,305. No changes were made to the final budget amount however transfers were authorized between expenditure line items.

Actual revenues reported were less than budgeted amounts by \$95,678, due principally to a short fall in tax revenues in the amount of \$277,773. Licenses, permits and user fees ended the year with a positive variance of \$110,650.

Actual expenditure resulted in a favorable variance over the budget in the amount of \$241,719, \$95,829 from debt services - interest. The remaining favorable amounts were in varying departments.

The total excess of revenues and other financing sources over expenditures and other financing uses on a budgetary basis was \$210,523.

**TOWN OF TIVERTON, RHODE ISLAND**

Management's Discussion and Analysis

For the Year Ended June 30, 2014

Municipal budgeting is a process that includes forecasting revenue and expenses over one year in advance. While we can be reasonably assured of contractual expenses, debt service payments, and other planned expenditures, it is difficult to project all unexpected circumstances. Keeping a close watch on expenditures as the year progresses allows us to anticipate and prioritize other needs as they may arise. In addition to monitoring all financial transactions, a budget can be used as a management and planning tool.

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

The Town's investment in capital assets for its governmental and business-type activities amounts to \$44,808,438 net of accumulated depreciation at June 30, 2014. Included are land, building and improvements, motor vehicles, furniture and equipment and infrastructure.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>\$ Change</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
Land	\$ 4,166,486	\$ 4,166,486	\$ 3,500,000	\$ 3,500,000	\$ 7,666,486	\$ 7,666,486	\$ -
Construction in progress	1,866,621	73,397	-	-	1,866,621	73,397	1,793,224
Infrastructure, net	2,335,293	2,391,320	-	-	2,335,293	2,391,320	(56,027)
Building & improvements, net	33,564,659	33,778,931	-	-	33,564,659	33,778,931	(214,272)
Vehicles, net	1,562,544	1,553,724	-	-	1,562,544	1,553,724	8,820
Equipment, net	1,312,835	1,380,079	5,526	8,459	1,318,361	1,388,538	(70,177)
<b>Total</b>	<u>\$ 44,808,438</u>	<u>\$ 43,343,937</u>	<u>\$ 3,505,526</u>	<u>\$ 3,508,459</u>	<u>\$ 48,313,964</u>	<u>\$ 46,852,396</u>	<u>\$ 1,461,568</u>

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

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

At the end of the fiscal year, the Town's short-term debt included \$5,675,000 of bond anticipation notes.

In addition, at the end of the current fiscal year, the Town's Governmental Activities had a total bonded debt of \$31,605,000. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>\$ Change</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	
General obligation bonds	\$ 31,605,000	\$ 33,615,000	\$ -	\$ -	\$ 31,605,000	\$ 33,615,000	\$ (2,010,000)
Capital leases	1,047,886	1,059,800	-	-	1,047,886	1,059,800	(11,914)
<b>Total</b>	<u>\$ 32,652,886</u>	<u>\$ 34,674,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,652,886</u>	<u>\$ 34,674,800</u>	<u>\$ (2,021,914)</u>

Additional information on the Town's long-term debt can be found in Note 8 of the Notes to the Financial Statements.

## TOWN OF TIVERTON, RHODE ISLAND

### Management's Discussion and Analysis

For the Year Ended June 30, 2014

#### **The Town of Tiverton's Debt Administration (Continued)**

The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Tiverton's limit is \$58,351,504 at year-end. The Town's outstanding general obligation debt is \$31,605,000 at year-end, which is \$26,746,504 under the State imposed limitation.

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

A sign of strong budgetary performance includes the ability to forecast reliable revenue and expense figures; a difficult process that begins six to nine months prior to the new fiscal year. Paramount to a balanced budget includes having the flexibility to adjust and react to unforeseen circumstances. Adhering to a budget and realizing a surplus, however small, is always the preferred outcome.

Municipal expenses, (\$18,617,212) make up approximately 38.8% of the total budget and include \$425,409 for capital and non-recurring expenses. The remaining 61.2% (\$29,275,439) is budgeted for Educational expenses. Overall the total FY2015 budget proposal included a 1.576% increase over FY2014, one of the lowest overall total budget increases in recent years.

Despite relatively small increases in the Municipal budget over the last 3 years, an elector budget petition with a 0% tax increase was adopted for FY15. This alternate budget reduces the tax levy and requires the removal of approximately \$600,000 from the unassigned general fund reserve. While this reduction in the levy resulted in a \$.07 reduction in the tax rate, it also leaves the town very little budgetary flexibility in reacting to any unplanned events.

As the town moves forward with the completion of the New Public Library, we need to be mindful that in FY2016, the budget proposal will include new debt service as we begin to pay the Library Bond. With the current interest rate environment, we were able to secure Bond Funding at a fairly favorable rate of less than 3%. This Library Bond is subject to partial reimbursement from the Office of Library Services, resulting in a net annual debt payment of approximately \$225,000. Final figures will be available this coming spring.

Continuing its commitment to fully funding the Police Pension, the Town planned and contributed \$800,000 in FY2015, \$263,000 more than the Annual Required Contribution. The commitment to fund has already had a positive impact on the funding status of the Pension Plan. The annual Actuarial Valuation as of July 1, 2014, reported that the funding status has reached 63.2% - moving Tiverton outside of the State of RI's critical status threshold.

Together with the Town Administrator and all the Department Managers, we will continue to monitor our budgeted expenditures and do our best to ensure the most favorable outcome possible for FY15.

#### **Request for Information**

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

## **Basic Financial Statements**

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Net Position

June 30, 2014

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 19,900,628	\$ (101,685)	\$ 19,798,943
Receivables, net			
Personal property taxes	2,223,452		2,223,452
User charges		-	-
Intergovernmental	991,459	19,589	1,011,048
Departmental and other	10,146		10,146
Due from other funds	5,200,744	374,872	5,575,616
Due from component unit			-
Prepaid expenses	181,343		181,343
Capital assets:			
Land	4,166,486	3,500,000	7,666,486
Construction in progress	1,866,621		1,866,621
Infrastructure, net	2,335,293		2,335,293
Land improvements, net	-		-
Building and improvements, net	33,564,659		33,564,659
Automobiles and vessels, net	1,562,544		1,562,544
Machinery and equipment, net	1,312,835	5,526	1,318,361
Total capital assets	44,808,438	3,505,526	48,313,964
Total assets	73,316,210	3,798,302	77,114,512
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
Total assets and deferred outflows of resources	\$ 73,316,210	\$ 3,798,302	\$ 77,114,512

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Net Position

June 30, 2014

	<b>Primary Government</b>		
	<b>Governmental</b>	<b>Business-Type</b>	<b>Total</b>
	<b>Activities</b>	<b>Activities</b>	
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 3,460,812	\$ -	\$ 3,460,812
Retainage payable	140,561		140,561
BAN payable	5,675,000		5,675,000
Other liabilities	25,401		25,401
Accrued interest	349,953		349,953
Deposits held	342,496		342,496
Due to other funds	5,572,357		5,572,357
Current portion of capital leases	208,127		208,127
Current portion of bonds and notes payable	1,980,000		1,980,000
Current portion of bond premium	35,762		35,762
Current portion of compensated absences	5,730		5,730
Portion due or payable in more than one year:			
Capital leases	839,759		839,759
Bonds and notes payable	29,625,000		29,625,000
Bond premium	456,358		456,358
Compensated absences	1,103,245		1,103,245
Other post-employment benefit obligation	4,831,657		4,831,657
Net pension obligation	1,667,990		1,667,990
Landfill closure and postclosure costs	5,825,276	-	5,825,276
Total liabilities	62,145,484	-	62,145,484
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None	-	-	-
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	11,313,479	3,505,526	14,819,005
Restricted	1,950,015		1,950,015
Unrestricted	(2,092,768)	292,776	(1,799,992)
Total liabilities, deferred inflows or resources and net position	\$ 73,316,210	\$ 3,798,302	\$ 77,114,512

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Activities

For the Year Ended June 30, 2014

	<u>Net (Expense) Revenue and Changes in Net Position</u>						
	<u>Program Revenues</u>				<u>Primary Government</u>		
	<u>Expenses</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>
<b>Governmental Activities</b>							
General government	\$ 5,837,581	\$ 1,665,657	\$ 2,386	\$ -	\$ (4,169,538)	\$ -	\$ (4,169,538)
Public safety	6,575,887	94,736	162,654	-	(6,318,497)	-	(6,318,497)
Education	31,811,259	35,253	941,636	130,459	(30,703,911)	-	(30,703,911)
Public works	3,307,354	1,459,370	15,374	400,000	(1,432,610)	-	(1,432,610)
Health and human services	652,678	19,415	44,107	-	(589,156)	-	(589,156)
Parks and recreation	256,524	40,953	3,329	-	(212,242)	-	(212,242)
Interest on debt	1,437,452	-	-	-	(1,437,452)	-	(1,437,452)
Total governmental activities	<u>49,878,735</u>	<u>3,315,384</u>	<u>1,169,486</u>	<u>530,459</u>	<u>(44,863,406)</u>	<u>-</u>	<u>(44,863,406)</u>
<b>Business-Type Activities</b>							
Land acquisition fund	-	-	-	-	-	-	-
Cafeteria fund	668,418	330,164	249,041	-	-	(89,213)	(89,213)
Total business-type activities	<u>668,418</u>	<u>330,164</u>	<u>249,041</u>	<u>-</u>	<u>-</u>	<u>(89,213)</u>	<u>(89,213)</u>
Total Town of Tiverton	<u>\$ 50,547,153</u>	<u>\$ 3,645,548</u>	<u>\$ 1,418,527</u>	<u>\$ 530,459</u>	<u>\$ (44,863,406)</u>	<u>\$ (89,213)</u>	<u>\$ (44,952,619)</u>

The accompanying notes are an integral part of this statement.



**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Activities

For the Year Ended June 30, 2014

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>General revenues</b>			
Real estate and personal property, net of reserve for abatements	\$ 37,995,629	\$ -	\$ 37,995,629
Fines and interest payments	286,337		286,337
Meals and beverage tax	198,248		198,248
Public service corp tax	196,736		196,736
School housing aid	871,135		871,135
Earnings on investments	193,139		193,139
State aid to town	181,839		181,839
State aid to education	6,175,390		6,175,390
State contribution to teachers' pension plan	<u>1,038,983</u>	<u>-</u>	<u>1,038,983</u>
Total general revenues	<u>47,137,436</u>	<u>-</u>	<u>47,137,436</u>
Special Item - receipt of road surety	34,090	-	34,090
Transfers between funds - operating	-	126,023	126,023
Transfers between funds - operating	<u>(126,023)</u>	<u>-</u>	<u>(126,023)</u>
Total general revenues, special items, and transfers	<u>47,045,503</u>	<u>126,023</u>	<u>47,171,526</u>
Changes in net position	2,182,097	36,810	2,218,907
Net position - July 1, 2013, restated	<u>8,988,629</u>	<u>3,761,492</u>	<u>12,750,121</u>
Net position - June 30, 2014	<u><u>\$ 11,170,726</u></u>	<u><u>\$ 3,798,302</u></u>	<u><u>\$ 14,969,028</u></u>

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Balance Sheet - Governmental Funds

June 30, 2014

	<b>Major Fund</b>		<b>Non-Major</b>	<b>Total</b>
	<b>General Fund</b>	<b>School Unrestricted</b>	<b>Governmental Funds</b>	<b>Governmental Funds</b>
<b>Assets</b>				
Cash and investments	\$ 8,211,585	\$ 618,719	\$ 11,070,324	\$ 19,900,628
Receivables:				
Property taxes, net	2,223,452			2,223,452
Intergovernmental		-	991,459	991,459
Other	10,146			10,146
Due from other funds	458,206	3,979,454	763,084	5,200,744
Prepaid expenses	181,343	-	-	181,343
Total assets	<u>11,084,732</u>	<u>4,598,173</u>	<u>12,824,867</u>	<u>28,507,772</u>
<b>Deferred outflows of resources</b>				
None	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 11,084,732</u>	<u>\$ 4,598,173</u>	<u>\$ 12,824,867</u>	<u>\$ 28,507,772</u>
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 671,473	\$ 2,773,047	\$ 16,292	\$ 3,460,812
Retainage payable			140,561	140,561
BAN payable			5,675,000	5,675,000
Other liabilities	25,401			25,401
Deposits held	342,496			342,496
Due to other funds	5,079,434	130,631	362,292	5,572,357
Total liabilities	<u>6,118,804</u>	<u>2,903,678</u>	<u>6,194,145</u>	<u>15,216,627</u>
<b>Deferred inflows of resources</b>				
Unearned revenue	1,998,101		290,492	2,288,593
Property taxes paid in advance	198,300	-	-	198,300
Total deferred inflows of resources	<u>2,196,401</u>	<u>-</u>	<u>290,492</u>	<u>2,486,893</u>
<b>Fund balance</b>				
Nonspendable	181,343		-	181,343
Restricted		1,454,840	495,175	1,950,015
Committed	109,254	239,655	7,462,068	7,810,977
Unassigned	2,478,930	-	(1,617,013)	861,917
Total fund balance	<u>2,769,527</u>	<u>1,694,495</u>	<u>6,340,230</u>	<u>10,804,252</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 11,084,732</u>	<u>\$ 4,598,173</u>	<u>\$ 12,824,867</u>	<u>\$ 28,507,772</u>

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Governmental Funds

For the Year Ended June 30, 2014

	Major Fund		Non-Major	Total
	General Fund	School Unrestricted	Governmental Funds	Governmental Funds
<b>Revenues</b>				
Real estate and personal property taxes	\$ 37,286,686	\$ -	\$ -	\$ 37,286,686
Fines and interest on late payments	286,337			286,337
Intergovernmental	1,447,958	6,175,390	1,678,930	9,302,278
Licenses, permits, and fees	1,704,642			1,704,642
Investment Income	27,920		165,219	193,139
State contribution to teachers' pension plan		1,038,983		1,038,983
Other Revenue	579,224	-	1,052,533	1,631,757
Total revenue	41,332,767	7,214,373	2,896,682	51,443,822
<b>Expenditures</b>				
General government	5,859,788		45,941	5,905,729
Public safety	5,622,643		373,025	5,995,668
Education		29,840,396	1,117,496	30,957,892
Public works	2,035,025		1,085,201	3,120,226
Health and human services	588,861		63,817	652,678
Parks and recreation	104,670		1,478,839	1,583,509
Capital outlay	423,814			423,814
Debt service				
Principal	2,010,000			2,010,000
Interest	1,523,191	-	-	1,523,191
Total expenditures	18,167,992	29,840,396	4,164,319	52,172,707
Excess (deficiency) of revenues over expenditures	23,164,775	(22,626,023)	(1,267,637)	(728,885)
<b>Other financing sources (uses)</b>				
Receipt of road surety	34,090			34,090
Transfers in	20,223	22,974,050	147,799	23,142,072
Transfers out	(22,974,050)	(126,023)	(168,022)	(23,268,095)
Other financing sources (uses)	(22,919,737)	22,848,027	(20,223)	(91,933)
<b>Excess of revenue and other sources over expenditures and other uses</b>	245,038	222,004	(1,287,860)	(820,818)
Fund balance, July 1, 2013	2,524,489	1,472,491	7,628,090	11,625,070
Fund balance, June 30, 2014	\$ 2,769,527	\$ 1,694,495	\$ 6,340,230	\$ 10,804,252

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Reconciliation of Governmental Fund Balances  
to the Net Position of Governmental Activities

June 30, 2014

Total governmental fund balances	\$ 10,804,252
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, net	44,808,438
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds.	2,486,893
Long term liabilities relating to bond premiums amortized over the life of the bond	(492,120)
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due.	(349,953)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds	
Bonds and notes payable	(31,605,000)
Capital leases	(1,047,886)
Compensated absences	(1,108,975)
Other postemployment benefits	(4,831,657)
Net pension obligation	(1,667,990)
Landfill closure and postclosure care costs	<u>(5,825,276)</u>
Net position of governmental activities	<u>\$ 11,170,726</u>

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and  
Changes to Fund Balance the Statement of Activities

For the Year Ended June 30, 2014

Net change in fund balances - total governmental funds	\$ (820,818)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,464,501
Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.	708,943
The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,021,914
Bond premiums for long term debt are amortized over the course of the payable but are not reported as an expenditure on governmental fund statements	35,762
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due.	85,739
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds.	47,318
The other postemployment benefit expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	(443,293)
The net pension obligation expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	256,180
The landfill closure and post clure expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	<u>(1,174,149)</u>
Change in net position of governmental activities	<u>\$ 2,182,097</u>

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Net Position - Proprietary Funds

June 30, 2014

	<b>Business-type Activities Enterprise Funds</b>		
	<b>Land Acquisition Fund</b>	<b>Cafeteria Fund</b>	<b>Total Enterprise Funds</b>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ -	\$ (101,685)	\$ (101,685)
Due from state and federal government	-	19,589	19,589
Due from other funds	248,849	126,023	374,872
Total current assets	248,849	43,927	292,776
Non-current assets			
Land	3,500,000	-	3,500,000
Equipment, net	-	5,526	5,526
Total non-current assets	3,500,000	5,526	3,505,526
Total assets	\$ 3,748,849	\$ 49,453	\$ 3,798,302
<b>Deferred outflows of resources</b>			
None	-	-	-
Total assets and deferred outflows of resources	\$ 3,748,849	\$ 49,453	\$ 3,798,302
<b>Liabilities</b>			
None	\$ -	\$ -	\$ -
<b>Deferred inflows of resources</b>			
None	-	-	-
<b>Net position</b>			
Invested in capital assets, net of related debt	3,500,000	5,526	3,505,526
Restricted	-	-	-
Unrestricted	248,849	43,927	292,776
Total liabilities, deferred inflows of resources and net position	\$ 3,748,849	\$ 49,453	\$ 3,798,302

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds

For the Year Ended June 30, 2014

	<b>Business-type Activities Enterprise Funds</b>		
	<b>Land Acquisition Fund</b>	<b>Cafeteria Fund</b>	<b>Total Enterprise Funds</b>
<b>Operating revenues</b>			
Federal and state revenue	\$ -	\$ 249,041	\$ 249,041
Charges for services	-	330,164	330,164
	-	579,205	579,205
<b>Operating expenses</b>			
General expenses	-	665,485	665,485
Depreciation	-	2,933	2,933
	-	668,418	668,418
Operating income (loss)	-	(89,213)	(89,213)
<b>Nonoperating revenues (expenses)</b>			
None	-	-	-
Income (loss) before transfers	-	(89,213)	(89,213)
<b>Transfers</b>			
Transfer in - operating	-	126,023	126,023
Transfers out - operating	-	-	-
	-	126,023	126,023
Change in net position	-	36,810	36,810
Net position, July 1, 2013	3,748,849	12,643	3,761,492
Net position, June 30, 2014	\$ 3,748,849	\$ 49,453	\$ 3,798,302

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Cash Flows - Proprietary Funds

For the Year Ended June 30, 2014

	<b>Business-type Activity</b>
	<b>Enterprise Fund</b>
	<b>Cafeteria</b>
	<b>Fund</b>
<b>Cash flows from operating activities</b>	
Cash received from customers	\$ 330,164
Cash received from government	297,979
Payments to suppliers and employees	(808,461)
Net cash provided (used) by operating activities	(180,318)
Net increase in cash and cash equivalents	(180,318)
Balances-beginning of the year	78,633
Balances-end of the year	\$ (101,685)
Displayed as:	
Cash and cash equivalents	\$ (101,685)
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ (89,213)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	2,933
Change in assets and liabilities:	
(Increase) decrease in receivables	48,938
accrued expenses	(142,976)
Net cash provided (used) by operating activities	\$ (180,318)

The accompanying notes are an integral part of this statement.



**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Net Position - Fiduciary Funds

June 30, 2014

	<u>Police Pension Trust</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>	<u>Total Fiduciary Funds</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 189,125	\$ 510,441	\$ 155,302	\$ 854,868
Investments, at fair value				
Cash management investment fund		10,126		10,126
Fixed income bond funds	2,343,205			2,343,205
Domestic Stocks	<u>6,316,238</u>	<u>-</u>	<u>-</u>	<u>6,316,238</u>
Total investments	<u>8,659,443</u>	<u>10,126</u>	<u>-</u>	<u>8,669,569</u>
Total assets	<u>8,848,568</u>	<u>520,567</u>	<u>155,302</u>	<u>9,524,437</u>
<b>Deferred outflows of resources</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 8,848,568</u>	<u>\$ 520,567</u>	<u>\$ 155,302</u>	<u>\$ 9,524,437</u>
<b>Liabilities</b>				
Due to other funds	\$ -	\$ 3,259	\$ -	\$ 3,259
Deposits held	<u>-</u>	<u>-</u>	<u>155,302</u>	<u>155,302</u>
Total liabilities	<u>-</u>	<u>3,259</u>	<u>155,302</u>	<u>158,561</u>
<b>Deferred inflows of resources</b>				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Restricted	<u>8,848,568</u>	<u>517,308</u>	<u>-</u>	<u>9,365,876</u>
Total net position	<u>8,848,568</u>	<u>517,308</u>	<u>-</u>	<u>9,365,876</u>
Total liabilities and net position	<u>\$ 8,848,568</u>	<u>\$ 520,567</u>	<u>\$ 155,302</u>	<u>\$ 9,524,437</u>

The accompanying notes are an integral part of this statement.

**TOWN OF TIVERTON, RHODE ISLAND**

Statement of Changes in Net Position - Fiduciary Funds

For the Year Ended June 30, 2014

	<u>Police Pension Trust</u>	<u>Private Purpose Trust Funds</u>	<u>Total Fiduciary Funds</u>
<b>Additions</b>			
Employer contributions	\$ 825,000	\$ -	\$ 825,000
Plan member contributions	166,440	-	166,440
Investment income (net of related fees)	1,157,063	1,800	1,158,863
Other	<u>-</u>	<u>31,150</u>	<u>31,150</u>
 Total additions	 <u>2,148,503</u>	 <u>32,950</u>	 <u>2,181,453</u>
<b>Deductions</b>			
Benefits paid	765,309	-	765,309
Per trust agreements	<u>-</u>	<u>31,485</u>	<u>31,485</u>
 Total additions	 <u>765,309</u>	 <u>31,485</u>	 <u>796,794</u>
Other financing sources (uses):			
Changes in fund equity held in trust for individuals, organizations, and other governments			
	1,383,194	1,465	1,384,659
Net position, July 1, 2013	<u>7,465,374</u>	<u>515,843</u>	<u>7,981,217</u>
Net position, June 30, 2014	<u>\$ 8,848,568</u>	<u>\$ 517,308</u>	<u>\$ 9,365,876</u>

The accompanying notes are an integral part of this statement.

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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### **Note 1. Summary of Significant Accounting Policies:**

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

#### **A. Financial Reporting Entity**

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

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

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 61, "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 has no reportable component units.

#### **B. Government-Wide Financial Statements**

The government-wide statement of net position and statement of activities display information about the Town as a whole. They include all funds of the Town except for fiduciary funds and distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The government-wide statement of activities presents a comparison between expenses and program revenue for each function of the Town's governmental activities. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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### Note 1. Summary of Significant Accounting Policies (Continued):

#### C. Fund Financial Statements

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

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

All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Fund types used by the Town and a description of the funds comprising each are as follows:

#### 1. Governmental Funds

Governmental funds are used to account for operations that supply basic government services. The Town uses the following governmental funds:

- a. **The General fund** is the primary operating fund of the Town and is always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in another fund.
- b. **Special Revenue funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
- c. **Capital Projects funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays.
- d. **Debt Service funds** are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.
- e. **Permanent funds** are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs. The Town does not have any permanent funds.

#### 2. Proprietary Funds

Proprietary funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Both of the Town's enterprise funds, Land Acquisition Fund and Cafeteria Fund, are major funds. The Land Acquisition Fund is used to account for the purchase of land for use by the town and fees and the expenses associated with maintaining the land for future use. The Cafeteria Fund is used to account for the school lunch program and expenses related to providing breakfast and lunch to Tiverton students. The Town has no internal service funds.

# TOWN OF TIVERTON, RHODE ISLAND

Notes to the Basic Financial Statements

June 30, 2014

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## Note 1. Summary of Significant Accounting Policies (Continued):

### 3. *Fiduciary Funds*

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

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

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

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

### D. *Measurement Focus and Basis of Accounting*

#### 1. *Government Wide Financial Statements*

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

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

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

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services, fines, or privileges provided, 2) operating grants and contributions and 3) capital grants and operations. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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**Note 1. Summary of Significant Accounting Policies (Continued):**

**D. Measurement Focus and Basis of Accounting (Continued)**

**2. Fund Financial Statements**

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

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

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

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

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

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

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

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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**Note 1. Summary of Significant Accounting Policies (Continued):**

***D. Measurement Focus and Basis of Accounting (Continued)***

***2. Fund Financial Statements (Continued)***

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

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

***E. Financial Statement Amounts***

***1. Cash and Cash Equivalents***

Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition.

Under Rhode Island general laws, depository institutions must insure deposits of municipalities or pledge eligible collateral equal to 100% of deposits maturing in greater than 60 days. Any institution not meeting certain federally prescribed minimum capital standards must insure deposits or provide collateral regardless of date of maturity. The Town complied with these requirements.

***2. Investments***

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

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

***3. Receivables***

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

***4. Property Taxes***

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were 97.14% of the total December 31, 2012 levy. The Town's fiscal 2014 property taxes were levied in July of 2013 on assessed valuation as of December 31, 2012.

Upon levy, taxes are billed quarterly and are due on July 1, October 1, January 1 and April 1. Assessed values are established by Tax Assessor's Office and are currently calculated at 100% of assessed value for real estate and 100% of market value for motor vehicles.

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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### Note 1. Summary of Significant Accounting Policies (Continued):

#### E. Financial Statement Amounts (Continued)

##### 5. Capital Assets

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

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

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

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

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

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

##### 6. Vacation, Sick Leave, and Other Compensated Absences

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

*Continued*



# TOWN OF TIVERTON, RHODE ISLAND

Notes to the Basic Financial Statements

June 30, 2014

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**Note 1. Summary of Significant Accounting Policies (Continued):*****E. Financial Statement Amounts (Continued)******6. Vacation, Sick Leave, and Other Compensated Absences (Continued)***

Town employees are entitled to vacation based on length of service. Up to two weeks of vacation days (10 days) are allowed to carry over to succeeding years only with written permission of the Department Head and the Town Administrator. Town employees are entitled to 18 sick days per year of service accruing at the rate of 1.5 days per month cumulative to two hundred (200) days. For all employees hired on or after January 1, 2009, Town employees are entitled to 15 sick days per year of service accruing at the rate of 1¼ day per month cumulative to one hundred fifty (150) days.

Police employees are entitled to vacation based on length of service. Vacation days must be used within the fiscal year. Police are entitled to sick leave at the rate of 17 working days per year. Sick days shall be accumulative to 145 overall working days.

Fire employees are entitled to vacation based on length of service. Vacations may be taken by the employee in accordance with his desires so that all personnel will be able to apply for their vacation days by the 15th of June of each year. Sick leave shall be earned at a rate of 1¾% working days for each full calendar month of service; provided, however, that sick leave shall not accrue in excess of 21 working days per calendar year, and further provided, however, that sick leave shall not accrue in excess of 145 working days.

Public Works employees are entitled to vacation based on length of service. Up to 25 days of vacation are allowed to carry over to succeeding years. Public Works employees are entitled to 1.25 sick days per month worked. Sick leave cumulative to 3 days.

***7. Long-Term Liabilities***

For long-term liabilities, only that portion, which is matured, is reported as a fund liability of a governmental fund. All long-term liabilities are reported in government-wide financial statement of net position.

***8. Deferred Inflows of Resources (formerly known as 'deferred revenue')***

In the governmental fund financial statement, deferred inflows of resources represent funds received in advance of being owed or receivables which will be collected and included in revenues of future fiscal years.

In the General fund, deferred inflows of resources relate to revenue that is measurable, but not available.

In the Special Revenue funds, deferred inflows of revenues represents amounts received in advance of expenditures incurred for certain grants.

In the government-wide financial statements revenue is recorded when earned. Therefore, for these statements deferred inflows of resources represents only unearned revenues.

***9. Encumbrances***

Encumbrance accounting, under which purchase orders, contracts and other commitments for fund expenditures and/or expense are recorded in order to reserve portions of applicable appropriations, is employed in the governmental and business-type funds.

# TOWN OF TIVERTON, RHODE ISLAND

Notes to the Basic Financial Statements

June 30, 2014

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## Note 1. Summary of Significant Accounting Policies (Continued):

### E. Financial Statement Amounts (Continued)

#### 10. Equity Classifications

##### A. Government-Wide Statements

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

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

##### B. Governmental Fund Financial Statements

The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. Listed below are the new fund balance categories and their definitions.

- **Non-spendable** - amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact
- **Restricted** - amounts that have been restricted to specific purposes either by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- **Committed** - amounts constrained to specific purposes by the Town, using its highest level of decision-making authority
- **Assigned** - amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed
- **Unassigned** - amounts available for any purpose; these amounts are reported only in the general fund.

*Continued*

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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**Note 1. Summary of Significant Accounting Policies (Continued):**

**E. Financial Statement Amounts (Continued)**

**10. Equity Classifications**

**B. Governmental Fund Financial Statements (Continued)**

The Town has set classification policies and procedures for the above noted level of fund balance reporting.

- a) For committed fund balances: the Town Council is the highest level of decision making authority and a meeting of the Town Council is required to establish, modify or rescind a fund balance commitment.
- b) For assigned fund balance: The Town Administrator and Treasurer are authorized to assign amounts to a purpose and with authorization given by the Town Council.
- c) 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 and considers committed amounts to have been spent when and expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

**11. Revenues, Expenditure and Expenses**

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

**12. Program Revenues and Expenses**

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

**13. Bond Premiums**

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

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

**14. Interfund Activity**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

*Continued*

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to Basic Financial Statements

June 30, 2014

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### Note 1. Summary of Significant Accounting Policies (Continued):

#### E. Financial Statement Amounts (Continued)

##### 15. Use of Estimates

The preparation of basic 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 period. Actual results could differ from those estimates.

#### F. Implementation of New Accounting Principles

For the year ending June 30, 2014, the Town implemented the following pronouncements issued by the GASB:

- GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* (early implementation in fiscal year 2013)
- GASB Statement No. 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*
- GASB Statement No. 67, *Financial Reporting for Pension Plans*
- GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Management elected to implement this GASB Statement during fiscal year 2013 (early implementation) in order to improve financial reporting by clarifying the appropriate use of the financial statement elements (deferred outflows of resources and deferred inflows of resources) to ensure consistency in financial reporting.

The implementation of GASB Statement No.'s 66 and 70 had no material reporting impact for the Town.

### Note 2. Budgetary Data and Budgetary Compliance:

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

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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### **Note 2. Budgetary Data and Budgetary Compliance (Continued):**

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

### **Note 3. Stewardship, Compliance and Accountability:**

#### *Legal Debt Margin*

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$58,351,504 based on the December 31, 2013 assessment. As of June 30, 2014 the Town's debt is under the debt limit by \$26,746,504. In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of Tiverton can authorize bond issues pursuant to a special act of the RI General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit, but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt. See the statistical section for computation of the legal debt margin.

### **Note 4. Cash and Investments:**

#### *Deposits:*

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

#### *Investments:*

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

#### *Interest Rate Risk:*

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

#### *Concentrations:*

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

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 4. Cash and Investments (Continued):**

*Custodial Credit Risk*

*Deposits:*

This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2014, the Town owned bank balances of \$16,326,713 were fully insured within each financial institution or through a third party collateralization agreement. Information on the Town's book balance of \$15,516,947 is provided below.

*Investments:*

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

Cash and investment of the Town consist of the following at June 30, 2014:

<b><i>Cash and Cash Equivalents</i></b>	
Deposits with financial institutions	\$ 15,516,947
<b><i>Investments</i></b>	
Certificate of Deposits	367,010
Government and agency obligations	2,773,709
Corporate bonds	288,971
Fixed income funds	4,060,505
Domestic stocks	6,316,238
<b><i>Total Cash and Investments</i></b>	<b><u>\$ 29,323,380</u></b>

Cash and investments are classified in the accompanying financial statements as follows:

<b><i>Statement of Net Assets</i></b>	
Cash and cash equivalents	\$ 14,651,953
Investments	5,146,990
<b><i>Fiduciary Funds</i></b>	
Cash and cash equivalents	864,994
Investments	8,659,443
<b><i>Total Cash and Investments</i></b>	<b><u>\$ 29,323,380</u></b>

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 4. Cash and Investments (Continued):**

*Interest Rate Risk:*

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the town's debt type investments to this risk using the segment time distribution model is as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1 - 5 Years	6 - 10 Years	Over 10 Years
Certificate of Deposits	\$ 469,197	\$ 367,010	\$ 102,187	\$ -	\$ -
Government Securities	660,255	518,148	142,107		
Corporate Bonds	288,971		103,858		185,113
Mutual Funds	941,883	944,173			
Fixed Index Annuity	1,069,384	1,069,384			
Fixed Income	<u>1,717,300</u>	<u>1,717,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 5,146,990</u>	<u>\$ 4,616,015</u>	<u>\$ 348,152</u>	<u>\$ -</u>	<u>\$ 185,113</u>

*Credit Risk:*

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

Moody's Average Rating	Corporate Bonds
A1	\$ 53,827
A2	82,866
Baa1	102,247
Baa2	<u>50,031</u>
	<u>\$ 288,971</u>

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 5. Interfund Receivables and Payables**

Inter-fund receivables represent loans to various funds for use in operations. These amounts are expected to be repaid at certain future dates. Below are balances at June 30, 2014.

	<b>Due from Other Funds</b>	<b>Due to Other Funds</b>
<b><u>Major Governmental Funds</u></b>		
General Fund	\$ 458,206	\$ 5,079,434
School Unrestricted	3,979,454	130,631
<b><u>Non-Major Governmental Funds</u></b>		
Special Revenue Funds	763,084	22,041
Capital Projects		340,251
<b><u>Proprietary Funds</u></b>		
Land Acquisition Fund	248,849	-
Cafeteria Fund	126,023	-
<b><u>Fiduciary Funds</u></b>		
Private Purpose Trust Funds	-	3,259
Totals	\$ 5,575,616	\$ 5,575,616

Transfers are made to provide revenue for annual expenditures of various funds. Transfers are not expected to be repaid to the originating (source) fund. Listed below is the transfer activity for fiscal year ended June 30, 2014.

	<b>Transfers In</b>	<b>Transfers Out</b>
<b><u>Major Governmental Funds</u></b>		
General Fund	\$ 20,223	\$ 22,974,050
School Unrestricted	22,974,050	126,023
<b><u>Non-Major Governmental Funds</u></b>		
Special Revenue Funds	47,799	168,022
Capital Projects	100,000	-
<b><u>Proprietary Funds</u></b>		
Cafeteria Fund	126,023	-
Totals	\$ 23,268,095	\$ 23,268,095

**Note 6. Property Taxes**

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

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



**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 7. Capital Assets**

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

Capital asset activity for the fiscal year ended June 30, 2014 was as follows:

	<u>Balance</u> <u>July 1, 2013, Restated</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2014</u>
<b><u>Governmental Activities:</u></b>				
Capital assets not being depreciated:				
Land	\$ 4,166,486	\$ -	\$ -	\$ 4,166,486
Construction in progress	<u>73,397</u>	<u>1,866,621</u>	<u>73,397</u>	<u>1,866,621</u>
Subtotal	<u>4,239,883</u>	<u>1,866,621</u>	<u>73,397</u>	<u>6,033,107</u>
Other Capital Assets:				
Buildings and improvements	47,183,289	843,896		48,027,185
Motor vehicles	5,140,389	286,877		5,427,266
Infrastructure	7,210,246	214,557		7,424,803
Machinery and equipment	<u>2,756,580</u>	<u>116,189</u>	<u>-</u>	<u>2,872,769</u>
Subtotal	<u>62,290,504</u>	<u>1,461,519</u>	<u>-</u>	<u>63,752,023</u>
Accumulated Depreciation:				
Buildings and improvements	13,404,358	1,058,168		14,462,526
Motor vehicles	3,586,665	278,057		3,864,722
Infrastructure	4,818,926	270,584		5,089,510
Machinery and equipment	<u>1,376,501</u>	<u>183,433</u>	<u>-</u>	<u>1,559,934</u>
Subtotal	<u>23,186,450</u>	<u>1,790,242</u>	<u>-</u>	<u>24,976,692</u>
Net other capital assets	<u>39,104,054</u>	<u>(328,723)</u>	<u>-</u>	<u>38,775,331</u>
Net capital assets	<u>\$ 43,343,937</u>	<u>\$ 1,537,898</u>	<u>\$ 73,397</u>	<u>\$ 44,808,438</u>

Depreciation was charged to functions as follows:

General government	\$ 14,592
Public safety	292,360
Public works	355,397
Parks and recreation	21,225
Education	<u>1,106,668</u>
	<u>\$ 1,790,242</u>

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 7. Capital Assets (Continued)**

	<u>Balance July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2014</u>
<b><u>Business Type Activities:</u></b>				
Capital assets not being depreciated:				
Land	\$ 3,500,000	\$ -	\$ -	\$ 3,500,000
Subtotal	<u>3,500,000</u>	<u>-</u>	<u>-</u>	<u>3,500,000</u>
Other Capital Assets:				
Machinery and equipment	<u>20,539</u>	<u>-</u>	<u>-</u>	<u>20,539</u>
Subtotal	<u>20,539</u>	<u>-</u>	<u>-</u>	<u>20,539</u>
Accumulated Depreciation:				
Machinery and equipment	<u>12,079</u>	<u>2,934</u>	<u>-</u>	<u>15,013</u>
Subtotal	<u>12,079</u>	<u>2,934</u>	<u>-</u>	<u>15,013</u>
Net other capital assets	<u>8,460</u>	<u>(2,934)</u>	<u>-</u>	<u>5,526</u>
Net capital assets	<u>\$ 3,508,460</u>	<u>\$ (2,934)</u>	<u>\$ -</u>	<u>\$ 3,505,526</u>
Depreciation was charged to functions as follows:				
Education	<u>\$ 2,934</u>			

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 8. Long-Term Debt**

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

Long-term liability activity for the fiscal year ended June 30, 2014 was as follows:

	<b>Balance July 1, 2013</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance June 30, 2014</b>	<b>Due within one year</b>
<b>Governmental activities</b>					
Bonds and notes payable					
Bonds payable	\$ 33,615,000	\$ -	\$ 2,010,000	\$ 31,605,000	\$ 1,980,000
Total bonds payable	<u>33,615,000</u>	<u>-</u>	<u>2,010,000</u>	<u>31,605,000</u>	<u>1,980,000</u>
Capital Leases	1,059,800	193,500	207,437	1,045,863	208,127
Other port-employment benefit obligation	4,388,364	443,291	-	4,831,655	
Net pension obligation	1,924,170		256,180	1,667,990	
Landfill closure and postclosure care costs	4,651,127	1,174,149		5,825,276	
Accrued compensated absences	<u>1,156,293</u>	<u>59,070</u>	<u>106,388</u>	<u>1,108,975</u>	<u>5,730</u>
Total long-term obligations	<u>13,179,754</u>	<u>1,870,010</u>	<u>570,005</u>	<u>14,479,759</u>	<u>213,857</u>
Total government-wide obligations	<u>\$ 46,794,754</u>	<u>\$ 1,870,010</u>	<u>\$ 2,580,005</u>	<u>\$ 46,084,759</u>	<u>\$ 2,193,857</u>

Maturities of long-term debt for the year ending June 30, 2015 through 2029 are as follows:

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ 1,980,000	\$ 1,510,771	\$ 3,490,771
2016	2,055,000	1,431,840	3,486,840
2017	2,135,000	1,348,690	3,483,690
2018	2,210,000	1,256,697	3,466,697
2019	2,305,000	1,153,975	3,458,975
2020-2024	11,695,000	4,098,825	15,793,825
2025-2029	<u>9,225,000</u>	<u>1,230,763</u>	<u>10,455,763</u>
	<u>\$ 31,605,000</u>	<u>\$ 12,031,560</u>	<u>\$ 43,636,560</u>

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 8. Long-Term Debt (Continued)**

The Town and school has entered into capital leases for various equipment. The following is a schedule of the minimum future payments as of June 30, 2014:

<b>Year End</b>	<b>Town &amp; School <u>Lease Payments</u></b>
2015	\$ 208,127
2016	186,680
2017	182,760
2018	141,357
2019	106,138
Thereafter	<u>220,800</u>
Future minimum rental payments	1,045,862
Interest portion of payments	<u>179,656</u>
Obligation under capital leases	<u><u>\$ 1,225,518</u></u>

As of June 30, 2014, all capital leases are scheduled to be paid off as of June 30, 2022.

The Town and school has entered into various operating leases for rentals of office copy equipment. Operating lease expenses totaled \$34,111 for 2014 for the governmental funds. The following is a schedule of minimum lease payments:

<b>Year End</b>	<b>Town &amp; School <u>Lease Payments</u></b>
2015	\$ 29,686
2016	20,484
2017	6,047
2018	<u>865</u>
Future minimum rental payments	57,082
Interest portion of payments	<u>-</u>
Obligation under capital leases	<u><u>\$ 57,082</u></u>

**Note 9. Landfill Closure and Postclosure Care Costs**

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

State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after its closure.

# TOWN OF TIVERTON, RHODE ISLAND

## Notes to the Basic Financial Statements

June 30, 2014

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### Note 9. Landfill Closure and Postclosure Care Costs (Continued)

The most recent study performed by the PARE Corporation in November 2011, had estimated that at the current landfilling rate (3,000 tons/year) the Tiverton landfill will reach capacity between January 2017 and January 2018. PARE's opinion of probable construction cost to cap the landfill, in 2011 dollars, is approximately \$8.0M. However it should be noted that this is an approximate cost, and the actual cost to close the landfill will be based on the availability of materials and economic climate at the time of closure. The cost of many of the materials used in landfill capping, specifically the petroleum-based products like the plastic capping material, are tied to highly volatile commodities markets, and therefore, are very difficult to predict prior to the actual landfill closure.

To fund the landfill closure costs, the Town has restricted all net funds received from the pay-as-you-throw trash bag program. For fiscal years 2013 and 2014, the Town has set aside \$433,649 and \$398,656 respectively. As of June 30, 2014, the Town has accumulated \$5,825,276 in the Landfill Closure Capital Project Fund.

### Note 10. Other Post Retirement Benefits

#### Plan Description

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

#### Plan Types

Medical: Blue Cross Classic/Blue Cross Blue Shield RI or Healthmate Coast to Coast  
Dental: Delta Dental of Rhode Island  
Life: \$50,000 Term Life Insurance

#### Eligibility - Medical, Dental

Police employees: 20 years of service or attainment of age 55, whichever comes first. Fire employees: Any age with 20 years.  
School employees: Age 55 with 20 years of service  
Town Employees: Age 58 with 10 years, (those hired after July 1, 1993 shall not receive retiree medical coverage). Members covered by the Teamsters contract shall receive retiree medical insurance upon attainment of age 58 with 25 years of service, which shall end upon attainment of age 65 (those hired after July 1, 1994 shall not receive retiree medical coverage)

#### Benefit/Cost Sharing - Medical

Police Employees: Family and Individual plans employee pays \$900.00 per year.  
Fire Employees: Individual Plan employee pays \$520 per year, Family Plan employee pays \$1,040 per year.  
Town Employees: Members of Teamsters Union, no cost sharing, all others pay a fixed deductible amount.  
School Employees: Individual Plan, 25% to 50% based on age & service, Family Plan 25% to 50% based on age and service.

*Continued*

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 10. Other Post Retirement Benefits (Continued)**

**Benefit/Cost Sharing - Dental**

Police Employees: None  
 Fire Employees: None  
 Town Employees: None  
 School Employees: Individual Plan, 25% to 50% based on age & service, Family Plan 25% to 50% based on age and service.

**Eligibility - Life Insurance**

Town Employees: The Town does not provide life insurance in retirement.  
 School employees: Age 55 with 20 years of service until the age of 65.

**Membership**

	Medical	Dental	Life
Active	274	274	208
Retirees	96	95	53
Total	370	369	261

**Funding Policy**

Contribution requirements are negotiated between the Town and the respective unions and employees. For the fiscal year ended June 30, 2014, the plan operated on a pay as you go basis and no provision has been made to fund future benefits to be provided to plan members. For the fiscal year ended June 30, 2014 the Town contributed \$1,286,220 to the plan. The Police and Fire personnel have agreed to contribute to the OPEB cost.

**Annual OPEB Funded Status and Net OPEB Obligation**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
7/1/2011	-	24,271,652	(24,271,652)	0%	N/A	N/A
7/1/2012	-	24,492,216	(24,492,216)	0%	N/A	N/A
7/1/2013	-	24,689,939	(24,689,939)	0%	N/A	N/A

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to Financial Statements

June 30, 2014

**Note 10. Other Post Retirement Benefits (Continued)**

**Annual OPEB Funded Status and Net OPEB Obligation (Continued)**

*Annual OPEB Cost and Net OPEB Obligation:* Below are the required pension obligation presentations per GASB 45 for the fiscal year ended June 30, 2014.

Annual required contribution	\$ 2,542,567
Interest on OPEB obligation	153,593
Adjustment to annual required contribution	(368,136)
Amortization of actuarial (gains)/losses	<u>(598,513)</u>
Annual OPEB cost	1,729,511
Employer contributions	<u>1,286,220</u>
Increase (decrease) in OPEB obligation	443,291
Net OPEB obligation beginning of year	<u>4,388,366</u>
Net OPEB obligation end of year	<u><u>\$ 4,831,657</u></u>

**Required Contributions:**

<u>Years Ending June 30</u>	<u>Town's Portion of Annual Required Contributions</u>	<u>Percentage Contributed</u>
2012	\$ 2,459,295	55.22%
2013	\$ 2,485,785	52.01%
2014	\$ 2,542,567	50.59%

**Actuarial Methods and Assumptions**

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

Valuation Date:	July 1, 2012
Interest Rate	3.50%
2014 Medical Trend Rate	5.00%
2014 Dental Trend Rate	5.00%
General Inflation Assumption	2.50%
Annual Compensation Increases	3.00%
Actuarial Value of Assets	Market Value
Amortization of UAAL	30 Years
Remaining Amortization Period	25 Years

## TOWN OF TIVERTON, RHODE ISLAND

### Notes to the Basic Financial Statements

June 30, 2014

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#### Note 11. Pension Plans

Effective July 1, 2012, the State administered retirement system which covers local teachers and certain municipal employees was modified to include both defined benefit and defined contribution plan components.

##### **Employees' Retirement System (ERS) – Defined Benefit Plan**

###### ***a. Plan Description***

All full-time teachers, principals, school nurses and certain other school officials (including the superintendent) in the Town of Tiverton's school system must participate in ERS, a cost-sharing multiple employer defined benefit plan administered by the Employees' Retirement System of Rhode Island (the System). The plan provides retirement, death and disability benefits (as well as annual cost of living allowances if certain conditions have been met) as outlined in Chapters 36-10 and 16-16 of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly.

The system issues a public available financial report that includes financial statements and required supplementary information for the Town. The financial report may be obtained from the Employee's Retirement System, 50 Service Avenue, 2<sup>nd</sup> floor, Warwick, RI 02886 or by accessing their website at [www.ersri.org](http://www.ersri.org).

###### ***b. Funding Policy***

The funding policy is outlined in RIGL sections 16-16-22 and 36-10-2 (which can be amended by the Rhode Island General Assembly). Active plan members must contribute 3.75% of his/her compensation. The Town of Tiverton and the State are collectively required to contribute at an actuarially determined rate expressed as a percentage of total compensation paid to the active membership. The employer contribution is split and paid 40% by the State and 60% by the school district with the exception of teachers who work in federally funded programs where 100% is paid by the school district and reimbursed by the federal government. For fiscal 2014, the total employer rate 20.68% (8.42% State share and 12.26% local share). The State share of the employer contribution rate includes the total cost of prior contribution deferrals which was .24% for fiscal 2014.

The Town of Tiverton contributed \$1,696,088, \$1,486,008 and \$1,651,299 during the fiscal years 2014, 2013 and 2012, respectively, equal to 100% of the actuarially required contributions for those respective years. For financial reporting purposes, the State's share of contributions are reflected as on behalf-payments and are included as both revenue and expenditures in the accompanying financial statements.

##### **Teachers Survivor Benefits**

The plan provides a survivor benefit to public school teachers in lieu of Social Security as outlined in sections 16-16-25 through 16-16-38 of the Rhode Island General Laws (RIGL). Spouse, parents, family or children's benefits are payable upon death of a member. In lieu of a survivor benefit, members may opt to receive a lump sum return of their contributions plus interest upon retirement. The benefits may be amended by the Rhode Island General Assembly.

The cost of the benefits provided by the plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of \$9,600; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the school district. These contributions are in addition to the contributions required for regular pension benefits.

The town contributed \$18,660, \$18,518 and \$18,116 during the fiscal years 2014, 2013 and 2012, respectively, equal to 100% of the required contributions for those respective years.



## TOWN OF TIVERTON, RHODE ISLAND

Notes to the Basic Financial Statements

June 30, 2014

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### Note 11. Pension Plans (Continued)

#### Teachers Survivor Benefits (Continued)

Effective July 1, 2012, the State administered retirement system was modified to include both defined benefit and defined contribution plan components. General employees participate in a hybrid plan that combines both a defined benefit plan and a defined contribution plan. Police and fire employees participate only in the defined benefit plan unless they do not participate in Social Security in which case they also participate in the defined contribution plan.

#### Municipal Employees' Retirement System (MERS) - Defined Benefit Plan

##### *a. Plan Description*

All full-time Town of Tiverton (excluding police) employees participate in MERS, an agent multiple-employer defined benefit plan administered by the Employees' Retirement System of Rhode Island (the System). The plan provides retirement, death and disability benefits and an optional cost of living adjustment (COLA) as outlined in Chapter 45-21 and Chapter 45-21.2 of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly.

#### General Employee units

Retirement eligibility and plan benefits - Service credits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act. Beginning July 1, 2012, members receive a benefit accrual of 1.0% per year. Effective July 1, 2012 the retirement age mirrors the Social Security Normal Retirement Age not to exceed age 67. Benefits are based on the five-year average compensation multiplied by the accumulated service credit percentage. Joint and survivor retirement benefit options are available.

#### Police and Fire units

Retirement eligibility and plan benefits - Effective July 1, 2012 the benefit accrual for all plans is 2.0% per year based on the five-year average compensation, exclusive of overtime. Retirement age is 55 years old with 25 years of total service or for members with five years of service but less than 25 years of service the new retirement age will mirror the Social Security Normal Retirement Age not to exceed 67. Police officers or firefighters who were at least 45 years old, had 10 or more years of contributing service and were eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52. Police and fire employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility. The actuarially reduced benefit is calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act. Joint and survivor retirement benefit options are available.

#### For MERS units electing the Cost of Living Adjustment option

Cost of Living Adjustments - Pursuant to the Rhode Island Retirement Security Act, the Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision can be reviewed in a five-year interval. When the funding level of a plan exceeds 80%, eligible retirees may receive a COLA annually effective on their date of retirement plus one month. The COLA will be calculated as the five (5) year smoothed investment rate of return less 5.50%, with a 0.00% floor and a 4.00% cap. COLA will be delayed until the later of age 55 or three years after retirement. The COLA will be applied to the first \$25,000 of benefits indexed annually.

*Continued*

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 11. Pension Plans (Continued)**

**For all MERS units**

***Disability retirement provisions*** - The plan also provides nonservice-connected disability benefits after 5 years of service; service-connected disability pensions with no minimum service requirement.

***b. Plan Funding Policy***

The funding policy is outlined in RIGL sections 45-21-41, 45-21-42, 45-21.2-14 and 45-21-52 (which can be amended by the Rhode Island General Assembly).

**General Employee units**

Active non police and fire members must contribute 2% with COLA of his/her compensation.

**Police and Fire units**

Active police and fire members must contribute 8% with COLA of his/her compensation.

The Town of Tiverton is required to contribute at an actuarially determined rate expressed as a percentage of total compensation paid to the active membership. The rate for fiscal year 2014 was 12.26%.

***c. Annual Pension Cost***

The Town of Tiverton's annual pension cost of \$395,139 for MERS was equal to the Town of Tiverton's required and actual contributions.

**General Employee unit:**

Three Year Trend Information for MERS (amounts in thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2014	\$128,080	100%	\$128,080
6/30/2013	130,197	100%	158,238
6/30/2012	78,917	100%	100,793

**General Employee Tiverton Local 2670A unit:**

Three Year Trend Information for MERS (amounts in thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2014	\$97,057	100%	\$97,057
6/30/2013	88,835	100%	158,238
6/30/2012	68,567	100%	100,793

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 11. Pension Plans (Continued)**

**Fire Employee unit:**

Three Year Trend Information for MERS (amounts in thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<u>Ending</u>	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/2014	\$170,002	100%	\$170,002
6/30/2013	124,899	100%	124,623
6/30/2012	156,305	100%	156,525

The required contribution for fiscal 2014 was determined as part of the actuarial valuation performed as of June 30, 2011. The most recent valuation of the plans within the system was performed as of June 30, 2013. The actuarial methods and assumptions used in those valuations are summarized in the following table.

**Summary of Actuarial Assumptions Used in the MERS  
June 30, 2011 and June 30, 2013 Valuations**

<b>Actuarial Cost Method</b>	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
<b>Amortization Method</b>	Level Percent of Payroll – Closed
<b>Equivalent Single Remaining Amortization Period</b>	25 years as of June 30, 2010 23 years as of June 30, 2012
<b>Asset Valuation Method</b>	5 Year Smoothed Market
<b>Actuarial Assumptions:</b>	
<b>Investment Rate of Return</b>	7.50%
<b>Projected Salary Increases</b>	<u>General Employees</u> 4.00% to 8.00% <u>Police &amp; Fire Employees</u> 4.25% to 14.25%
<b>Inflation</b>	2.75%

Cost of Living Adjustments are equal to the average five-year fund asset performance (percent) greater than 5.5% up to a maximum of 4% - the COLA is to be applied to the first \$25,000 of benefits, indexed over time. COLA is delayed until the later of Social Security eligibility age or 3 years after retirement. For MERS Police and Fire, COLA is delayed until the later of age 55 or 3 years after retirement. A 2% COLA is assumed after July 1, 2012.

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 11. Pension Plans (Continued)**

***d. Funded Status and Funding Progress***

The schedule of funding progress, presented as required supplementary information 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 for benefits.

**General Employees**

<u>Actuarial Valuation Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) - Entry Age <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
June 30, 2013	\$11,836,958	\$9,778,577	(\$2,058,381)	121%	\$3,024,759	-68 %

**General Employees Tiverton Local 2670A**

<u>Actuarial Valuation Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) - Entry Age <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
June 30, 2013	\$3,596,462	\$3,750,566	\$154,104	96%	\$978,804	16 %

**Fire Employees Unit:**

<u>Actuarial Valuation Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) - Entry Age <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percentage of Covered Payroll <u>((b-a)/c)</u>
June 30, 2013	\$8,991,760	\$10,470,507	\$1,478,747	86%	\$1,675,160	88%

The System issues an annual financial report that includes financial statements and required supplementary information for all of the plans it administers. The reports can be obtained at [www.ersri.org](http://www.ersri.org).

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

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**Note 11. Pension Plans (Continued)**

**State and TIAA-CREF defined contribution plan covering teachers in ERS and certain municipal employees participating in MERS.**

**Defined Contribution Plan**

***a. Plan Description:***

Employees participating in the defined benefit plan(s), as described above, also participate in a defined contribution plan of the Employees' Retirement System as authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF and the Employees' Retirement System of Rhode Island (the System). Employees may choose among various investment options available to plan participants.

Employee contributions are immediately vested while employer contributions are vested after three years of contributory service. Contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

Amounts in the defined contribution plan are available to participants in accordance with Internal Revenue Service guidelines for such plans.

**Municipalities with teachers that do not contribute to Social Security:**

***b. Plan Funding Policy***

The funding policy is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Active plan members must contribute 7% of his/her compensation and the town is required to contribute 2.6%. The plan members and town contributed \$863,324 and \$324,832, respectively, during the fiscal year ended June 30, 2014.

**Municipalities with general employees (not police and fire units) in MERS that contribute to Social Security:**

***c. Plan Funding Policy***

The funding policy is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Active non-police and fire members must contribute 5% of his/her compensation and the town is required to contribute 1%. The plan members and town contributed \$211,809 and \$42,607, respectively, during the fiscal year ended June 30, 2014.

**For all employers with employees that contribute to the State administered Defined Contribution Plan:**

The System issues an annual financial report that includes financial statements and required supplementary information for all of the plans it administers. The reports can be obtained at [www.ersri.org](http://www.ersri.org).

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

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**Note 11. Pension Plans (Continued)**

**Police Pension Plan (GASB 67)**

**Summary of Significant Accounting Policies**

*Method used to value investments.* Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. By contract, an independent appraisal is obtained once every year to determine the fair market value of the real estate assets.

**Plan Description**

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

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

Article 15 of the Regulations of the State grants the authority to establish and amend the benefit terms to the Police Pension Board of Trustees (PPB).

The Board of the Police Pension Plan, consists of five members - Town Administrator, Police Chief, Town Treasurer, Donald Bollin (Town Council Member), and R. Ruest (President of the Police Union). Donald Bollin is the only member of the Board who is appointed by the Town Council.

*Plan membership.* At June 30, 2014, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	26
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	29
	<u>55</u>

*Benefits provided.* The Plan provides retirement as well as death and disability benefits. Participants in the Plan are eligible for retirement on the earlier of their 55th birthday or upon completion of 20 or more years of service. The normal retirement benefit is equal to 2.5% of average compensation multiplies by the years of credited service for the first 20 years plus an additional 2% for years in excess of 20 years, subject to a maximum of 75% of average compensation. Those personnel hired after 7/1/2012 are eligible for retirement at the earlier of 55th birthday or upon 25 years of service.

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

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

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 11. Pension Plans (Continued)**

**Plan Description (Continued)**

*Contributions.* The Town establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2014, the active member contribution rate was 10 percent of annual pay, and the Town's contribution rate was 56.7 percent of annual payroll.

**Investments**

*Investment policy.* The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board (PPB) by a majority vote of its members. It is the policy of the PPB to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2014:

Assets Class	Target Allocation
Domestic equity	49.50%
International equity	16.50
Fixed income	26.00
Real Estate	5.50
Cash	0.00
Tangible assets	2.50
	100%

*Concentrations.*

Description	Total Market Value	Percentage
Ishares TR Intermediate GVT/Credit Bond ETF	\$ 681,641	7.70%
Vanguard Short Term Investment Grade-ADM	681,256	7.70
Ishares TR MSCI EA FE Index	444,815	5.03
Ishares TR Russell MIDCAP	968,207	10.94
SODR TR S&P DEP Receipt	975,273	11.02
Third Avenue Real Estate Value	467,348	5.28

*Rate of return.* For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.50 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 11. Pension Plans (Continued)**

**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2014, were as follows:

Total pension liability	\$ 14,003,000
Plan fiduciary net position	<u>8,848,568</u>
Town's net pension liability	<u>\$ 5,154,432</u>
 Plan fiduciary net pension as a percentage of the total pension liability	 63.19%

*Actuarial assumptions.* The total pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

**Economic Assumptions**

Interest rate	7.5% (net of administration expenses paid by the Trust)
Salary increases	3.50%

**Demographic Assumptions**

Mortality	RP-2000 Mortality table for males and females
Disability	Sample disability rates are as follows:

Annual Rates of Disability		
Age	Males	Females
25	0.03%	0.05%
30	0.04	0.06
40	0.07	0.10
50	0.18	0.26
55	0.36	0.49
60	0.9	1.21

Turnover	None Assumed
Retirement	The rate is 50% of the first eligibilty, then the rate is 10% per year thereafter with 100% at age 55 (or first eligible if later.)
Marital Status	80% of participants are assumed to be married with males 3 years older than their female spouses.
COLA adjustments	1.3% increase each year.
Asset Value	Assets are valued at market plus receivables.



**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 11. Pension Plans (Continued)**

**Net Pension Liability of the Town (Continued)**

*Discount rate.* The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the Town, calculated using the discount rate of 7.50 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	<b>1% Decrease (6.50%)</b>	<b>Current Discount Rate (7.50%)</b>	<b>1% Increase (8.50%)</b>
Town's net pension liability	Unknown	5,154,432	Unknown

**Police Pension Plan (GASB 27)**

**Annual Pension Cost and Net Pension Obligations**

The Town's net pension obligation for fiscal year ended June 30, 2014 to the Police Pension Fund is as follows:

Annual required contribution	\$	544,334
Interest on net pension obligation		144,313
Adjustment to annual required contribution		(119,828)
Annual pension cost		568,820
Contributions made		825,000
Increase (decrease) in net pension obligation		(256,180)
Net pension obligation beginning of year		1,924,170
Net pension obligation end of year	\$	1,667,990

## TOWN OF TIVERTON, RHODE ISLAND

Notes to the Basic Financial Statements

June 30, 2014

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### Note 12. Commitments and Contingencies

#### a. Commitments:

##### 1. Old Stone Bridge Project

The Town has entered into an agreement with Rhode Island Department of Transportation for the Old Stone Bridge Beautification Project. The State has agreed to reimburse the Town up to but not exceeding Two Million Six Hundred Fifty Nine Thousand Dollars (\$2,659,000) for the cost of the Project. In fiscal year 2014, the Town of Tiverton incurred approximately \$90,535 worth of expenditures for the "Rehabilitation of Old Stone Bridge" and \$445,014 for the acquisition and site preparation of the "Gas Station Parcel."

##### 2. Library Construction Project

The Town had entered into an agreement with Behan Bros., Inc. for the Library Construction Project. The total contract cost to date is approximately \$7,725,497. This project is being funded through a \$5,675,000 General Obligation Bond Anticipation Note. In fiscal year 2014, the Town of Tiverton incurred approximately \$1,437,899 worth of expenditures for the Library Construction Project.

#### b. Contingencies

##### 1. Faulkner v. Tiverton, pending in Newport County Superior Court

This case concerns the wrongful termination/whistle blower. Plaintiff turned in his supervisor to authorities and was terminated as a result. However, Plaintiff was correct in advising the Town that his supervisor was committing wrongful acts. Liability is clearly against the Town and damages roughly estimate \$20,000 - \$40,000.

##### 2. Bay Street Contamination

This case concerns the contamination, by coal gasification waste fill, of approximately 100 residential properties and Town streets and a Town playground in a several block area of the Town abutting Fall River. The Town was named a Potentially Responsible Party by RIDEM, due to its ownership of the streets and playground.

In 2005, over 100 residents sued the Fall River Gas Company in four different lawsuits in federal court in Rhode Island and Massachusetts and in Rhode Island Superior Court. These cases were consolidated in the United States District Court for the District of Rhode Island as CORVELLO et. al. v NEW ENGLAND GAS COMPANY, and are case numbers: 05-221T, 05-274T, 05-370T, and 05-522T. The Town of Tiverton was brought in as a Third Party Defendant by Southern Union. In September, 2009, the parties settled the Federal Court case.

The Town of Tiverton received \$550,000 to be used to remediate roadways and right of ways with contamination levels exceeding industrial standards. RIDEM is requiring this remediation be completed within five years as part of a sewer system installation. Some of the streets that were to be remediated also contain mercury from a hat factory that used to be in the neighborhood. Mercury contamination was discovered several years ago and partially cleaned up by EPA. The term "partially" is used because EPA stopped at the property line and did not investigate or remediate adjacent lots or streets.

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 12. Commitments and Contingencies (Continued)**

**b. Contingencies (Continued)**

**2. Bay Street Contamination (Continued)**

The EPA, on October 24, 2011, served Tiverton with a Notice of Potential Liability with respect to the Bay Street Mercury Site. Notwithstanding the legal language contained in such Notice, this action is actually the result of actions taken by the Town, requesting that EPA become involved (again) with the cleanup of the mercury. Over the course of 2012, the Town, using some of the settlement funds, worked with the EPA to clean up the mercury contamination. The EPA cleaned up private property and the Town cleaned up public property, basically the unpaved portions of A Connell Street. The EPA has now certified that the cleanup is complete as to the mercury.

The Town does not foresee further substantial liability for further cleanup. The Town may voluntarily undertake cleanup of some the areas of contamination underneath the paved areas of some of the streets. The Town will also always have some incremental cost to use appropriate safety protocols, and may face some localized cleanups over time, in the impacted area. The Town expects the remaining settlement funds to be sufficient for such expenses.

**Note 13. Fund Balance Classifications**

	Major Funds		Non-Major Funds			Total
	General Fund	School Department	Special Revenue	Capital Projects	Debt Service Fund	
<b>Fund Balances</b>						
<b>Nonspendable</b>						
In Form	\$ 181,343	\$ -	\$ -	\$ -	\$ -	\$ 181,343
<b>Restricted for</b>						
Public safety programs			449,471			449,471
Educational purposes		1,454,840	27,866			1,482,706
Health and human services programs			17,838			17,838
<b>Committed to</b>						
General government purposes	15,000					15,000
Finance administration purposes	78,000					78,000
Public safety programs			424,547			424,547
Health and human services programs			8,390			8,390
Public works programs	16,254		234,676	5,825,276		6,076,206
Parks and recreation			2,500	380,658		383,158
Capital projects				54,986		54,986
Various school renovation projects		239,655				239,655
Debt service bonds					531,035	531,035
<b>Unassigned</b>	2,478,930	-	(18,273)	(1,598,740)	-	861,917
	\$ 2,769,527	\$ 1,694,495	\$ 1,147,015	\$ 4,662,180	\$ 531,035	\$ 10,804,252

**TOWN OF TIVERTON, RHODE ISLAND**

Notes to the Basic Financial Statements

June 30, 2014

**Note 14. Fund Deficit**

Deficit fund balances existed in the following funds:

***Special Revenue Funds***

<u>Fund #</u>	<u>Fund Name</u>	<u>Amount</u>	
218	Police Department Equipment	\$ 7,619	*
221	Planning Challenge	10,562	**
252	Bulgarmarsh Park	<u>92</u>	*
Total Town Special Revenue Funds		<u>\$ 18,273</u>	

***Capital Project Funds***

<u>Fund #</u>	<u>Fund Name</u>	<u>Amount</u>	
302	Old Stone Bridge	\$ 170,569	***
610	Library Construction Bond	<u>1,428,171</u>	**
Total Capital Project Funds		<u>\$ 1,598,740</u>	

\* The deficit will require a future administrative plan.

\*\* The deficit will be eliminated by future bond issuance.

\*\*\* The deficit will be eliminated by reimbursements from the State of Rhode Island or the federal government.

**Note 15. Restatement**

The following were the restatements that occurred at the Government-Wide level based on prior year misstatements as well as changes in accordance with new GASB standards.

	<u>Governmental Activities</u>
Beginning balance, July 1, 2013	\$ 10,043,433
To restate fixed assets for fixed assets double counted on the fixed asset listing in prior years	(645,764)
To restate fund balance for bond issuance costs originally were amortized over the life of the bond, but are now expensed in the period in which they are incurred, per GASB 65	<u>(409,040)</u>
Beginning balance, July 1, 2013, restated	<u>\$ 8,988,629</u>

**Note 16. Subsequent Events**

For purposes of determining the effects of subsequent events on these financial statements, management has evaluated events that have occurred subsequent to June 30, 2014 and through December 17, 2014, the date of which the financial statements were issued.

As of December 17, 2014, the Town did not have any significant subsequent events to disclose.

## **Required Supplementary Information**

**TOWN OF TIVERTON, RHODE ISLAND**  
 Required Supplementary Information  
 Budgetary Comparison Schedule - General Fund  
 For the Year Ended June 30, 2014

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances / Appropriations Carried To FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>			
<b>Revenues</b>							
General property taxes	\$ -	\$ 37,514,966	\$ -	\$ 37,514,966	\$ 37,237,193	\$ -	\$ (277,773)
Intergovernmental		1,355,324		1,355,324	1,447,958		92,634
Licenses, permits, and usage fees		2,076,340		2,076,340	2,186,990		110,650
Fines and interest on late payments		275,000		275,000	286,337		11,337
Interest on investment		23,200		23,200	30,571		7,371
Other revenue	-	149,100	-	149,100	109,203	-	(39,897)
<b>Total revenues</b>	<u>-</u>	<u>41,393,930</u>	<u>-</u>	<u>41,393,930</u>	<u>41,298,252</u>	<u>-</u>	<u>(95,678)</u>
<b>Expenditures</b>							
General government		1,066,087	92,001	1,158,088	1,110,937	15,000	32,151
Finance administration	25,000	4,843,769	(35,071)	4,833,698	4,748,851	78,000	6,847
Public safety		5,727,876	(64,438)	5,663,438	5,622,643		40,795
Health and human services		600,632	(6,669)	593,963	588,861		5,102
Public works	49,085	1,996,038	14,177	2,059,300	2,035,025	16,254	8,021
Parks and recreation		121,413	-	121,413	104,670		16,743
Capital outlay		435,045	-	435,045	423,814		11,231
Debt service - principal		1,860,000	150,000	2,010,000	2,010,000		-
Debt service - interest	-	1,769,020	(150,000)	1,619,020	1,523,191	-	95,829
<b>Total expenditures</b>	<u>74,085</u>	<u>18,419,880</u>	<u>-</u>	<u>18,493,965</u>	<u>18,167,992</u>	<u>109,254</u>	<u>216,719</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(74,085)</u>	<u>22,974,050</u>	<u>-</u>	<u>22,899,965</u>	<u>23,130,260</u>	<u>(109,254)</u>	<u>121,041</u>
<b>Other financing sources and (uses)</b>							
Transfer to other funds		(22,974,050)	-	(22,974,050)	(22,974,050)		-
Sale of easement					34,090		34,090
Transfers from other funds	-	-	-	-	20,223	-	20,223
	<u>-</u>	<u>(22,974,050)</u>	<u>-</u>	<u>(22,974,050)</u>	<u>(22,919,737)</u>	<u>-</u>	<u>54,313</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis</b>	<u>\$ (74,085)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,085)</u>	210,523	<u>\$ (109,254)</u>	<u>\$ 175,354</u>
Adjustment of budgetary basis to U.S. GAAP					34,515		
Excess of revenue and other financing sources over expenditures and other uses, U.S. GAAP basis					<u>245,038</u>		
Fund balance, July 1, 2013					2,524,489		
Fund balance, June 30, 2014					<u>\$ 2,769,527</u>		

See notes to the required supplementary information  
 See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Budgetary Comparison Schedule - School Unrestricted Fund

For the Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>				
Federal and State governments	\$ 5,755,375	\$ 5,755,375	\$ 6,175,390	\$ 420,015
Total revenues	<u>5,755,375</u>	<u>5,755,375</u>	<u>6,175,390</u>	<u>420,015</u>
<b>Expenditures</b>				
Salaries	15,292,272	15,192,173	16,083,170	(890,997)
Employee benefits	6,084,414	6,071,213	6,069,816	1,397
Purchased services	6,019,759	6,132,659	4,658,828	1,473,831
Supplies and materials	1,179,801	1,180,701	1,090,909	89,792
Capital outlay	132,954	131,954	147,232	(15,278)
Other operating expenditures	<u>20,225</u>	<u>20,725</u>	<u>19,487</u>	<u>1,238</u>
Total expenditures	<u>28,729,425</u>	<u>28,729,425</u>	<u>28,069,442</u>	<u>659,983</u>
Excess of expenditures over revenues, budgetary basis	<u>(22,974,050)</u>	<u>(22,974,050)</u>	<u>(21,894,052)</u>	<u>1,079,998</u>
<b>Other financing sources (uses)</b>				
Transfer from Town of Tiverton	22,974,050	22,974,050	22,974,050	-
Transfer to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>22,974,050</u>	<u>22,974,050</u>	<u>22,974,050</u>	<u>-</u>
<b>Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis</b>	<u>\$ -</u>	<u>\$ -</u>	1,079,998	<u>\$ 1,079,998</u>
Adjustment of budgetary basis to U.S. GAAP basis			<u>(857,994)</u>	
Excess of revenues and other financing sources over expenditures and other financing uses, U.S. GAAP basis			<u>222,004</u>	
Fund balance, July 1, 2013			<u>1,472,491</u>	
Committed fund balance June 30, 2014			239,655	
Restricted fund balance June 30, 2014			<u>1,454,840</u>	
Total fund balance June 30, 2014			<u>\$ 1,694,495</u>	

See notes to the required supplementary information  
See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Notes to Required Supplementary Information - Reconciliation of Differences Between  
Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

For the Year Ended June 30, 2014

The accompanying Statement of Revenues and Expenditures (GAAP or Budgetary Basis Non-GAAP) present comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2014 is presented below:

	<u>General Fund</u>	<u>School Unrestricted</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis) (Non-GAAP Budgetary Basis)	\$ 210,523	\$ 1,079,998
Increase (decrease) in 60 day accrual	34,515	-
State contribution to teachers' pension plan revenue on behalf	-	1,038,983
State contribution to teacher's pension plan expense on behalf	-	(1,038,983)
Unbudgeted transfer to school lunch fund	-	(126,023)
Unbudgeted capital outlay for sewer project	<u>-</u>	<u>(731,971)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ 245,038</u>	<u>\$ 222,004</u>

See independent auditor's report



**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Schedule of Funding Progress - Municipal Employees Retirement System (Unaudited)

GASB 27: Accounting for Pensions by State and Local Governmental Employers

For the Year Ended June 30, 2014

**General Employees**

<b>Acturial Valuation Date</b>	<b>Acturial Valuation of Assets</b>	<b>Acturial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as % of Covered Payroll</b>
<b>General Employees</b>						
June 30, 2013	\$ 11,836,958	\$ 9,778,577	\$ (2,058,381)	121%	\$ 3,024,759	-68%
June 30, 2012	11,454,688	9,707,374	(1,747,314)	118%	2,933,659	-60%
June 30, 2011	11,219,365	9,394,406	(1,824,959)	119%	3,060,009	-60%

**General Employees Tiverton Local 2670A**

<b>Acturial Valuation Date</b>	<b>Acturial Valuation of Assets</b>	<b>Acturial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as % of Covered Payroll</b>
<b>General Employees</b>						
June 30, 2013	\$ 3,596,462	\$ 3,750,566	\$ 154,104	96%	\$ 978,804	16%
June 30, 2012	3,454,681	3,714,289	259,608	93%	965,654	27%
June 30, 2011	3,377,087	3,799,338	422,251	89%	991,582	43%

**Fire Employees**

<b>Acturial Valuation Date</b>	<b>Acturial Valuation of Assets</b>	<b>Acturial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as % of Covered Payroll</b>
<b>Fire Employees</b>						
June 30, 2013	\$ 8,991,760	\$ 10,470,507	\$ 1,478,747	86%	\$ 1,675,160	88%
June 30, 2012	8,793,531	10,431,958	1,638,427	84%	1,616,619	101%
June 30, 2011	8,683,290	9,416,260	732,970	92%	1,796,775	41%

**Notes to the Schedule of Funding Progress**

***Changes affecting the June 30, 2012 actuarial valuation:***

The assumptions for the Municipal Employees' Retirement System are consistent with the 2011 valuation, with the exception of certain assumption changes that resulted from the enactment of the Rhode Island Retirement Security Act of 2011. The marriage assumption was modified to reflect the expected percentage of members that will be eligible for survivor benefits upon their death, the incidence of disability was lowered to incorporate a continued trend of significantly fewer incidents of disability than anticipated by the current assumption, and the missing data assumption was updated to incorporate an assumption for missing beneficiary data.

The method used to determine the actuarial value of assets is the five-year smoothed market method. A small adjustment was made to the method used to smooth investment gains and losses to allow gains and losses to offset each other immediately. This modification will reduce future volatility in the actuarial value of assets while ensuring that the actuarial value always trends directly towards the market value of assets.

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Schedule of Funding Progress - Police Department Pension Plan (Unaudited)

GASB 27: Accounting for Pensions by State and Local Governmental Employers

For the Year Ended June 30, 2014

<b>Acturial Valuation Date</b>	<b>Acturial Value of Assets</b>	<b>Acturial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as Percentage of Covered Payroll</b>
7/1/2010	\$ 5,633	\$ 14,529	\$ 8,896	39%	\$ 1,762	505%
7/1/2011	6,959	14,685	7,726	47%	1,603	482%
7/1/2012	6,694	13,228	6,534	51%	1,473	444%
7/1/2013	7,465	13,616	6,151	55%	1,448	425%
7/1/2014	8,849	14,003	5,154	63%	1,455	354%

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios – Police Pension Plan (Unaudited)

GASB 67: Financial Reporting for Pension Plans (as amendment of GASB 25)

For the Year Ended June 30, 2014

Last 10 Fiscal Years\*

	<u>2014</u>	<u>2013</u>
<b>Total pension liability</b>		
Service cost	\$ 285,815	\$ 318,749
Interest	1,461,475	1,334,339
Changes of benefit terms	-	-
Differences between expected and actual experience	(595,528)	(507,331)
Changes of assumptions	-	-
Benefit payments, including refunds of member contributions	<u>(765,309)</u>	<u>(757,538)</u>
<b>Net change in total pension liability</b>	386,453	388,219
<b>Total pension liability - beginning</b>	<u>13,616,400</u>	<u>13,228,181</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 14,002,853</u>	<u>\$ 13,616,400</u>
<b>Pension fiduciary net position</b>		
Contributions - employer	\$ 825,000	\$ 700,000
Contributions - employee	166,440	143,389
Net investment income	1,157,063	685,107
Benefit payments, including refunds of member contributions	(765,309)	(733,907)
Administrative expense	-	(23,631)
Other	-	-
<b>Net change in plan fiduciary net position</b>	<u>1,383,194</u>	<u>770,958</u>
<b>Plan fiduciary net position - beginning</b>	<u>7,465,374</u>	<u>6,694,416</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 8,848,568</u>	<u>\$ 7,465,374</u>
<b>Towns' net pension liability (asset) - ending (a) - (b)</b>	<u>\$ 5,154,285</u>	<u>\$ 6,151,026</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	63.19%	54.83%
<b>Covered payroll</b>	\$ 1,455,000	\$ 1,448,000
<b>June 30, 2014 net pension liability as a percentage of covered payroll</b>	354.25%	424.79%

**Notes to the Schedule:**

Benefits changes - The Town did not experience any changes in the benefits during 2013 and 2014.

Assumption changes - During the years ended 2013 and 2014, the Town reported no changes in the assumptions.

\* First year of implementation of GASB 67 therefore only two years of the 10 year required data is available

See independents auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Schedule of Employer Contributions – Police Pension Plan (Unaudited)

GASB 67: Financial Reporting for Pension Plans (an amendment of GASB 25)

For the Year Ended June 30, 2014

Last 10 Fiscal Years \*

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Actuarially determined contribution	\$ 544,334	\$ 590,573	\$ 682,092	\$ 1,067,884	\$ 1,023,362	\$ 711,225	\$ 597,226	\$ 647,343	\$ 648,059
Contributions in relation to the actuarially determined contribution	<u>825,000</u>	<u>700,000</u>	<u>550,000</u>	<u>448,511</u>	<u>-</u>	<u>711,225</u>	<u>597,226</u>	<u>595,556</u>	<u>648,059</u>
Contribution deficiency (excess)	<u>\$ (280,666)</u>	<u>\$ (109,427)</u>	<u>\$ 132,092</u>	<u>\$ 619,373</u>	<u>\$ 1,023,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,787</u>	<u>\$ -</u>
Covered-employee payroll	1,455,000	1,448,000	1,473,000	1,587,000	1,762,000	1,716,000	1,512,000	1,338,000	1,275,000
Contributions as a percentage of covered-employee payroll	56.70%	48.34%	37.34%	28.26%	0.00%	41.45%	39.50%	44.51%	50.83%

**Notes to the Schedule:**

Valuation date:

Actuarilly determined contribution rates are calculated as of June 30, 2014

Methods and assumptions used to determine contributions rates:

Actuarial cost method	Entry age
Amortization method	Level percent-of-payroll
Remaining amortization method	23 years
Asset valuation method	Market plus receivables
Inflation	Contribution as a percentage of payroll
Salary increases	3.50%
Investment rate of return	7.50%, net of administrative expenses paid by the Trust
Retirement age	The rate is 50% at first eligibility, then the rate is 10% per year thereafter with 100% at age 55 (or first eligible if later)
Mortality	Assumed life expectancies were adjusted as a result of adopting the RP-2000 Healthy Annuitant Mortality Table

Other Information:

Disability	Annual Rates of Disability increase in males from age 25 at .03% to age 60 at .90% and in females from age 25 at .05% to age 60 and 1.21%
Turnover	None
Marital Status	80% of participants are assumed to be married with males 3 years older than their female spouses
COLA adjustments	1.3% increase each year

\* First year of implementation of GASB 67 only nine years of the 10 year required data is available

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Required Supplementary Information

Schedule of Investment Returns - Police Pension Plan (Unaudited)

*GASB 67: Financial Reporting for Pension Plans (an amendment of GASB 25)*

For the Year Ended June 30, 2014

Last 10 Fiscal Years \*

	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	15.30%

\* *First year of implementation of GASB 67 only one year of the 10 year required data is available*

## **Supplementary Information**

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Revenues – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget Revenues</u>	<u>Transfers</u>	<u>Total Budget Available</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>General property taxes</b>					
Real estate and personal property tax	\$ 37,514,966	\$ -	\$ 37,514,966	\$ 37,237,193	\$ (277,773)
<b>Total general property taxes</b>	<u>37,514,966</u>	<u>-</u>	<u>37,514,966</u>	<u>37,237,193</u>	<u>(277,773)</u>
<b>Intergovernmental</b>					
State of Rhode Island	<u>1,355,324</u>	<u>-</u>	<u>1,355,324</u>	<u>1,447,958</u>	<u>92,634</u>
<b>Total intergovernmental</b>	<u>1,355,324</u>	<u>-</u>	<u>1,355,324</u>	<u>1,447,958</u>	<u>92,634</u>
<b>Licenses, permits, and usage fees</b>					
Business fees	626,940	-	626,940	632,063	5,123
Usage fees	<u>1,449,400</u>	<u>-</u>	<u>1,449,400</u>	<u>1,554,927</u>	<u>105,527</u>
<b>Total licenses, permits, and usage fees</b>	<u>2,076,340</u>	<u>-</u>	<u>2,076,340</u>	<u>2,186,990</u>	<u>110,650</u>
Fines and interest on late payments	275,000	-	275,000	286,337	11,337
Interest on investments	23,200	-	23,200	30,571	7,371
Other revenues	<u>149,100</u>	<u>-</u>	<u>149,100</u>	<u>109,203</u>	<u>(39,897)</u>
<b>Total revenues</b>	<u>41,393,930</u>	<u>-</u>	<u>41,393,930</u>	<u>41,298,252</u>	<u>(95,678)</u>
<b>Other financing sources</b>					
Receipt of road surety	-	-	-	34,090	34,090
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,223</u>	<u>20,223</u>
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,313</u>	<u>54,313</u>
<b>Total revenue and other financing sources</b>	<u>\$ 41,393,930</u>	<u>\$ -</u>	<u>\$ 41,393,930</u>	<u>\$ 41,352,565</u>	<u>\$ (41,365)</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	Original Budget			Total Available	Actual	Encumbrances / Appropriations Carried to FY 15	Variance Favorable (Unfavorable)
	Encumbrances Carried to FY 14	Original Budget	Transfers				
<b><u>General government</u></b>							
<b><i>Town clerk's office</i></b>							
Wages - council	\$ -	\$ 57,528	\$ 221	\$ 57,749	\$ 57,749	\$ -	\$ -
Wages - town manager	-	134,773	(221)	134,552	132,687	-	1,865
Wages - clerks	-	5,955	-	5,955	5,955	-	-
Wages - canvassers	-	7,000	(2,400)	4,600	109	-	4,491
Elections / town meetings	-	24,000	-	24,000	22,422	-	1,578
Wages - town clerk	-	4,000	-	4,000	700	-	3,300
Benefits	-	10,000	(6,000)	4,000	3,447	-	553
Payroll taxes	-	8,600	2,400	11,000	10,668	-	332
<b><i>Total town clerk's office</i></b>	<b>-</b>	<b>251,856</b>	<b>(6,000)</b>	<b>245,856</b>	<b>233,737</b>	<b>-</b>	<b>12,119</b>
<b><i>Town council</i></b>							
Town council stipends	-	17,300	-	17,300	17,300	-	-
Future needs	-	34,561	(34,561)	-	-	-	-
Contingency fund	-	20,000	(18,254)	1,746	1,746	-	-
Advertising/ ordinances	-	18,000	7,688	25,688	25,171	-	517
Supplies and misc.	-	2,500	(132)	2,368	869	-	1,499
<b><i>Total town council</i></b>	<b>-</b>	<b>92,361</b>	<b>(45,259)</b>	<b>47,102</b>	<b>45,086</b>	<b>-</b>	<b>2,016</b>
<b><i>Board of canvassers</i></b>							
Board of canvas stipends	-	3,600	-	3,600	3,125	-	475
Elections	-	15,000	-	15,000	-	15,000	-
Supplies and misc.	-	2,500	(150)	2,350	2,069	-	281
Computer service	-	1,500	150	1,650	1,650	-	-
<b><i>Total board of canvassers</i></b>	<b>-</b>	<b>22,600</b>	<b>-</b>	<b>22,600</b>	<b>6,844</b>	<b>15,000</b>	<b>756</b>
<b><i>Town hall</i></b>							
Heat	-	3,500	164	3,664	3,664	-	-
Electric	-	10,000	-	10,000	9,904	-	96
Water and supplies	-	700	-	700	554	-	146
Telephone	-	4,000	(274)	3,726	2,986	-	740
Building maintenance	-	7,000	110	7,110	7,110	-	-
<b><i>Total town hall</i></b>	<b>-</b>	<b>25,200</b>	<b>-</b>	<b>25,200</b>	<b>24,218</b>	<b>-</b>	<b>982</b>
<b><i>Legal Services</i></b>							
Town solicitor	-	97,000	-	97,000	97,000	-	-
Litigation	-	100,000	27,514	127,514	127,514	-	-
Prosecutions	-	24,500	-	24,500	24,499	-	1
Legal zoning issues	-	15,000	(2,200)	12,800	12,800	-	-
Labor counsel	-	20,000	4,686	24,686	24,588	-	98
<b><i>Total legal services</i></b>	<b>-</b>	<b>256,500</b>	<b>30,000</b>	<b>286,500</b>	<b>286,401</b>	<b>-</b>	<b>99</b>

See independent auditor's report



**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Encumbrances / Appropriations Carried to FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>				
<b>Building / zoning inspector</b>							
Dept management salary	-	55,000	(8,190)	46,810	46,467	-	343
Staff salaries - AFSCME	-	37,214	3,882	41,096	41,096	-	-
Longevity	-	2,233	-	2,233	2,233	-	-
Vacation coverage	-	1,200	-	1,200	1,170	-	30
Automobile expenses	-	1,500	1,044	2,544	2,544	-	-
Education seminars	-	500	160	660	636	-	24
Telephone	-	1,700	(400)	1,300	903	-	397
Boarding of buildings	-	1,000	-	1,000	775	-	225
Supplies and misc.	-	4,000	(1,606)	2,394	2,117	-	277
Software maintenance	-	2,000	790	2,790	2,790	-	-
<b>Total building / zoning inspector</b>	<b>-</b>	<b>106,347</b>	<b>(4,320)</b>	<b>102,027</b>	<b>100,731</b>	<b>-</b>	<b>1,296</b>
<b>Planning board</b>							
Administrative officer stipend	-	7,000	-	7,000	7,000	-	-
Travel / seminars	-	500	-	500	-	-	500
Comp plan update consultant	-	10,000	-	10,000	7,177	-	2,823
Professional / tech svcs	-	10,000	(3,983)	6,017	6,017	-	-
Supplies and misc.	-	1,800	-	1,800	1,574	-	226
Cpu upgrades, maint and equip	-	500	-	500	-	-	500
<b>Total planning board</b>	<b>-</b>	<b>29,800</b>	<b>(3,983)</b>	<b>25,817</b>	<b>21,768</b>	<b>-</b>	<b>4,049</b>
<b>Zoning board of review</b>							
Copy services	-	672	-	672	672	-	-
Public stenographer	-	5,000	(756)	4,244	1,914	-	2,330
Supplies and misc.	-	1,700	816	2,516	2,064	-	452
<b>Total zoning board of review</b>	<b>-</b>	<b>7,372</b>	<b>60</b>	<b>7,432</b>	<b>4,650</b>	<b>-</b>	<b>2,782</b>
<b>Town sergeant</b>							
Town sergeant stipend	-	1,500	-	1,500	1,500	-	-
<b>Total town sergeant</b>	<b>-</b>	<b>1,500</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>-</b>
<b>Financial town referendum</b>							
Financial town referendum	-	12,500	910	13,410	13,310	-	100
<b>Total financial town referendum</b>	<b>-</b>	<b>12,500</b>	<b>910</b>	<b>13,410</b>	<b>13,310</b>	<b>-</b>	<b>100</b>
<b>Town administrator</b>							
Dept mgmt salary	-	83,900	(12,860)	71,040	70,652	-	388
Personnel svcs	-	38,500	1,850	40,350	40,275	-	75
Grant / permit applications	-	2,000	(1,850)	150	-	-	150
Photocopier lease	-	2,500	-	2,500	2,320	-	180
Automobile expenses	-	2,000	(282)	1,718	781	-	937
Town wide internet svcs	-	2,500	282	2,782	2,782	-	-
Employee manual maint	-	1,500	2,873	4,373	4,373	-	-
Website upgrade	-	2,000	(1,451)	549	-	-	549
Website	-	4,000	(1,057)	2,943	2,943	-	-
League of cities and towns	-	9,375	-	9,375	9,356	-	19
Supplies and misc.	-	4,000	(4,902)	(902)	(902)	-	-
Computer services	-	5,000	-	5,000	4,415	-	585
Expense account	-	2,000	(1,767)	233	170	-	63
FY2014 - unbudgeted items	-	-	143,526	143,526	143,519	-	7
<b>Total town administrator</b>	<b>-</b>	<b>159,275</b>	<b>124,362</b>	<b>283,637</b>	<b>280,684</b>	<b>-</b>	<b>2,953</b>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	Original Budget			Total Available	Actual	Encumbrances / Appropriations Carried to FY 15	Variance Favorable (Unfavorable)
	Encumbrances Carried to FY 14	Original Budget	Transfers				
<b>Planning department</b>							
Dept mgmt salary	-	20,000	7,040	27,040	26,780	-	260
Staff salaries - AFSCME	-	35,594	(8,898)	26,696	24,954	-	1,742
Longevity	-	1,780	-	1,780	1,780	-	-
Photocopier lease	-	1,050	-	1,050	1,034	-	16
Education / seminars	-	1,000	-	1,000	736	-	264
Telephone	-	900	-	900	529	-	371
Professional / tech svcs	-	1,000	-	1,000	588	-	412
Publications	-	300	-	300	240	-	60
Supplies and maint	-	2,000	-	2,000	1,963	-	37
Software maint	-	500	-	500	-	-	500
<b>Total planning department</b>	<b>-</b>	<b>64,124</b>	<b>(1,858)</b>	<b>62,266</b>	<b>58,604</b>	<b>-</b>	<b>3,662</b>
<b>Municipal court</b>							
Municipal court judge	-	12,500	-	12,500	12,500	-	-
Bailliff	-	500	-	500	-	-	500
Clerical assistant	-	10,302	-	10,302	10,040	-	262
Telephone	-	350	-	350	231	-	119
Supplies and misc.	-	1,200	-	1,200	1,126	-	74
Computer	-	1,000	(1,000)	-	-	-	-
<b>Total municipal court</b>	<b>-</b>	<b>25,852</b>	<b>(1,000)</b>	<b>24,852</b>	<b>23,897</b>	<b>-</b>	<b>955</b>
<b>Probate account</b>							
Probate court judge	-	8,500	20	8,520	8,520	-	-
Recording exps	-	1,000	(910)	90	-	-	90
Supplies and misc	-	1,000	(21)	979	692	-	287
Program software	-	300	-	300	295	-	5
<b>Total probate account</b>	<b>-</b>	<b>10,800</b>	<b>(911)</b>	<b>9,889</b>	<b>9,507</b>	<b>-</b>	<b>382</b>
<b>Total general government</b>	<b>\$ -</b>	<b>\$ 1,066,087</b>	<b>\$ 92,001</b>	<b>\$ 1,158,088</b>	<b>\$ 1,110,937</b>	<b>\$ 15,000</b>	<b>\$ 32,151</b>
<b>Finance and administration</b>							
<b>Tax assessor's</b>							
Dept mgmt salary	\$ -	\$ 63,500	\$ 3,581	\$ 67,081	\$ 67,081	\$ -	\$ -
Staff salaries - AFSCME	-	55,003	495	55,498	55,498	-	-
Longevity	-	3,122	179	3,301	3,301	-	-
Printing	-	2,500	(275)	2,225	1,795	-	430
GIS web hosting	-	3,000	-	3,000	3,000	-	-
GIS update / data layers	-	6,000	-	6,000	5,940	-	60
Mileage	-	1,000	600	1,600	1,551	-	49
Education / seminars	-	2,000	-	2,000	1,984	-	16
Telephone	-	1,300	-	1,300	1,011	-	289
Professional / tech svcs	-	2,500	(980)	1,520	1,387	-	133
Publications	-	500	-	500	178	-	322
Supplies and misc.	-	4,000	(600)	3,400	2,079	-	1,321
Software maint	-	6,500	-	6,500	6,074	-	426
<b>Total tax assessor's</b>	<b>-</b>	<b>150,925</b>	<b>3,000</b>	<b>153,925</b>	<b>150,879</b>	<b>-</b>	<b>3,046</b>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances / Appropriations Carried to FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>			
<b>Revaluation acct</b>							
Revaluation - consulting svcs	25,000	53,000	-	78,000	-	78,000	-
<i>Total revaluation acct</i>	<u>25,000</u>	<u>53,000</u>	<u>-</u>	<u>78,000</u>	<u>-</u>	<u>78,000</u>	<u>-</u>
<b>Treasurer's office</b>							
Dept mgmt salary	-	65,000	250	65,250	65,250	-	-
Staff salaries - AFSCME	-	90,597	421	91,018	91,018	-	-
Longevity	-	4,547	-	4,547	4,546	-	1
Office equip	-	1,000	(555)	445	100	-	345
Education / seminars	-	500	-	500	500	-	-
Telephone	-	1,300	-	1,300	829	-	471
Computerized payroll	-	16,000	1,052	17,052	17,052	-	-
Consultant - GASB 45	-	3,750	-	3,750	3,750	-	-
Consulting services	-	1,200	-	1,200	1,200	-	-
Supplies and misc.	-	6,000	(6,414)	(414)	(447)	-	33
Software maint	-	10,000	5,363	15,363	15,363	-	-
<i>Total treasurer's office</i>	<u>-</u>	<u>199,894</u>	<u>117</u>	<u>200,011</u>	<u>199,161</u>	<u>-</u>	<u>850</u>
<b>Tax collector</b>							
Dept mgmt salary	-	28,500	1,562	30,062	30,062	-	-
Staff salaries - AFSCME	-	55,006	450	55,456	55,458	-	(2)
Longevity	-	3,122	178	3,300	3,300	-	-
Postage	-	9,100	-	9,100	8,989	-	111
Telephone	-	900	-	900	813	-	87
Consulting svcs	-	10,000	(6,322)	3,678	3,678	-	-
Supplies and misc.	-	7,500	-	7,500	6,008	-	1,492
Software maint	-	3,700	140	3,840	3,840	-	-
<i>Total tax collector</i>	<u>-</u>	<u>117,828</u>	<u>(3,992)</u>	<u>113,836</u>	<u>112,148</u>	<u>-</u>	<u>1,688</u>
<b>Tax sale</b>							
Tax sale	-	3,000	(2,642)	358	358	-	-
<i>Total tax sale</i>	<u>-</u>	<u>3,000</u>	<u>(2,642)</u>	<u>358</u>	<u>358</u>	<u>-</u>	<u>-</u>
<b>Insurance</b>							
ER - health savings contribution	-	180,000	(26,750)	153,250	153,251	-	(1)
Group health ins. - active	-	1,180,406	9,208	1,189,614	1,189,614	-	-
Group health ins - retired	-	702,000	(71,250)	630,750	630,741	-	9
Dental ins - active	-	72,573	(1,318)	71,255	71,255	-	-
Dental ins - retired	-	30,000	(2,036)	27,964	27,964	-	-
Life ins - active	-	37,202	1,962	39,164	38,780	-	384
Town bldgs / pers prop	-	262,210	23,083	285,293	285,293	-	-
Workmens comp insurance	-	68,884	-	68,884	68,884	-	-
<i>Total insurance</i>	<u>-</u>	<u>2,533,275</u>	<u>(67,101)</u>	<u>2,466,174</u>	<u>2,465,782</u>	<u>-</u>	<u>392</u>
<b>Audit of town accounts</b>							
Audit services	-	23,760	(195)	23,565	23,320	-	245
<i>Total audit of town accounts</i>	<u>-</u>	<u>23,760</u>	<u>(195)</u>	<u>23,565</u>	<u>23,320</u>	<u>-</u>	<u>245</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances / Appropriations Carried to FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>			
<b>Pension plans</b>							
Special retirement	-	16,500	-	16,500	16,500	-	-
Fire pension - 1534	-	180,709	(10,707)	170,002	170,002	-	-
Pension plan - police	-	825,000	-	825,000	825,000	-	-
ERSRI - pension 1532	-	35,739	12,974	48,713	48,713	-	-
TIAA CREF - 1532	-	10,000	2,660	12,660	12,660	-	-
ERSRI - pension 1538	-	99,358	(2,301)	97,057	97,057	-	-
TIAA CREF - 1538	-	12,000	(1,795)	10,205	10,205	-	-
<b>Total pension plans</b>	<b>-</b>	<b>1,179,306</b>	<b>831</b>	<b>1,180,137</b>	<b>1,180,137</b>	<b>-</b>	<b>-</b>
<b>Social security</b>							
Social security and medicare	-	490,831	2,490	493,321	493,321	-	-
<b>Total social security</b>	<b>-</b>	<b>490,831</b>	<b>2,490</b>	<b>493,321</b>	<b>493,321</b>	<b>-</b>	<b>-</b>
<b>Unemployment security</b>							
Unemployment security	-	5,000	12,421	17,421	17,167	-	254
<b>Total unemployment security</b>	<b>-</b>	<b>5,000</b>	<b>12,421</b>	<b>17,421</b>	<b>17,167</b>	<b>-</b>	<b>254</b>
<b>Unfunded liability</b>							
Unfunded liability	-	86,700	20,000	106,700	106,478	-	222
<b>Total unfunded liability</b>	<b>-</b>	<b>86,700</b>	<b>20,000</b>	<b>106,700</b>	<b>106,478</b>	<b>-</b>	<b>222</b>
<b>Budget committee</b>							
Supplies and misc.	-	250	-	250	100	-	150
<b>Total budget committee</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>250</b>	<b>100</b>	<b>-</b>	<b>150</b>
<b>Total finance administration</b>	<b>\$ 25,000</b>	<b>\$ 4,843,769</b>	<b>\$ (35,071)</b>	<b>\$ 4,833,698</b>	<b>\$ 4,748,851</b>	<b>\$ 78,000</b>	<b>\$ 6,847</b>
<b>Public safety</b>							
<b>Fire department</b>							
Dept mgmt salary	\$ -	\$ 77,327	\$ 3,423	\$ 80,750	\$ 80,750	\$ -	\$ -
Personnel svcs	-	1,513,565	(112,600)	1,400,965	1,388,751	-	12,214
Staff salaries	-	45,802	173	45,975	45,975	-	-
Overtime	-	269,108	149,069	418,177	413,376	-	4,801
Shift differential	-	5,580	(1,500)	4,080	2,605	-	1,475
Holiday pay	-	75,841	(7,040)	68,801	68,799	-	2
Longevity	-	72,050	(3,934)	68,116	68,115	-	1
Education allowance	-	23,000	(5,298)	17,702	16,780	-	922
EMS incentive	-	79,560	(4,700)	74,860	72,534	-	2,326
Fire marshall inspections	-	50,000	-	50,000	49,983	-	17
Clothing allowance	-	45,225	(5,000)	40,225	40,204	-	21
Recruiting process	-	3,000	651	3,651	3,651	-	-
Equipment svcs contract	-	32,685	(7,602)	25,083	22,273	-	2,810
Radio maintenance	-	10,500	-	10,500	10,500	-	-
Minor equip replacements	-	20,000	2,080	22,080	22,080	-	-
Hazardous equipment	-	2,000	-	2,000	1,978	-	22
Heat	-	20,000	1,550	21,550	20,854	-	696
Sewer fee	-	1,000	(618)	382	382	-	-
Electric	-	15,000	(815)	14,185	14,185	-	-
Water and supplies	-	1,800	68	1,868	1,811	-	57
Seminars for chief	-	1,500	(761)	739	739	-	-
Firefighter training	-	10,000	(3,310)	6,690	6,024	-	666
Operational technologies	-	5,100	(431)	4,669	4,662	-	7
Telephone	-	19,000	(181)	18,819	18,723	-	96
Medical physicals	-	15,000	(2,116)	12,884	7,348	-	5,536
Medical supplies	-	27,000	1,426	28,426	28,426	-	-
Personal and protective gear	-	20,000	540	20,540	20,540	-	-
Supplies and misc.	-	6,000	-	6,000	6,000	-	-
Software maint	-	5,500	572	6,072	6,072	-	-
Fuel oil and tires	-	72,000	1,125	73,125	73,125	-	-
Apparatus maintenance	-	45,000	7,529	52,529	52,529	-	-
Station maintenance	-	40,000	292	40,292	40,292	-	-
<b>Total fire department</b>	<b>-</b>	<b>2,629,143</b>	<b>12,592</b>	<b>2,641,735</b>	<b>2,610,066</b>	<b>-</b>	<b>31,669</b>

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**TOWN OF TIVERTON, RHODE ISLAND**

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Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Encumbrances / Appropriations Carried to FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>				
<b><i>Police department</i></b>							
Dept mgmt salary	-	79,815	4,039	83,854	83,853	-	1
Personnel svcs	-	1,513,229	(8,523)	1,504,706	1,504,706	-	-
Staff salaries - AFSCME	-	491,299	(86,543)	404,756	402,323	-	2,433
Overtime	-	190,000	5,637	195,637	195,637	-	-
Shift differential	-	15,500	(1,128)	14,372	14,372	-	-
Out of rank	-	2,623	(2,211)	412	327	-	85
Holiday pay	-	129,855	(19,349)	110,506	110,506	-	-
Longevity	-	87,473	(6,628)	80,845	80,845	-	-
Health and wellness	-	14,000	(1,000)	13,000	13,000	-	-
Education incentive	-	44,250	3,151	47,401	47,401	-	-
Sick leave buy back	-	29,972	(12,185)	17,787	17,072	-	715
Clothing allowance	-	47,300	4,305	51,605	51,605	-	-
In-service training	-	13,500	-	13,500	13,500	-	-
Uniform equip replacement	-	5,000	-	5,000	5,000	-	-
Animal shelter	-	33,700	(4,946)	28,754	26,625	-	2,129
Animal controls expenses	-	1,242	(622)	620	620	-	-
Tires, parts, and maintenance	-	18,500	10,000	28,500	28,421	-	79
Operations, armor and photo supp	-	11,400	36,298	47,698	47,698	-	-
Chief's misc expenses	-	1,600	3	1,603	1,603	-	-
Photocopier lease	-	14,850	-	14,850	14,850	-	-
State qualifications	-	2,000	-	2,000	2,000	-	-
Heat	-	15,000	(2,819)	12,181	12,181	-	-
Electric	-	17,000	(4,577)	12,423	12,408	-	15
Water and supplies	-	1,000	39	1,039	1,039	-	-
Prisoner meals	-	500	15	515	515	-	-
Education / seminars	-	45,000	(3,825)	41,175	41,175	-	-
Radio, communications	-	12,000	11,111	23,111	23,111	-	-
Telephone	-	16,500	1,015	17,515	17,515	-	-
Medical supplies	-	1,000	(909)	91	91	-	-
Psychological testing	-	2,500	(400)	2,100	2,100	-	-
Supplies and misc	-	12,000	1,867	13,867	13,867	-	-
Fued, oil, tires	-	100,000	(28,397)	71,603	71,599	-	4
Station maintenance	-	8,000	6,122	14,122	14,122	-	-
Resource officer - school	-	(50,400)	-	(50,400)	(50,400)	-	-
<b><i>Total police department</i></b>	<b>-</b>	<b><u>2,927,208</u></b>	<b><u>(100,460)</u></b>	<b><u>2,826,748</u></b>	<b><u>2,821,287</u></b>	<b>-</b>	<b><u>5,461</u></b>
<b><i>Harbor commission</i></b>							
Education / seminars	-	1,800	-	1,800	101	-	1,699
Supplies and misc.	-	500	-	500	-	-	500
<b><i>Total harbor commission</i></b>	<b>-</b>	<b><u>2,300</u></b>	<b>-</b>	<b><u>2,300</u></b>	<b><u>101</u></b>	<b>-</b>	<b><u>2,199</u></b>
<b><i>Harbor master</i></b>							
Harbormaster stipend	-	5,000	-	5,000	4,583	-	417
Uniforms / clothing	-	300	-	300	60	-	240
Misc operating supplies	-	10,525	339	10,864	10,864	-	-
Radio communications	-	1,000	(339)	661	179	-	482
Supplies and misc	-	900	-	900	573	-	327
<b><i>Total harbor master</i></b>	<b>-</b>	<b><u>17,725</u></b>	<b>-</b>	<b><u>17,725</u></b>	<b><u>16,259</u></b>	<b>-</b>	<b><u>1,466</u></b>

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**TOWN OF TIVERTON, RHODE ISLAND**

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Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	Original Budget				Actual	Encumbrances / Appropriations Carried to FY 15	Variance Favorable (Unfavorable)
	Encumbrances Carried to FY 14	Original Budget	Transfers	Total Available			
<b>Street lighting</b>							
Lighting expense	-	150,000	23,431	173,431	173,431	-	-
<b>Total street lighting</b>	-	150,000	23,431	173,431	173,431	-	-
<b>Hydrant service</b>							
North tiverton and stone bridge	-	1,500	-	1,500	1,500	-	-
<b>Total hydrant service</b>	-	1,500	-	1,500	1,500	-	-
<b>Total public safety</b>	-	5,727,876	(64,437)	5,663,439	5,622,644	-	40,795
<b>Health and human services</b>							
<b>Senior citizens service</b>							
Dept mgmt salary	\$ -	\$ 45,831	\$ 3,413	\$ 49,244	\$ 49,244	\$ -	\$ -
Staff salaries AFSCME	-	15,829	120	15,949	15,950	-	(1)
Bus service	-	17,000	(6,800)	10,200	10,161	-	39
Heat	-	4,760	(2,266)	2,494	2,494	-	-
Electric	-	5,000	(2,268)	2,732	2,732	-	-
Water and supplies	-	175	-	175	170	-	5
Mileage	-	650	400	1,050	960	-	90
Telephone	-	1,000	(141)	859	562	-	297
Agency dues and devel.	-	975	-	975	806	-	169
Supplies and misc.	-	9,000	-	9,000	8,579	-	421
Building maintenance	-	4,400	575	4,975	4,941	-	34
<b>Total senior citizens service</b>	-	104,620	(6,967)	97,653	96,599	-	1,054
<b>Economic devel. comm.</b>							
Postage	-	500	-	500	197	-	303
Brochure / pamphlet	-	4,500	-	4,500	2,027	-	2,473
Special projects / events	-	500	-	500	457	-	43
Website	-	500	-	500	-	-	500
Supplies and misc.	-	350	-	350	177	-	173
<b>Total economic devel. comm.</b>	-	6,350	-	6,350	2,858	-	3,492
<b>Boards and commissions</b>							
Historical cemetery commish	-	2,000	-	2,000	1,998	-	2
Garden club	-	500	(62)	438	435	-	3
Arts council	-	500	-	500	60	-	440
Open space commission	-	2,000	62	2,062	2,062	-	-
Conservation commission	-	800	-	800	800	-	-
Fort barton park	-	3,600	40	3,640	3,640	-	-
Tree commission	-	750	-	750	750	-	-
Recycling commission	-	150	(40)	110	-	-	110
<b>Total boards and commissions</b>	-	10,300	-	10,300	9,745	-	555
<b>Civic appropriations</b>							
Samaritans	-	500	-	500	500	-	-
Newport county mental health ctr	-	2,500	-	2,500	2,500	-	-
Newport county visiting nurse	-	5,500	-	5,500	5,500	-	-
East bay community action plan	-	5,500	-	5,500	5,500	-	-
Newport county women's res ctr	-	500	-	500	500	-	-
Eastern ri conservation district	-	500	-	500	500	-	-
Tiverton historical society	-	150	-	150	150	-	-
Wildlife rehab assoc of RI	-	200	-	200	200	-	-
Pocasset cemetery - vets plot	-	150	-	150	150	-	-
Eastern RI cooperative extension	-	1,200	-	1,200	1,200	-	-
Fire - community training	-	625	298	923	923	-	-
<b>Total civic appropriations</b>	-	17,325	298	17,623	17,623	-	-

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances / Appropriations Carried to FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>			
<b>Library Services</b>	-	-	-	-	-	-	-
Personnel services	-	-	-	-	267,309	-	(267,309)
Payroll benefits	-	-	-	-	85,403	-	(85,403)
Approp - operating exp's	-	462,037	-	462,037	109,324	-	352,713
<b>Total library services</b>	-	462,037	-	462,037	462,036	-	1
<b>Total health and human services</b>	\$ -	\$ 600,632	\$ (6,669)	\$ 593,963	\$ 588,861	\$ -	\$ 5,102
<b>Public works</b>							
<b>Town maintenance</b>							
Staff salaries - AFSCME	\$ -	\$ 80,099	\$ (18,000)	\$ 62,099	\$ 61,217	\$ -	\$ 882
Longevity	-	4,867	-	4,867	4,867	-	-
Maint / laborer seasonal	-	14,470	(5,000)	9,470	8,745	-	725
Uniform rental	-	1,200	-	1,200	847	-	353
Tool replacement	-	500	44	544	544	-	-
Misc operating supplies	-	2,860	(1,870)	990	990	-	-
Mileage	-	6,060	(44)	6,016	3,204	-	2,812
<b>Total town maintenance</b>	-	110,056	(24,870)	85,186	80,414	-	4,772
<b>Rubbish / recycling collection</b>							
Contracted services	-	596,000	(8,700)	587,300	587,160	-	140
<b>Total rubbish / recycling collection</b>	-	596,000	(8,700)	587,300	587,160	-	140
<b>Landfill</b>							
Personnel svcs	-	82,805	(1,294)	81,511	81,511	-	-
Overtime	-	750	(704)	46	45	-	1
Longevity	-	4,128	62	4,190	4,190	-	-
Sick leave buy back	-	4,000	-	4,000	3,996	-	4
Clothing allowance	-	200	-	200	200	-	-
Uniform rental	-	700	-	700	602	-	98
Landfill equip rent / cover	-	25,000	660	25,660	25,217	-	443
Stormwater mgmt	-	7,000	-	7,000	7,000	-	-
Electric	-	150	235	385	341	-	44
Engineering testing permits	-	55,000	(12,423)	42,577	40,814	-	1,763
Fuel, oil, and tires	-	15,000	-	15,000	15,000	-	-
Bulldozer repairs	-	12,000	8,267	20,267	20,267	-	-
On-site wastewater mgmt	-	20,000	-	20,000	20,000	-	-
<b>Total landfill</b>	-	226,733	(5,197)	221,536	219,183	-	2,353

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances / Appropriations Carried to FY 15</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Encumbrances Carried to FY 14</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>			
<b>Public works operations</b>							
Dept mgmt salary	-	80,000	3,512	83,512	83,448	-	64
Personnel services	-	349,648	8,817	358,465	358,465	-	-
Staff salaries - AFSCME	-	35,592	137	35,729	35,727	-	2
Overtime	-	50,000	100	50,100	50,069	-	31
Longevity	-	18,009	244	18,253	18,253	-	-
Sick leave buy back	-	15,000	(3,212)	11,788	11,129	-	659
Clothing allowance	-	800	-	800	800	-	-
Uniform rental	-	3,200	-	3,200	2,670	530	-
Snow removal	-	60,500	10,768	71,268	71,268	-	-
Tree removal	-	5,000	-	5,000	4,200	800	-
Minor equip replacements	-	65,000	10,212	75,212	74,928	284	-
Shop tools	-	1,000	-	1,000	997	3	-
Sand, salt, gravel, and pipe	-	90,000	19,325	109,325	109,322	3	-
Paving account	49,085	170,000	(8,399)	210,686	200,040	10,646	-
Community center expenses	-	8,000	51	8,051	8,051	-	-
Heat	-	15,000	2,963	17,963	17,963	-	-
Electric	-	6,000	(17)	5,983	5,618	365	-
Water / sewer	-	1,000	-	1,000	943	57	-
Radio communications	-	6,500	(820)	5,680	5,160	520	-
Telephone	-	1,500	(500)	1,000	972	28	-
High way signs	-	5,000	-	5,000	4,924	76	-
Supplies and misc.	-	14,500	374	14,874	14,874	-	-
Fuel, oil, and tires	-	62,000	9,389	71,389	68,447	2,942	-
<b>Total public works operations</b>	<b>49,085</b>	<b>1,063,249</b>	<b>52,944</b>	<b>1,165,278</b>	<b>1,148,268</b>	<b>16,254</b>	<b>756</b>
<b>Total public works</b>	<b>\$ 49,085</b>	<b>\$ 1,996,038</b>	<b>\$ 14,177</b>	<b>\$ 2,059,300</b>	<b>\$ 2,035,025</b>	<b>\$ 16,254</b>	<b>\$ 8,021</b>
<b>Parks and recreation</b>							
<b>Town beaches</b>							
Seasonal employees	\$ -	\$ 33,500	\$ -	\$ 33,500	\$ 27,175	\$ -	\$ 6,325
Misc operating supplies	-	6,400	3,057	9,457	8,880	-	577
<b>Total town beaches</b>	<b>-</b>	<b>39,900</b>	<b>3,057</b>	<b>42,957</b>	<b>36,055</b>	<b>-</b>	<b>6,902</b>
<b>Red cross swim program</b>							
Seasonal employees	-	2,100	-	2,100	1,440	-	660
Misc operating supplies	-	325	(325)	-	-	-	-
<b>Total red cross swim program</b>	<b>-</b>	<b>2,425</b>	<b>(325)</b>	<b>2,100</b>	<b>1,440</b>	<b>-</b>	<b>660</b>
<b>Recreation commission</b>							
Recreation director	-	8,550	-	8,550	6,900	-	1,650
Seasonal employees	-	23,500	-	23,500	17,205	-	6,295
Transportation, fees and equip	-	7,200	(811)	6,389	5,153	-	1,236
Winter recreation	-	875	(40)	835	835	-	-
Supplies and misc	-	1,500	68	1,568	1,568	-	-
<b>Total recreation commission</b>	<b>-</b>	<b>41,625</b>	<b>(783)</b>	<b>40,842</b>	<b>31,661</b>	<b>-</b>	<b>9,181</b>

See independent auditor's report



**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund  
Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2014

	<u>Original Budget</u>					<u>Encumbrances /</u>	<u>Variance</u>
	<u>Encumbrances</u>	<u>Original</u>	<u>Transfers</u>	<u>Total</u>	<u>Actual</u>	<u>Appropriations</u>	<u>Favorable</u>
	<u>Carried</u>	<u>Budget</u>		<u>Available</u>		<u>Carried to FY 15</u>	<u>(Unfavorable)</u>
	<u>to FY 14</u>						
<i>Maint, supplies, and mowing</i>							
Mowing services	-	25,963	-	25,963	25,963	-	-
Field rehabilitation	-	6,500	(637)	5,863	5,863	-	-
Preventive maintenance	-	5,000	(1,313)	3,687	3,687	-	-
<i>Total maint, supplies, and mowing</i>	-	37,463	(1,950)	35,513	35,513	-	-
<b>Total parks and recreation</b>	<b>\$ -</b>	<b>\$ 121,413</b>	<b>\$ (1)</b>	<b>\$ 121,412</b>	<b>\$ 104,669</b>	<b>\$ -</b>	<b>\$ 16,743</b>
<b><u>Capital outlay</u></b>							
<i>School department</i>							
School - capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total school department</i>	-	-	-	-	-	-	-
<i>Non-recurring exps</i>							
DPW - 1.5 ton truck	-	9,910	-	9,910	9,910	-	-
DPW - 6 wheel with plow and sander	-	44,500	-	44,500	40,163	-	4,337
FD - engine 1	-	56,382	-	56,382	56,380	-	2
FD - rescue 2	-	49,034	-	49,034	49,034	-	-
FD - pumper	-	61,219	-	61,219	61,219	-	-
PD - patrol cars	-	82,000	-	82,000	82,000	-	-
PD - computer upgrades	-	12,000	-	12,000	12,000	-	-
FD - radio system repair	-	5,000	-	5,000	-	-	5,000
FD - monitors and defribs	-	69,000	-	69,000	69,000	-	-
FD - replace roof (50%)	-	21,000	-	21,000	19,118	-	1,882
FD - airpaks and air bottles	-	25,000	-	25,000	24,990	-	10
<i>Total non-recurring exps</i>	-	435,045	-	435,045	423,814	-	11,231
<b>Total capital outlay</b>	<b>\$ -</b>	<b>\$ 435,045</b>	<b>\$ -</b>	<b>\$ 435,045</b>	<b>\$ 423,814</b>	<b>\$ -</b>	<b>\$ 11,231</b>
<b><u>Debt service</u></b>							
Principal	\$ -	\$ 1,860,000	\$ 150,000	\$ 2,010,000	\$ 2,010,000	\$ -	\$ -
Interest	-	1,769,020	(150,000)	1,619,020	1,523,191	-	95,829
<b>Total debt service</b>	<b>\$ -</b>	<b>\$ 3,629,020</b>	<b>\$ -</b>	<b>\$ 3,629,020</b>	<b>\$ 3,533,191</b>	<b>\$ -</b>	<b>\$ 95,829</b>
<b>Total expenditures</b>	<b>\$ 74,085</b>	<b>\$ 18,419,880</b>	<b>\$ -</b>	<b>\$ 18,493,965</b>	<b>\$ 18,167,992</b>	<b>\$ 109,254</b>	<b>\$ 216,719</b>
<b><u>Other financing uses</u></b>							
Transfers to school	-	22,974,050	-	22,974,050	22,974,050	-	-
<b>Total expenditures plus other financing uses</b>	<b>\$ 74,085</b>	<b>\$ 41,393,930</b>	<b>\$ -</b>	<b>\$ 41,468,015</b>	<b>\$ 41,142,042</b>	<b>\$ 109,254</b>	<b>\$ 216,719</b>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Non Major Governmental Funds

June 30, 2014

	<b>Town Special Revenue</b>	<b>School Special Revenue</b>	<b>Capital Projects</b>	<b>Debt Service Fund</b>	<b>Total Non-Major Governmental Funds</b>
<b>Assets</b>					
Cash and investments	\$ 382,714	\$ (477,709)	\$ 10,634,284	\$ 531,035	\$ 11,070,324
Due from other governments	290,341	501,118	200,000	-	991,459
Due from other funds	<u>758,476</u>	<u>4,608</u>	<u>-</u>	<u>-</u>	<u>763,084</u>
Total assets	<u>1,431,531</u>	<u>28,017</u>	<u>10,834,284</u>	<u>531,035</u>	<u>12,824,867</u>
<b>Deferred outflows of resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1,431,531</u>	<u>\$ 28,017</u>	<u>\$ 10,834,284</u>	<u>\$ 531,035</u>	<u>\$ 12,824,867</u>
<b>Liabilities</b>					
Accounts payable and accrued expenses	\$ -	\$ -	\$ 16,292	\$ -	\$ 16,292
Retainage payable	-	-	140,561	-	140,561
BAN payable	-	-	5,675,000	-	5,675,000
Due to other funds	<u>22,041</u>	<u>-</u>	<u>340,251</u>	<u>-</u>	<u>362,292</u>
Total liabilities	<u>22,041</u>	<u>-</u>	<u>6,172,104</u>	<u>-</u>	<u>6,194,145</u>
<b>Deferred inflows of resources</b>					
Unearned revenue	<u>290,341</u>	<u>151</u>	<u>-</u>	<u>-</u>	<u>290,492</u>
Total deferred inflows of resources	<u>290,341</u>	<u>151</u>	<u>-</u>	<u>-</u>	<u>290,492</u>
<b>Fund balance</b>					
Restricted	467,309	27,866	-	-	495,175
Committed	670,113	-	6,260,920	531,035	7,462,068
Unassigned	<u>(18,273)</u>	<u>-</u>	<u>(1,598,740)</u>	<u>-</u>	<u>(1,617,013)</u>
Total fund balance	<u>1,119,149</u>	<u>27,866</u>	<u>4,662,180</u>	<u>531,035</u>	<u>6,340,230</u>
Town liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,431,531</u>	<u>\$ 28,017</u>	<u>\$ 10,834,284</u>	<u>\$ 531,035</u>	<u>\$ 12,824,867</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Non Major Governmental Funds

For the Year Ended June 30, 2014

	<b>Town Special Revenue</b>	<b>School Special Revenue</b>	<b>Capital Projects</b>	<b>Debt Service Fund</b>	<b>Total Non-Major Governmental Funds</b>
<b>Revenues</b>					
Federal and state grant income	\$ 206,835	\$ 1,072,095	\$ 400,000	\$ -	\$ 1,678,930
Other revenue	584,404	-	468,129	-	1,052,533
Investment income	<u>1,797</u>	<u>-</u>	<u>163,367</u>	<u>55</u>	<u>165,219</u>
Total revenue	<u>793,036</u>	<u>1,072,095</u>	<u>1,031,496</u>	<u>55</u>	<u>2,896,682</u>
<b>Expenditures</b>					
General government	45,941	-	-	-	45,941
Public safety	90,005	-	-	283,020	373,025
Public works	478,109	-	607,092	-	1,085,201
Education	-	1,117,496	-	-	1,117,496
Health and human services	63,817	-	-	-	63,817
Parks and recreation	<u>40,940</u>	<u>-</u>	<u>1,437,899</u>	<u>-</u>	<u>1,478,839</u>
Total Expenditures	<u>718,812</u>	<u>1,117,496</u>	<u>2,044,991</u>	<u>283,020</u>	<u>4,164,319</u>
Excess (deficiency) of revenues over expenditures	74,224	(45,401)	(1,013,495)	(282,965)	(1,267,637)
<b>Other financing sources (uses)</b>					
Transfers in	-	47,799	100,000	-	147,799
Transfers out	<u>(168,022)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(168,022)</u>
Total other financing sources (uses)	<u>(168,022)</u>	<u>47,799</u>	<u>100,000</u>	<u>-</u>	<u>(20,223)</u>
<b>Excess of revenue and other sources over expenditures and other uses</b>	(93,798)	2,398	(913,495)	(282,965)	(1,287,860)
Fund balance, July 1, 2013	<u>1,212,947</u>	<u>25,468</u>	<u>5,575,675</u>	<u>814,000</u>	<u>7,628,090</u>
Fund balance, June 30, 2014	<u>\$ 1,119,149</u>	<u>\$ 27,866</u>	<u>\$ 4,662,180</u>	<u>\$ 531,035</u>	<u>\$ 6,340,230</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - Town

June 30, 2014

	<u>Fire Detection Fund</u>	<u>Meds Grant</u>	<u>Substance Abuse</u>	<u>PD Crime Prevention</u>	<u>Drug Forfeiture</u>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment					
Due from other governments					
Due from other funds	<u>13,250</u>	<u>25,944</u>	<u>29,504</u>	<u>4,356</u>	<u>39,165</u>
Total assets	<u>13,250</u>	<u>25,944</u>	<u>29,504</u>	<u>4,356</u>	<u>39,165</u>
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 13,250</u>	<u>\$ 25,944</u>	<u>\$ 29,504</u>	<u>\$ 4,356</u>	<u>\$ 39,165</u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Unearned Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	-	-	29,504	4,356	39,165
Committed	13,250	25,944	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>13,250</u>	<u>25,944</u>	<u>29,504</u>	<u>4,356</u>	<u>39,165</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 13,250</u>	<u>\$ 25,944</u>	<u>\$ 29,504</u>	<u>\$ 4,356</u>	<u>\$ 39,165</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - Town

June 30, 2014

	<u>Byrne Stimulus</u>	<u>Police Dept Equipment</u>	<u>CDBG</u>	<u>Planning Challenge</u>	<u>Senior Center</u>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment					
Due from other governments			290,341		
Due from other funds	<u>-</u>	<u>-</u>	<u>15,448</u>	<u>-</u>	<u>5,914</u>
Total assets	<u>-</u>	<u>-</u>	<u>305,789</u>	<u>-</u>	<u>5,914</u>
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,789</u>	<u>\$ -</u>	<u>\$ 5,914</u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ 7,619</u>	<u>\$ -</u>	<u>\$ 10,562</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>7,619</u>	<u>-</u>	<u>10,562</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Unearned Revenue	<u>-</u>	<u>-</u>	<u>290,341</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>290,341</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	-	-	15,448	-	-
Committed	-	-	-	-	5,914
Unassigned	<u>-</u>	<u>(7,619)</u>	<u>-</u>	<u>(10,562)</u>	<u>-</u>
Total fund balances (deficits)	<u>-</u>	<u>(7,619)</u>	<u>15,448</u>	<u>(10,562)</u>	<u>5,914</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,789</u>	<u>\$ -</u>	<u>\$ 5,914</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - Town

June 30, 2014

	<u>Senior Center Waite Account</u>	<u>Senior Center Roof Repair</u>	<u>North Tiverton Contamination Award</u>	<u>Bulgarmarsh Park</u>	<u>Recycling</u>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ 23,330	\$ -	\$ -
Investment			356,884		
Due from other governments					
Due from other funds	<u>2,476</u>	<u>2,390</u>	<u>-</u>	<u>-</u>	<u>47,270</u>
Total assets	<u>2,476</u>	<u>2,390</u>	<u>380,214</u>	<u>-</u>	<u>47,270</u>
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 2,476</u>	<u>\$ 2,390</u>	<u>\$ 380,214</u>	<u>\$ -</u>	<u>\$ 47,270</u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,768</u>	<u>\$ 92</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>3,768</u>	<u>92</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Unearned Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	-	2,390	376,446	-	-
Committed	2,476	-	-	-	47,270
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(92)</u>	<u>-</u>
Total fund balances (deficits)	<u>2,476</u>	<u>2,390</u>	<u>376,446</u>	<u>(92)</u>	<u>47,270</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 2,476</u>	<u>\$ 2,390</u>	<u>\$ 380,214</u>	<u>\$ -</u>	<u>\$ 47,270</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - Town

June 30, 2014

	<u>Historical Records</u>	<u>Land Evidence</u>	<u>Open Space Acquisition</u>	<u>Vicious Dog</u>	<u>Open Space Stewardship</u>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment					
Due from other governments					
Due from other funds	<u>7,864</u>	<u>72,999</u>	<u>255,054</u>	<u>49,436</u>	<u>9,640</u>
Total assets	<u>7,864</u>	<u>72,999</u>	<u>255,054</u>	<u>49,436</u>	<u>9,640</u>
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u><u>\$ 7,864</u></u>	<u><u>\$ 72,999</u></u>	<u><u>\$ 255,054</u></u>	<u><u>\$ 49,436</u></u>	<u><u>\$ 9,640</u></u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>					
Unearned Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>					
Restricted	-	-	-	-	-
Committed	7,864	72,999	255,054	49,436	9,640
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>7,864</u>	<u>72,999</u>	<u>255,054</u>	<u>49,436</u>	<u>9,640</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u><u>\$ 7,864</u></u>	<u><u>\$ 72,999</u></u>	<u><u>\$ 255,054</u></u>	<u><u>\$ 49,436</u></u>	<u><u>\$ 9,640</u></u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - Town

June 30, 2014

	<u>Pocassetlands Stewardship</u>	<u>Wastewater Management</u>	<u>Tree at Lawton Ave</u>	<u>Library Memorial Gift</u>	<u>Total</u>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 2,500	\$ 25,830
Investments					356,884
Due from other governments					290,341
Due from other funds	<u>2,517</u>	<u>175,126</u>	<u>123</u>	<u>-</u>	<u>758,476</u>
Total assets	<u>2,517</u>	<u>175,126</u>	<u>123</u>	<u>2,500</u>	<u>1,431,531</u>
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 2,517</u>	<u>\$ 175,126</u>	<u>\$ 123</u>	<u>\$ 2,500</u>	<u>\$ 1,431,531</u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,041</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,041</u>
<b>Deferred Inflows of Resources</b>					
Unearned Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290,341</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>290,341</u>
<b>Fund Balances</b>					
Restricted	-	-	-	-	467,309
Committed	2,517	175,126	123	2,500	670,113
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,273)</u>
Total fund balances (deficits)	<u>2,517</u>	<u>175,126</u>	<u>123</u>	<u>2,500</u>	<u>1,119,149</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 2,517</u>	<u>\$ 175,126</u>	<u>\$ 123</u>	<u>\$ 2,500</u>	<u>\$ 1,431,531</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Special Revenue Funds - Town

For the Year Ended June 30, 2014

	<u>Fire Detection Fund</u>	<u>Meds Grant</u>	<u>Substance Abuse</u>	<u>PD Crime Prevention</u>	<u>Drug Forfeiture</u>
<b>Revenues</b>					
Intergovernmental revenue	\$ -	\$ 4,000	\$ 123,274	\$ 1,500	\$ -
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	<u>10,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,300</u>
Total revenues	<u>10,382</u>	<u>4,000</u>	<u>123,274</u>	<u>1,500</u>	<u>15,300</u>
<b>Expenditures</b>					
General	10,364	-	30,382	-	-
Public safety	-	-	32,340	3,080	28,386
Public works	-	-	-	-	-
Health and human Services	-	-	-	-	-
Parks and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>10,364</u>	<u>-</u>	<u>62,722</u>	<u>3,080</u>	<u>28,386</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	18	4,000	60,552	(1,580)	(13,086)
<b>Other financing sources (uses)</b>					
Transfers (to) other funds	<u>-</u>	<u>-</u>	<u>(47,799)</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	18	4,000	12,753	(1,580)	(13,086)
Fund Balance, July 1, 2013	<u>13,232</u>	<u>21,944</u>	<u>16,751</u>	<u>5,936</u>	<u>52,251</u>
Fund Balance, June 30, 2014	<u>\$ 13,250</u>	<u>\$ 25,944</u>	<u>\$ 29,504</u>	<u>\$ 4,356</u>	<u>\$ 39,165</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Special Revenue Funds - Town

For the Year Ended June 30, 2014

	<u>Byrne Stimulus</u>	<u>Police Dept Equipment</u>	<u>CDBG</u>	<u>Planning Challenge</u>	<u>Senior Center</u>
<b>Revenues</b>					
Intergovernmental revenue	\$ 18,580	\$ -	\$ 37,172	\$ -	\$ 6,935
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	-	-	10,427	-	-
Total revenues	<u>18,580</u>	<u>-</u>	<u>47,599</u>	<u>-</u>	<u>6,935</u>
<b>Expenditures</b>					
General	-	-	-	-	-
Public safety	18,580	7,619	-	-	-
Public works	-	-	-	-	-
Health and human Services	-	-	50,881	-	8,805
Parks and recreation	-	-	-	-	-
Total expenditures	<u>18,580</u>	<u>7,619</u>	<u>50,881</u>	<u>-</u>	<u>8,805</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	-	(7,619)	(3,282)	-	(1,870)
<b>Other financing sources (uses)</b>					
Transfers from (to) other funds	-	-	(20,223)	-	-
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	-	(7,619)	(23,505)	-	(1,870)
Fund Balance, July 1, 2013	-	-	38,953	(10,562)	7,784
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ (7,619)</u>	<u>\$ 15,448</u>	<u>\$ (10,562)</u>	<u>\$ 5,914</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Special Revenue Funds - Town

For the Year Ended June 30, 2014

	<u>Senior Center Waite Account</u>	<u>Senior Center Roof Repair</u>	<u>North Tiverton Contamination Award</u>	<u>Bulgarmarsh Park</u>	<u>Recycling</u>
<b>Revenues</b>					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 15,374
Charges for service	-	-	-	-	-
Investment income	-	-	1,797	-	-
Other revenue	-	-	-	3,329	-
Total revenues	<u>-</u>	<u>-</u>	<u>1,797</u>	<u>3,329</u>	<u>15,374</u>
<b>Expenditures</b>					
General	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	10,350
Health and human Services	363	-	3,768	-	-
Parks and recreation	-	-	-	26,622	-
Total expenditures	<u>363</u>	<u>-</u>	<u>3,768</u>	<u>26,622</u>	<u>10,350</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(363)	-	(1,971)	(23,293)	5,024
<b>Other financing sources (uses)</b>					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	(363)	-	(1,971)	(23,293)	5,024
Fund Balance, July 1, 2013	<u>2,839</u>	<u>2,390</u>	<u>378,417</u>	<u>23,201</u>	<u>42,246</u>
Fund Balance, June 30, 2014	<u>\$ 2,476</u>	<u>\$ 2,390</u>	<u>\$ 376,446</u>	<u>\$ (92)</u>	<u>\$ 47,270</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Special Revenue Funds - Town

For the Year Ended June 30, 2014

	<u>Historical Records</u>	<u>Land Evidence</u>	<u>Open Space Acquisition</u>	<u>Vicious Dog</u>	<u>Open Space Stewardship</u>
<b>Revenues</b>					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	2,757	15,543	106,217	-	-
Investment income	-	-	-	-	-
Other revenue	-	-	-	-	1,000
Total revenues	<u>2,757</u>	<u>15,543</u>	<u>106,217</u>	<u>-</u>	<u>1,000</u>
<b>Expenditures</b>					
General	-	5,195	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and human Services	-	-	-	-	-
Parks and recreation	-	-	14,318	-	-
Total expenditures	<u>-</u>	<u>5,195</u>	<u>14,318</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	2,757	10,348	91,899	-	1,000
<b>Other financing sources (uses)</b>					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	2,757	10,348	(8,101)	-	1,000
Fund Balance, July 1, 2013	<u>5,107</u>	<u>62,651</u>	<u>263,155</u>	<u>49,436</u>	<u>8,640</u>
Fund Balance, June 30, 2014	<u>\$ 7,864</u>	<u>\$ 72,999</u>	<u>\$ 255,054</u>	<u>\$ 49,436</u>	<u>\$ 9,640</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Special Revenue Fund - Town

For the Year Ended June 30, 2014

	<u>Pocassetlands Stewardship</u>	<u>Wastewater Management</u>	<u>Tree at Lawton Ave</u>	<u>Library Memorial Gift</u>	<u>Total</u>
<b>Revenues</b>					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 206,835
Charges for service	-	403,848	-	-	528,365
Investment income	-	-	-	-	1,797
Other revenue	<u>1,386</u>	<u>14,215</u>	<u>-</u>	<u>-</u>	<u>56,039</u>
Total revenues	<u>1,386</u>	<u>418,063</u>	<u>-</u>	<u>-</u>	<u>793,036</u>
<b>Expenditures</b>					
General	-	-	-	-	45,941
Public safety	-	-	-	-	90,005
Public works	-	467,759	-	-	478,109
Health and human Services	-	-	-	-	63,817
Parks and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,940</u>
Total expenditures	<u>-</u>	<u>467,759</u>	<u>-</u>	<u>-</u>	<u>718,812</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (use	1,386	(49,696)	-	-	74,224
<b>Other financing sources (uses)</b>					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(168,022)</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other uses</b>	1,386	(49,696)	-	-	(93,798)
Fund Balance, July 1, 2013	<u>1,131</u>	<u>224,822</u>	<u>123</u>	<u>2,500</u>	<u>1,212,947</u>
Fund Balance, June 30, 2014	<u>\$ 2,517</u>	<u>\$ 175,126</u>	<u>\$ 123</u>	<u>\$ 2,500</u>	<u>\$ 1,119,149</u>

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**TOWN OF TIVERTON, RHODE ISLAND**  
 Supplementary Information  
 Combining Balance Sheet - Special Revenue Funds - School  
 June 30, 2014

	<b>SPED IDEA Part B</b>	<b>SPED IDEA Preschool</b>	<b>Title I Part A Disadvantaged Youth</b>	<b>Title II Part A Teacher Quality</b>	<b>Perkins Vocational Edu</b>
<b>Assets</b>					
Cash	\$ (419,696)	\$ -	\$ (49,424)	\$ (20,568)	\$ 1,597
Due from unrestricted Fund	-	-	-	-	-
Due from state or federal government	<u>419,696</u>	<u>-</u>	<u>49,424</u>	<u>21,402</u>	<u>-</u>
Total assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>1,597</u>
	-	-	-	-	-
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ 1,597</u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>1,597</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ 1,597</u>

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**TOWN OF TIVERTON, RHODE ISLAND**  
 Supplementary Information  
 Combining Balance Sheet - Special Revenue Funds - School  
 June 30, 2014

	<u>RTTT Standards &amp; Curriculum</u>	<u>RTTT Inst Impr Sys</u>	<u>RTTT Edu Effective</u>	<u>RTTT ISS Set Aside</u>	<u>RTTT Edu Effective Set Aside</u>
<b>Assets</b>					
Cash	\$ (310)	\$ (8,172)	\$ -	\$ -	\$ -
Due from unrestricted Fund	-	-	-	-	-
Due from state or federal government	<u>310</u>	<u>8,172</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-	-
<b>Deferred Outflows of Resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities</b>					
Due to other funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - School

June 30, 2014

	<b>RTTT HCD Set Aside</b>	<b>RICH</b>	<b>Ride Common Core</b>	<b>Substance Abuse</b>	<b>RIDE Wireless Classroom</b>	<b>SAMHSA Substance Abuse</b>
<b>Assets</b>						
Cash	\$ -	\$ -	\$ (4,608)	\$ -	\$ -	\$ (2,114)
Due from unrestricted Fund	-	-	4,608	-	-	-
Due from state or federal government	-	-	-	-	-	2,114
Total assets	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Deferred Outflows of Resources</b>						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resc	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities</b>						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-
<b>Deferred inflows of resources</b>						
None	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-
Fund balances, restricted	-	-	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report



**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Special Revenue Funds - School

June 30, 2014

	<b>RI Council on the Arts</b>	<b>Action for Healthy Kids</b>	<b>Misc School Grants</b>	<b>Marijuana Grant</b>	<b>Performance Assessment</b>	<b>Total</b>
<b>Assets</b>						
Cash	\$ 1,143	\$ 523	\$ 22,482	\$ 1,287	\$ 151	\$ (477,709)
Due from unrestricted Fund	-	-	-	-	-	4,608
Due from state or federal government	-	-	-	-	-	501,118
Total assets	<u>1,143</u>	<u>523</u>	<u>22,482</u>	<u>1,287</u>	<u>151</u>	<u>28,017</u>
<b>Deferred Outflows of Resources</b>						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resc	<u>\$ 1,143</u>	<u>\$ 523</u>	<u>\$ 22,482</u>	<u>\$ 1,287</u>	<u>\$ 151</u>	<u>\$ 28,017</u>
<b>Liabilities</b>						
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-
<b>Deferred inflows of resources</b>						
None	-	-	-	-	151	151
Total deferred inflow of resources	-	-	-	-	151	151
Fund balances, restricted	<u>1,143</u>	<u>523</u>	<u>22,482</u>	<u>1,287</u>	-	<u>27,866</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 1,143</u>	<u>\$ 523</u>	<u>\$ 22,482</u>	<u>\$ 1,287</u>	<u>\$ 151</u>	<u>\$ 28,017</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance –  
Special Revenue Fund - School

For the Year Ended June 30, 2014

	<u>SPED IDEA Part B</u>	<u>SPED IDEA Preschool</u>	<u>Title I Part A Disadvantaged Youth</u>	<u>Title II Part A Teacher Quality</u>	<u>Perkins Vocational Edu</u>
<b>Revenues</b>					
Federal grant income	\$ 448,353	\$ 12,441	\$ 186,281	\$ 85,103	\$ -
State grant income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,013</u>
Total revenues	448,353	12,441	186,281	85,103	23,013
<b>Expenditures</b>					
Education	<u>448,353</u>	<u>12,441</u>	<u>186,281</u>	<u>85,103</u>	<u>21,887</u>
Excess (deficiency) of revenue over expenditures	-	-	-	-	1,126
<b>Other financing sources (uses)</b>					
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	1,126
Fund Balance, July 1, 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>471</u>
Fund Balance, June 30, 2014	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 834</u></u>	<u><u>\$ 1,597</u></u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance –  
Special Revenue Funds - School

For the Year Ended June 30, 2014

	<u>RTTT Standards &amp; Curriculum</u>	<u>RTTT Inst Impr Sys</u>	<u>RTT Edu Effective</u>	<u>RTTT ISS Set Aside</u>	<u>RTTT Edu Effective Set Aside</u>
<b>Revenues</b>					
Federal grant income	\$ 14,617	\$ 19,098	\$ 12,961	\$ 7,275	\$ 2,044
State grant income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	14,617	19,098	12,961	7,275	2,044
<b>Expenditures</b>					
Education	<u>14,617</u>	<u>19,098</u>	<u>12,961</u>	<u>7,275</u>	<u>2,044</u>
Excess (deficiency) of revenue over expenditures	-	-	-	-	-
<b>Other financing sources (uses)</b>					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund Balance, July 1, 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2014	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance –  
Special Revenue Funds - School

For the Year Ended June 30, 2014

	<u>RTTT HCD Set Aside</u>	<u>RICH</u>	<u>Ride Common Core</u>	<u>Substance Abuse</u>	<u>RIDE Wireless Classroom</u>	<u>SAMHSA Substance Abuse</u>
<b>Revenues</b>						
Federal grant income	\$ 14,577	\$ -	\$ -	\$ 9,500	\$ -	\$ 133,824
State grant income	<u>-</u>	<u>-</u>	<u>4,608</u>	<u>-</u>	<u>98,400</u>	<u>-</u>
Total revenues	14,577	-	4,608	9,500	98,400	133,824
<b>Expenditures</b>						
Education	<u>14,577</u>	<u>15</u>	<u>4,608</u>	<u>9,500</u>	<u>98,400</u>	<u>133,824</u>
Excess (deficiency) of revenue over expenditures	-	(15)	-	-	-	-
<b>Other financing sources (uses)</b>						
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(15)	-	-	-	-
Fund Balance, July 1, 2013	<u>-</u>	<u>15</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2014	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance –  
Special Revenue Funds - School

For the Year Ended June 30, 2014

	<u>RI Council on the Arts</u>	<u>Action for Healthy Kids</u>	<u>Misc School Grants</u>	<u>Marijuana Grant</u>	<u>Performance Assessment</u>	<u>Total</u>
<b>Revenues</b>						
Federal grant income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 946,074
State grant income	-	-	-	-	-	126,021
Total revenues	-	-	-	-	-	1,072,095
<b>Expenditures</b>						
Education	-	-	-	46,512	-	1,117,496
Excess (deficiency) of revenue over expenditures	-	-	-	(46,512)	-	(45,401)
<b>Other financing sources (uses)</b>						
Transfers from (to) other funds	-	-	-	47,799	-	47,799
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	1,287	-	2,398
Fund Balance, July 1, 2013	<u>1,143</u>	<u>523</u>	<u>22,482</u>	<u>-</u>	<u>-</u>	<u>25,468</u>
Fund Balance, June 30, 2014	<u>\$ 1,143</u>	<u>\$ 523</u>	<u>\$ 22,482</u>	<u>\$ 1,287</u>	<u>\$ -</u>	<u>\$ 27,866</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Capital Project Funds

June 30, 2014

	Landfill Closure	Old Stone Bridge	TIF Bond	Library Const. Bond	Sea Side Gas Station	Total
<b>Assets</b>						
Cash & Cash Equivalents	\$ 1,045,356	\$ -	\$ 405,266	\$ 4,403,682	\$ -	\$ 5,854,304
Investments	4,779,980	-	-	-	-	4,779,980
Federal and state receivable	-	-	-	-	200,000	200,000
Total assets	<u>5,825,336</u>	<u>-</u>	<u>405,266</u>	<u>4,403,682</u>	<u>200,000</u>	<u>10,834,284</u>
<b>Deferred outflows of resources</b>						
None	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 5,825,336</u>	<u>\$ -</u>	<u>\$ 405,266</u>	<u>\$ 4,403,682</u>	<u>\$ 200,000</u>	<u>\$ 10,834,284</u>
<b>Liabilities</b>						
Accounts Payable and Accrued Expense	\$ -	\$ -	\$ -	\$ 16,292	\$ -	\$ 16,292
Retainage Payable	-	-	-	140,561	-	140,561
BAN Payable	-	-	-	5,675,000	-	5,675,000
Due to Other funds	<u>60</u>	<u>170,569</u>	<u>24,608</u>	<u>-</u>	<u>145,014</u>	<u>340,251</u>
Total liabilities	<u>60</u>	<u>170,569</u>	<u>24,608</u>	<u>5,831,853</u>	<u>145,014</u>	<u>6,172,104</u>
<b>Deferred inflows of resources</b>						
None	-	-	-	-	-	-
<b>Fund Balances</b>						
Committed	5,825,276	-	380,658	-	54,986	6,260,920
Unassigned	<u>-</u>	<u>(170,569)</u>	<u>-</u>	<u>(1,428,171)</u>	<u>-</u>	<u>(1,598,740)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,825,336</u>	<u>\$ -</u>	<u>\$ 405,266</u>	<u>\$ 4,403,682</u>	<u>\$ 200,000</u>	<u>\$ 10,834,284</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Revenues, Expenditures and Changes in Fund Balance -  
Capital Project Funds

For the Year Ended June 30, 2014

	<u>Landfill Closure</u>	<u>Old Stone Bridge</u>	<u>TIF Bond</u>	<u>Library Const. Bond</u>	<u>Sea Side Gas Station</u>	<u>Total</u>
<b>Revenues</b>						
Federal and state grants	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000
Investment income	153,572	-	67	9,728	-	163,367
Other	<u>468,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>468,129</u>
Total revenues	<u>621,701</u>	<u>-</u>	<u>67</u>	<u>9,728</u>	<u>400,000</u>	<u>1,031,496</u>
<b>Expenditures</b>						
Parks and recreation	-	-	-	1,437,899	-	1,437,899
Public works	<u>69,473</u>	<u>90,535</u>	<u>2,070</u>	<u>-</u>	<u>445,014</u>	<u>607,092</u>
Total expenditures	<u>69,473</u>	<u>90,535</u>	<u>2,070</u>	<u>1,437,899</u>	<u>445,014</u>	<u>2,044,991</u>
Excess (deficiency) of revenue over expenditures	552,228	(90,535)	(2,003)	(1,428,171)	(45,014)	(1,013,495)
<b>Other financing sources (uses)</b>						
Transfer from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	552,228	(90,535)	(2,003)	(1,428,171)	54,986	(913,495)
Fund Balance, July 1, 2013	<u>5,273,048</u>	<u>(80,034)</u>	<u>382,661</u>	<u>-</u>	<u>-</u>	<u>5,575,675</u>
Fund Balance, June 30, 2014	<u><u>\$ 5,825,276</u></u>	<u><u>\$ (170,569)</u></u>	<u><u>\$ 380,658</u></u>	<u><u>\$ (1,428,171)</u></u>	<u><u>\$ 54,986</u></u>	<u><u>\$ 4,662,180</u></u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Balance Sheet - Private Purpose Trust - Town

June 30, 2014

	<b>Burial Lots</b>	<b>Pocasset Hill Cemetery</b>	<b>Totals</b>
<b>Assets</b>			
Cash	\$ 12,291	\$ 498,150	\$ 510,441
Investments	10,126	-	10,126
<b>Total assets</b>	<b>\$ 22,417</b>	<b>\$ 498,150</b>	<b>\$ 520,567</b>
<b>Liabilities</b>			
Due to General Fund	\$ -	\$ 3,259	\$ 3,259
<b>Total liabilities</b>	-	3,259	3,259
<b>Net position</b>			
Restricted for pension benefits and other purposes	22,417	494,891	517,308
<b>Total liabilities and net position</b>	<b>\$ 22,417</b>	<b>\$ 498,150</b>	<b>\$ 520,567</b>

See independent auditor's report



**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Changes in Net Position – Private Purpose Trust - Town

For the Year Ended June 30, 2014

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Private Purpose Total</u>
<b>Additions</b>			
Investment income	\$ 131	\$ 1,669	\$ 1,800
Other	<u>100</u>	<u>31,050</u>	<u>31,150</u>
Total additions	231	32,719	32,950
<b>Deductions</b>			
Per trust agreements	<u>1,585</u>	<u>29,900</u>	<u>31,485</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	(1,354)	2,819	1,465
Net position, July 1, 2013	<u>23,771</u>	<u>492,072</u>	<u>515,843</u>
Net position, June 30, 2014	<u>\$ 22,417</u>	<u>\$ 494,891</u>	<u>\$ 517,308</u>

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Net Position - Agency Funds - Town

June 30, 2014

	<b>Student Activities</b>	<b>Gravel Permits</b>	<b>Total</b>
<b>Assets</b>			
Cash Checking	\$ 144,960	\$ 10,342	\$ 155,302
Receivables, Other	-	-	-
Total assets	144,960	10,342	155,302
<b>Deferred outflows of resources</b>			
None	-	-	-
<b>Total outflows of resources and assets</b>	\$ 144,960	\$ 10,342	\$ 155,302
<b>Liabilities</b>			
Deposits held	144,960	10,342	155,302
Due to Other	-	-	-
Total Liabilities	\$ 144,960	\$ 10,342	\$ 155,302
<b>Deferred Inflows of Resources</b>			
None	-	-	-
<b>Total deferred inflows of resources</b>	-	-	-
Fund balances (deficits), unreserved	-	-	-
Total fund balances (deficits)	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 144,960	\$ 10,342	\$ 155,302

See independent auditor's report

**TOWN OF TIVERTON, RHODE ISLAND**

Supplementary Information

Combining Statement of Additions and Deductions - Agency Fund - Town

For the Year Ended June 30, 2014

	<u>Student Activities</u>	<u>Gravel Permits</u>	<u>Total</u>
Statement of Additions and Deductions			
<b>Additions</b>			
Miscellaneous revenue	\$ 323,137	\$ 5	\$ 323,142
Total additions	<u>323,137</u>	<u>5</u>	<u>323,142</u>
<b>Deductions</b>			
Amount expended	<u>333,168</u>	-	<u>333,168</u>
Total deductions	<u>333,168</u>	-	<u>333,168</u>
Increase (decrease) in deposits held	(10,031)	5	(10,026)
Deposits Held, July 1, 2013	<u>154,991</u>	<u>10,337</u>	<u>165,328</u>
To Restate PY Deposits Held	-	-	-
Deposits Held, June 30, 2014	<u>\$ 144,960</u>	<u>\$ 10,342</u>	<u>\$ 155,302</u>

See independent auditor's report

## **STATISTICAL SECTION**

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

**TOWN OF TIVERTON, RHODE ISLAND**

Schedule of Uncollected Property Taxes

For the Year Ended June 30, 2014

Real estate and personal property tax receivable:

<u>Tax Roll Year</u>	<u>Balance July 1, 2013</u>	<u>Assessment</u>	<u>Abatements Refunds</u>	<u>Transfers</u>	<u>Amount to be collected</u>	<u>Collections</u>	<u>Balance June 30, 2014</u>
2013	\$ -	\$ 37,609,917	\$ (18,482)	\$ 45,633	\$ 37,637,068	\$ 36,560,841	\$ 1,076,227
2012	1,010,123	-	3,415	(2,231)	1,011,307	505,957	505,350
2011	455,900		22,476	(49)	478,327	299,989	178,338
2010	143,792		(138)	3,190	146,844	7,823	139,021
2009	95,900				95,900	1,346	94,554
2008	84,389			3,378	87,767	4,318	83,449
2007	60,869			1,117	61,986	1,289	60,697
2006	33,503				33,503	54	33,449
2005	22,995				22,995	173	22,822
2004	20,121				20,121	58	20,063
2003	19,139		(14,629)		4,510		4,510
2002	22,649		(19,408)		3,241	748	2,493
2001 and prior	2,480	-	-	-	2,480	-	2,480
	<u>\$ 1,971,860</u>	<u>\$ 37,609,917</u>	<u>\$ (26,766)</u>	<u>\$ 51,038</u>	<u>\$ 39,606,049</u>	<u>\$ 37,382,596</u>	<u>\$ 2,223,453</u>

**TOWN OF TIVERTON, RHODE ISLAND**

Tax Collector's Annual Report (Continued)

For the Year Ended June 30, 2014

<u>Description of property</u>	<u>Valuations</u>	<u>Levy</u>
Real property	\$ 1,671,979,100	\$ 32,002,911
Commercial/Industrial real estate	171,628,000	3,324,435
Motor vehicles	151,885,609	1,408,996
Tangible personal	<u>40,453,396</u>	<u>783,582</u>
Total	2,035,946,105	37,519,924
Exemptions	<u>98,033,485</u>	<u>-</u>
Current year assessment	<u>\$ 1,937,912,620</u>	<u>\$ 37,519,924</u>

Reconciliation of current year property tax revenue:

Current year collections	37,382,596
Revenue collected within 60 days subsequent to year ended June 30, 2014	<u>228,423</u>
	37,611,019
Prior year revenue received in current year	<u>(821,755)</u>
Current year real estate and personal property tax revenue	<u>\$ 36,789,264</u>

**TOWN OF TIVERTON, RHODE ISLAND**

Schedule of Long-Term Liabilities

For the Year Ended June 30, 2014

	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized</u>	<u>Outstanding July 1, 2013</u>	<u>Additions</u>	<u>Maturities During the Year</u>	<u>Outstanding June 30, 2014</u>	<u>Interest Paid</u>
<b>General long-term obligations</b>									
Revenue financing bonds	6/15/2006	4.0%-5.0%	5/15/2026	3,735,000	2,455,000		190,000	2,265,000	114,275
General obligation bond	8/1/2007	4.25%-5.00%	5/15/2027	10,580,000	8,495,000		450,000	8,045,000	401,875
Ft. Barton 10.0 million bond	7/15/2008	3.75%-6.00%	5/15/2028	10,000,000	8,320,000		390,000	7,930,000	410,644
Pocasset 10.1 million bond	7/1/2009	3.00%-6.25%	5/15/2029	10,100,000	9,035,000		385,000	8,650,000	477,163
Tax increment bond (Refi)		3.530%	6/30/2022	5,310,000	5,310,000	-	595,000	4,715,000	119,235
<b>Total general obligation payable</b>				<u>39,725,000</u>	<u>33,615,000</u>	<u>-</u>	<u>2,010,000</u>	<u>31,605,000</u>	<u>1,523,191</u>
Capital lease				-	1,059,800	193,500	207,437	1,045,863	41,751
Landfill closure and postclosure care costs				-	4,651,127	1,174,149	-	5,825,276	-
<b>Othe general long-term obligations</b>				<u>-</u>	<u>5,710,927</u>	<u>1,367,649</u>	<u>207,437</u>	<u>6,871,139</u>	<u>41,751</u>
<b>Accrued expenses</b>									
Accrued vacation and sick leave					1,156,293	59,070	106,388	1,108,975	n/a
Net OPEB obligation					4,388,364	443,291		4,831,655	n/a
Net pension obligation					1,924,170	-	-	1,924,170	n/a
<b>Total accrued expenses</b>					<u>7,468,827</u>	<u>502,361</u>	<u>106,388</u>	<u>7,864,800</u>	
<b>Total long-term liabilities</b>					<u>\$ 46,794,754</u>	<u>\$ 1,870,010</u>	<u>\$ 2,323,825</u>	<u>\$ 46,340,939</u>	

**TOWN OF TIVERTON, RHODE ISLAND**

Schedule of Debt Service Requirements to Maturity

For the Year Ended June 30, 2014

<u>Year Ending June 30,</u>	<u>Percentage of Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	6.26%	\$ 1,980,000	\$ 1,510,771	\$ 3,490,771
2016	12.77%	2,055,000	1,431,840	3,486,840
2017	19.52%	2,135,000	1,348,690	3,483,690
2018	26.51%	2,210,000	1,256,697	3,466,697
2019	33.81%	2,305,000	1,153,975	3,458,975
2020-2024	70.81%	11,695,000	4,098,825	15,793,825
2025-2029	100.00%	<u>9,225,000</u>	<u>1,230,763</u>	<u>10,455,763</u>
		<u>\$ 31,605,000</u>	<u>\$ 12,031,560</u>	<u>\$ 43,636,560</u>



**TOWN OF TIVERTON, RHODE ISLAND**

Long Debt Margin

For the Year Ended June 30, 2014

Gross assessed value	\$	2,035,946,105
Less exempt property		<u>98,033,485</u>
Total taxable assessed value	\$	<u><u>1,937,912,620</u></u>
Debt limit - 3 percent of total assessed value	\$	58,351,504
Amount of debt applicable to debt limit:		
Total bonded debt		<u>31,605,000</u>
Legal debt margin	\$	<u><u>26,746,504</u></u>