
TOWN OF SCITUATE

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

***FOR THE FISCAL YEAR ENDED
MARCH 31, 2015***

***THEODORE J. PRZYBYLA
TREASURER***

Prepared by: Town Treasurer's Office

SCITUATE, RHODE ISLAND

TOWN OF SCITUATE, RHODE ISLAND COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2015

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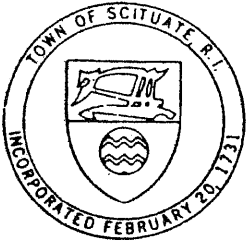
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(Concluded)

INTRODUCTORY SECTION

This Section Contains the Following Subsections:

Letter of Transmittal
Certificate of Achievement for Excellence in Financial Reporting
Organizational Chart
List of Town Officials



Town of Scituate

Rhode Island

THEODORE J. PRZYBYLA
TOWN TREASURER

September 25, 2015

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

—————
P.O. BOX 127
NORTH SCITUATE, RI 02857
(401) 647-2547

The Comprehensive Annual Financial Report of the Town of Scituate, for the fiscal year ended March 31, 2015, is submitted herewith. This report was prepared by the Treasurer's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including disclosures, rests with the Town. We believe the information, as presented, is accurate in all material aspects: that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Town as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain adequate understanding of the Town's financial affairs have been included.

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

GENERAL

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

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

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

Approximately forty percent (42.6%) of the Town area is owned by the City of Providence and is employed in the collection and storage of water. This property was acquired by an act of the State of Rhode Island (the "State") legislature that provided the land could be used for water supply purposes only. This huge reservoir is so well engineered and controlled that it has never posed a flood threat. For its land and improvements thereon, the City of Providence currently pays the Town of Scituate an annual amount that represents approximately 21.9% of the Town's total tax levy. Under legislation adopted by the General Assembly, the valuation may be renegotiated every ten years for the subsequent period. The current valuation was last determined in the 12/31/2012 revaluation for the 2013-2014 fiscal year. The Town of Scituate and the City of Providence have negotiated a new agreement establishing the annual tax payment through December 31, 2017.

Government

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

Education

The public school system of the Town consists of one senior high school, one middle school and three elementary schools. A five-member School Committee that is elected at-large at the regular biennial elections for four-year term directs the general administration of the Scituate School Department. The School Committee determines and controls all policies affecting the administration, maintenance, and operation of the public schools in the Town. The School Committee appoints a Superintendent as its chief administrative agent; submits a budget of expenditures and revenues to the voters at an annual Financial Town Meeting and, once the school budget is approved, determines the allocation of the amount appropriated. The school enrollment for September 1, 2014 is 1451. The cost per student was \$14,239.52 shared by the Town and the State of Rhode Island in the form of School Operation Aid. The cost of operating the Town's school system for the fiscal year ended March 31, 2015 was \$22,432,369 and \$22,604,111 has been budgeted for fiscal year ending March 31, 2016.

Student enrollment per the Scituate School Department for the past 8 years has been and is projected to be as follows:

Fiscal Year	Enrollment
<u>Ending</u>	
<i>Actual</i>	
2007	1,873
2008	1,806
2009	1,700
2010	1,660
2011	1,652
2012	1,538
2013	1,503
2014	1,448
<i>Projected</i>	
2015	1,422
2016	1,371
2017	1,333
2018	1,319
2019	1,287

Projections revised NESDC and Scituate School Department

Municipal Services

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

Rubbish and Garbage Collection

Curbside rubbish and garbage collection are made weekly by the Town. Recycling is picked up on a bi-weekly basis.

Police Department

The Scituate Police Department has a force of 17 full-time sworn officers and 1 Animal Control officer. In fiscal 2015 the Police Department expended \$1,794,666 and Animal Control spent \$74,659. The Police Department's fiscal 2016 budget is \$1,916,994 for Police and \$77,726 for Animal Control.

Fire Protection

Four fire stations and districts, all volunteer, are located on Danielson Pike in North Scituate; Main Street, west of Jackson Flat Road in Hope; Chopmist Hill Road, Route 102; and Old Plainfield Pike in Potterville. Equipment includes fire trucks, rescues and specialized equipment. The Department expended \$994,585 in fiscal 2015 and \$905,800 is budgeted for fiscal 2016.

Emergency Management Services

The Town has a part time Emergency Management Director located at 1315 Chopmist Hill Road, North Scituate.

Emergency Medical Services

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

Rescue service is provided by a rescue from each of the four volunteer fire districts, as well as through the volunteer Scituate Ambulance Rescue Corps.

Senior Services Center

The Town has a full time Senior Service Center located at 1315 Chopmist Hill Road, North Scituate. Today this is a fully functional facility including the senior meal site, operating three days per week. In fiscal 2015 the Senior Services Department expended \$84,004 and \$89,617 is budgeted for fiscal 2016.

Public Works, Sewers and Water

The Town's Public Works Department maintains the Town's property including highways, public buildings and recreational facilities. The Department expended \$2,377,266 in fiscal 2015 and the fiscal 2016 budget is \$1,877,245.

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

Libraries

There are 2 public libraries in the Town of Scituate; North Scituate Library and Hope Library, primarily supported by the Town. The libraries' fiscal 2015 appropriation was \$537,067 and the fiscal 2016 budget is \$555,113.

Recreation / Social Services

The Town supports a recreation program with a part-time Director who oversees seasonal recreation programs. The Recreation Department expended \$147,524 in FY 2015 and \$176,983 is budgeted for FY 2016.

The Town also supports various social service and community health organizations. The Town has appropriated \$49,965 in FY 2015 and also in FY 2016.

Employee Relations

As of March 31, 2015 the Town had 24 full-time and approximately 97 part-time and seasonal employees exclusive of the School and Police Departments. The Police Department employed 17 uniformed officers, 5 full-time and 2 part-time civilian employees and 1 full-time and 1 part-time animal control officers. The School Department as of such date had 150 full and part-time professional, as well as 80 part-time and full-time non-professional employees.

The Town's uniformed police employees are members of the International Brotherhood of Police officers (IBPO). The present contract with the Police expired June 30, 2012. The Town's professional school employees are members of the National Education Association of Rhode Island (NEARI) with a contract that expires August 31, 2016. The School Department's custodians are members (NEARI) with a contract that expires June 30, 2017. The School Department's Paraprofessionals are members (NEAR) with a contract that expires June 30, 2015. The employees of the Department of Public Works are members of the Teamsters, Chauffeurs, Warehousemen & Helpers of America Local Union No. 251 with a contract that expires June 30, 2015; the Town Council is currently negotiating a new contract with the Police International Brotherhood of Police Officers.

ECONOMIC CONDITIONS AND OUTLOOK

Population

In 2000, Scituate was ranked 29th in population among the thirty-nine cities and towns in Rhode Island and the Town experienced a 4.8% increase in population from 1990 to 2000. Set forth below is a table of the population in the Town for various years from 1910 to 2000. The estimated population for 2015 was 10,329.

<u>Year</u>	<u>Population</u>
1930	2,292
1940	2,838
1950	3,905
1960	5,210
1970	7,489
1980	8,405
1990	9,796
2000	10,324
2007.....	10,870
2009.....	10,817 (estimate)
2010.....	10,329
2011.....	10,324
2012.....	10,324
2013.....	10,324
2014.....	10,324
2015.....	10,329

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

Unemployment

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

	ANNUALIZED									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Town of Scituate	5.1%	5.8 %	5.0 %	5.3%	7.0%	12.5%	11.9%	11.1%	10.00%	8.8%
State of Rhode Island	4.6%	5.5%	5.1%	5.2%	7.5%	12.4%	12.9%	11.5%	10.8%	9.4%
United States	5.4%	5.4%	4.3%	5.0%	5.5 %	9.5%	10.2%	8.8%	8.3%	7.3%
	2014	2015								
Town of Scituate	9.3%	7.0%								
State of Rhode Island	9.5%	7.7%								
United States	7.4%	6.2%								

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

Employment

In 2014 the Town had 267 private business and industrial firms subject to the payment of employment security taxes. During that period, the payrolls for those firms totaled \$65,279,684 and the average number of persons employed were 1,627. The following is a listing of the various types of industry in the Town covered by the Department of Labor and Training for the calendar year ended December 31, 2014.

Year Ended December 31, 2014			
Industry	Average No. of Units	Annual Payroll	Average No. of Employees
Agr., Fish., Mining	11	\$ 1,304,959	60
Construction	60	7,586,225	185
All Manufacturing	10	678,785	23
Transportation/Warehousing	13	396,293	10
Wholesale Trade	6	907,215	25
Retail Trade	20	4,712,508	180
Fin., Ins., Real Estate	16	1,197,364	30
Service Industries	118	13,083,474	503
Government	13	35,412,861	611
Totals	267	65,279,684	1,627

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

Income Levels

According to the 2008-2012 U.S. Census, the median family income of the Town of Scituate was \$94,205 compared to \$72,717 for the State of Rhode Island. Median family income in the Town increased from \$48,995 in 1990, an increase of 85.6%. The Town of Scituate's years 2009-13 median family income ranked 14th among Rhode Island cities and towns.

The per capita income of the Town was \$36,889 compared to \$30,469 for the State. Per capita income in the Town increased from \$18,400 in 1990 to \$36,889 in 2013, an increase of 100.05%. The Town of Scituate's year 2014 per capita income ranks 14th among Rhode Island cities and towns.

Building Permits

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

	Permits Issued	Value
1995	581	9,557,407
1996	586	9,809,563
1997	525	8,478,798
1998	504	7,182,210
1999	608	9,131,092
2000	563	9,828,962
2001	647	9,270,187
2002	645	12,542,473
2003	833	15,369,548
2004	*759	13,779,607
2005	750	12,445,315
2006	644	13,531,309
2007	557	9,990,825
2008	590	8,229,435
2009	489	7,194,349
2010	519	6,498,604
2011	521	6,689,490
2012	572	7,031,052
2013	547	5,036,771

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

Housing

At March 31, 2015, the sale price for a single family home in Scituate ranged from \$65,000 to \$835,000. The median sales price for a house in Scituate was \$260,000 and the average sales price was \$277,728.

Source: Tax Assessor's data base

Economic Development

Within the past year, a few projects have been underway and some projects are still on the drawing board; there have been an uptick in single-family housing starts.

- A new 11,000 sq. ft. commercial building at the corner of Rte. 101 and 102 started construction.
- The Scituate Animal Hospital will be constructing a major addition.

- Two new major subdivisions: 5 lots off Heather Lane started rough-in work and 13 lots on Nipmuc Road received preliminary approval.
- There were 14 new housing starts, the highest total in 4 years.
- A 12-unit condominium / affordable housing project on Rte. 101 received final approval; only land clearing has started to date.

Major Initiatives

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

- The outfield at the Manning Field baseball diamond has been re-constructed, bringing it up to standard.
- The final design of Main Street-Enhancement Project is nearly completed.
- The north parking lot at the Hope Elementary School has been completely rebuilt, eliminating drainage, ice and plowing problems.
- The DPW Budget has recently doubled the paving budget, for many road repair and drainage improvement projects.

Source: Town of Scituate, Building Official

FINANCIAL INFORMATION

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

Internal Controls

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

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

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

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

Budgetary Control

The Town has formally established budgetary accounting control for its General Fund. It is the responsibility of the Town Budget Committee to submit to the Town Council and make available to the general public a proposed General Fund budget, including the School Departments transfer for the fiscal year. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School Departments transfer. At least two public hearings are conducted on the recommended General Fund Budget and the final recommended budget is approved by the voters and legally enacted through an ordinance by the Town Council at the Annual Financial Town Meeting. The General Fund and School Departments annual operating budget amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary.

Independent Audit

In accordance with the RI General Laws an audit of the financial statements has been completed by the Town's independent auditors, Baxter, Dansereau & Associates, LLP and their opinion is included herein.

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Scituate for its comprehensive annual financial report for the fiscal year ended March 31, 2014. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate for fiscal 2014.

Acknowledgment

The preparation of the Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efforts and dedication of the competent staff of the treasurer's office. A special note of appreciation is extended to the many diligent employees who gave their time and efforts to the production of this CAFR. Finally, I would like to thank the Town Council for their support in planning and conducting the financial operation of the Town in a dedicated, professional and responsible manner.

Respectfully submitted,



Theodore J. Przybyla
Town Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

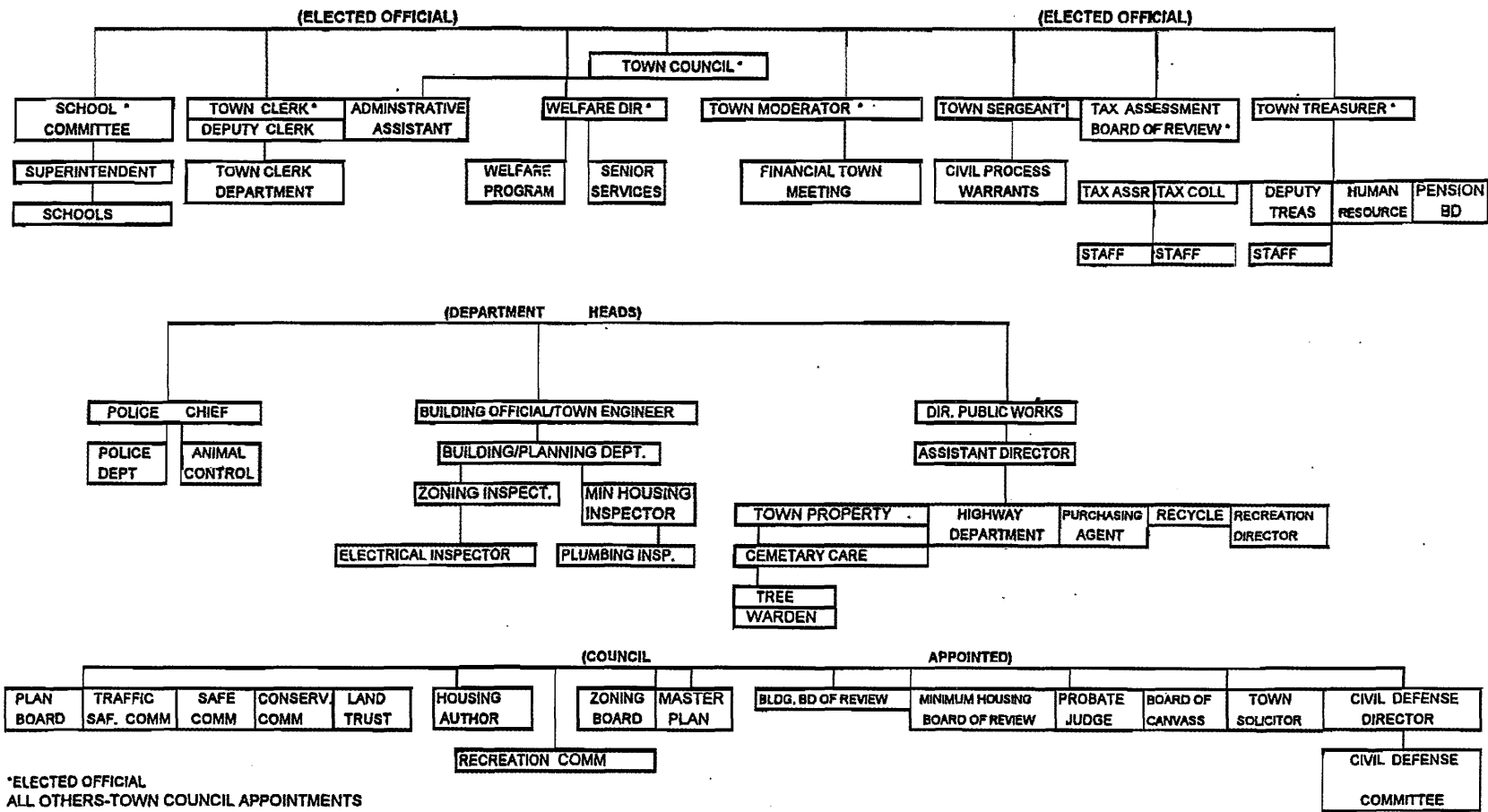
**Town of Scituate
Rhode Island**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

March 31, 2014

Executive Director/CEO

TOWN OF SCITUATE ORGANIZATIONAL CHART



*ELECTED OFFICIAL
ALL OTHERS-TOWN COUNCIL APPOINTMENTS

TOWN OF SCITUATE, RHODE ISLAND

As of March 31, 2015

TOWN TREASURER

Theodore J. Przybyla

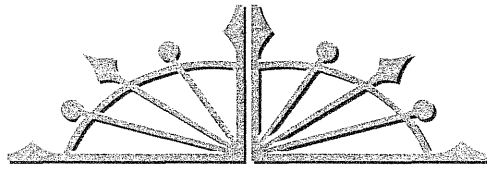
TOWN COUNCIL

Charles Collins, Jr., President
John F. Winfield Jr., Vice President
David A. D'Agostino
Brenda Frederickson
William Hurry, Jr.
Kathleen Knight-Bianchi
David Campbell

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



BAXTER DANSEREAU & ASSOCIATES, LLP
Accounting, Consulting & Tax Services

Partners
William J. Baxter, Jr., CPA
Paul L. Dansereau, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Scituate, Rhode Island (Town) as of and for the year ended March 31, 2015, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, each major fund and the aggregate remaining fund information of the Town of Scituate, Rhode Island as of March 31, 2015, and the respective changes in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-13 and 64-66 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 Scituate, Rhode Island's basic financial statements. The introductory section, combining nonmajor fund financial statements, the combining fiduciary fund financial statements, 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the 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 September 25, 2015, on our consideration of the Town of Scituate, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 Scituate, Rhode Island's internal control over financial reporting and compliance.



Baxter Dansereau & Associates, LLP
West Warwick, Rhode Island
September 25, 2015

Management's Discussion and Analysis

TOWN OF SCITUATE MANAGEMENTS DISCUSSION AND ANALYSIS

Management of the Town of Scituate provides this Management's Discussion and Analysis of the Town of Scituate Comprehensive Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of Scituate are for fiscal year ended March 31, 2015. We encourage readers to consider this information in conjunction with the additional information that is furnished in the letter of transmittal, which can be found preceding this narrative, and with the Town's financial statements that follow.

FINANCIAL HIGHLIGHTS

- ❖ The Town's net position increased by \$1,073,593 as a result of this year's current operations. The primary reason for the increase was due to an increase in expected state aid and an increase in expected collection of property taxes. On a government-wide basis the assets and deferred outflows of resources of the Town of Scituate exceeded its liabilities at the close of the most recent fiscal year by \$14,955,377.
- ❖ The Town's Government-wide operating expenses were \$34,256,534 a 3.29% increase from the prior year, while revenues collected were \$35,330,127 a 2.85% increase. The increase in operating expenses was mainly due to increases in public safety and education. The increase in revenue was from increases in general property tax, state revenue sharing, and operating grants and contributions.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,607,822. 35.3% of this amount, \$2,688,565 is unassigned and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$2,707,133 or 9.5% of the total general fund expenditures for the fiscal year. The general fund's current fiscal year revenues and transfers exceeded expenditures and transfers by \$82,036. On a budgetary basis revenues and transfers exceeded expenditures and transfers by \$273,431.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Town's overall status.

- The remaining statements are fund financial statements that focus on individual parts of the Town government, reporting the Town’s operations in more detail than the government-wide statements.
 - ✓ The *governmental funds* statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
 - ✓ *Fiduciary fund* statements provide information about assets that are held by the Town as a trustee or agent for the benefit of someone or something other than the Town itself. The Town cannot use these assets to support its own programs.

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

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

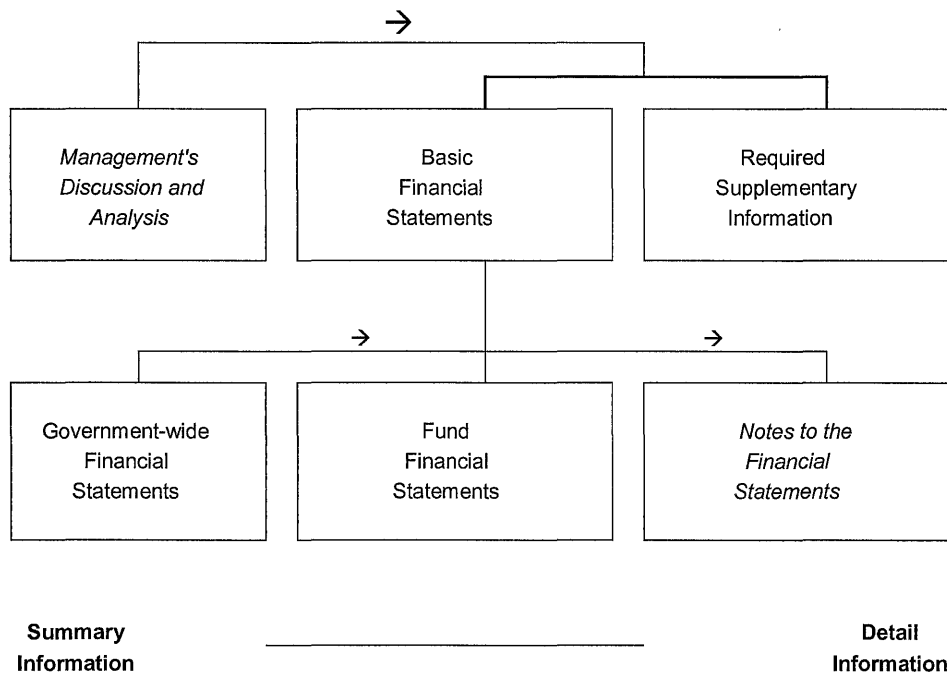


Figure A- 2

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

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

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

Government-Wide Statements

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

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

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

The government-wide financial statements of the Town are made up of one activity.

- *Governmental activities* – Most of the Town's basic services are included here, such as the police, fire, library, public works and general administration. Property taxes, general fees and state funding finance most of these activities.

Fund Financial Statements

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

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

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

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

The Town maintains seventy-eight governmental funds; one is considered a major fund and is presented in a separate column in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The Town's major governmental fund is the General Fund.

The basic governmental fund financial statements can be found beginning on page 14 of this report.

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's net position totaled \$14,995,377 at the close of the most recent fiscal year.

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

Town of Scituate Net Position
March 31, 2015 and 2014

	Governmental Activities	
	2015	2014
ASSETS		
Current and other assets	\$ 10,699,474	\$ 10,266,092
Capital assets	18,629,907	19,397,597
Total assets	29,329,381	29,663,689
 Deferred Outflows of Resources	 27,744	 34,679
 LIABILITIES		
Current Liabilities	3,242,088	3,715,638
Long-term liabilities	11,119,660	12,033,122
Total liabilities	14,361,748	15,748,760
 NET POSITION		
Net invested in capital assets	14,370,296	14,823,917
Restricted	2,266,817	2,284,828
Unrestricted	(1,641,736)	(3,159,137)
Total net position	\$ 14,995,377	\$ 13,949,608

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

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

Changes in Net Position

The government's net position increased by \$1,073,593 during the current fiscal year.

Town of Scituate Changes in Net Position For the Year Ended March 31, 2015 and 2014

	Governmental Activities	
	2015	2014
Revenues		
Program revenues		
Charges for services	\$ 1,268,264	\$ 1,262,199
Operating grants and contributions	6,725,840	6,446,317
Total program revenues	<u>7,994,104</u>	<u>7,708,516</u>
General revenues		
Property taxes, levied for general purposes	27,020,591	26,311,689
State revenue sharing	297,446	327,960
Investment earnings and miscellaneous	17,986	2,018
Total general revenues	<u>27,336,023</u>	<u>26,641,667</u>
Total revenues	<u>35,330,127</u>	<u>34,350,183</u>
Expenses		
General government	1,254,876	1,211,309
Public safety	5,207,677	5,083,824
Public works	2,592,311	2,278,216
Social services	1,094,248	1,015,582
Education	23,851,309	23,229,463
Interest expense	256,113	345,701
Total expenses	<u>34,256,534</u>	<u>33,164,095</u>
Increase (decrease) in net assets	1,073,593	1,186,088
Net position - beginning of year	13,949,608	12,666,443
Prior period adjustment - see note	(27,824)	97,077
Net position - beginning of year restated	<u>13,921,784</u>	<u>12,763,520</u>
Net position - end of year	<u>\$ 14,995,377</u>	<u>\$ 13,949,608</u>

Governmental activities. Governmental activities for the current year increased the Town's current year Net Position by \$1,073,593. Key elements of this increase are as follows: current year purchases of capital assets and scheduled debt repayments.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$7,607,822 which is an overall increase of \$174,261 for the current year. Of this total amount \$2,688,565 or 35% represents unassigned fund balance, which is available for spending at the government's discretion.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,707,133. As a measure of the general fund liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 9.58% of total general fund expenditures.

General Fund Budgetary Highlights

The budget was passed at the annual Financial Town Meeting held on April 7, 2015. Favorable revenue variances were mainly due from an increase in school housing aid, telephone tax, and grants. Favorable variances between the original general fund budget and the final department expenditures of \$422,411 were mainly due to contracts that were not settled at year end; lower than anticipated rates on borrowing and cost of employee benefits. A significant drop-off in debt has allowed the Treasurer and Budget Committee to redirect this budgetary savings toward developing a five-year capital plan.

Capital Assets and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental activities as of March 31, 2015 amounted to \$18,629,907 (net of accumulated depreciation). This investment in capital assets includes infrastructure, land, buildings, improvements, machinery and equipment, vehicles and construction in progress.

Town of Scituate Capital Assets

	March 31, 2015	March 31, 2014
	Governmental Activities	Governmental Activities
Land & land rights	\$ 2,124,928	\$ 2,124,928
Construction in Progress	70,340	505,000
Infrastructure	2,712,581	3,039,619
Buildings and improvements	11,704,312	11,983,865
Office furniture and equipment	245,251	283,362
Motor vehicles	1,237,800	932,226
Machinery and equipment	534,695	528,597
	\$ 18,629,907	\$ 19,397,597

Additional information on the Town's capital assets can be found in Note 2 – Capital Assets on page 28 of this report.

Long-term debt. At the end of the fiscal year, the Town had total bonded debt outstanding of \$3,075,000. General obligation bonds are backed by the full faith and credit of the Town, including the Town's power to levy additional taxes to ensure repayment of the debt. Accordingly, all general obligation debt currently outstanding was approved by a vote of the citizens.

The Town has an Aa2 rating from Moody's Investors Service.

State statute limits the amount of bonds a governmental entity can issue to 3% of its total net assessed value, which approximates \$40,957,150. As of March 31, 2015 the Town's debt, subject to the 3% limit, was \$3,075,000 which is under the debt limit by \$37,882,150.

Additional information on the Town's long-term debt can be found in Note 6 – Long-Term Liabilities on pages 31 – 34 of this report.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the Town of Scituate is 7 percent as of July 2015. This compares to the State's unemployment rate of 7.7 percent and the national average of 6.2 percent. Median Family Income ranks 14th and Per Capita Income ranks 14th among Rhode Island's 39 Cities and Towns.

Scituate	\$41,211	\$95,608
Rhode Island	\$30,748	\$71,608
United States	\$28,051	\$53,046

The following factors were considered in preparing the Town’s budget for the 2015/16 fiscal year.

- The Town has continued to budget the full ARC for Police Pension plus an additional \$100,000 and continued to fund OPEB in the amount of \$100,000 in Fiscal 2016.
- Contribution for municipal retirement system increased from 14.46% to 14.95%.
- The Fiscal 2016 budget provides for a 2% base salary increase for town staff.
- Most appropriations remain level funded at the prior year’s budgeted amounts. These measures are necessary to absorb eliminated state revenue sharing and continued decreases in the motor vehicle excise tax exemption.
- The Town has experienced a significant drop-off in town debt, and redirected these funds for capital expenditures. The Treasurer, along with the assistance of town department heads and budget committee, has developed a 5-year plan for capital expenditures. The FY 16 budget includes \$1.1million in capital.
- The School expects to receive \$360,000 in additional state aid in Fiscal 2016 over the prior year; union contracts provide for an average 1.5% salary increase.

The Town has appropriated \$952,000 of the School Department’s accumulated surplus for spending in the 2015/2016 fiscal year Budget. The Fiscal 2015/2016 budget was achieved with a 0.919% effective tax rate increase. The Town tax rates will be \$19.156 per thousand for residential real property and \$22.144 per thousand for commercial real property for fiscal year ending March 31, 2015. Both are now calculated at 100% of total assessed value. These rates were derived after completion of the December 31, 2012 town-wide statistical revaluation, review of all real, tangible and motor vehicle property assessments on December 31, 2014 and completion of the budget process.

The Town of Scituate (Town) and the Providence Water Supply Board (PWSB) will be entering the eighth year of a ten (10) year tax treaty beginning with taxes assessed as of December 31, 2007.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

TOWN OF SCITUATE, RHODE ISLAND
Statement of Net Position
March 31, 2015

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 3,186,403
Real estate and personal property tax receivable (net)	6,367,027
Due from federal and state government	321,282
Other receivables	532,900
Prepaid expenses	291,862
Capital assets:	
Land, land rights and construction in progress	2,195,268
Depreciation buildings, property, equipment, and infrastructure (net)	16,434,639
TOTAL ASSETS	29,329,381
 DEFERRED OUTFLOW OF RESOURCES	
Deferred charge on refunding of debt	27,744
 LIABILITIES	
<i>Current liabilities:</i>	
Accounts payable and accrued liabilities	1,852,194
Accrued interest payable	71,464
Unearned revenue	19,995
Other liabilities	24,481
Long-term liabilities	
Due within one year	1,273,954
Due in more than one year	11,119,660
TOTAL LIABILITIES	14,361,748
 NET POSITION	
Net investment in capital assets	14,370,296
<i>Restricted for:</i>	
Educational programs	1,820,106
Public safety programs	98,999
Social service programs	105,744
Records preservation	80,129
Other programs	31,226
<i>Permanent:</i>	
Expendable	9,847
Nonexpendable	120,766
Unrestricted	(1,641,736)
Total Net Position	\$ 14,995,377

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

TOWN OF SCITUATE, RHODE ISLAND
Statement of Activities
For the Fiscal Year Ended March 31, 2015

	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities	
Functions/Programs				
Governmental activities:				
General government	\$ 1,254,876	\$ 672,028	\$ 56,815	\$ (526,033)
Public safety	5,207,677	351,820	211,720	(4,644,137)
Public works	2,592,311	7,500	12,250	(2,572,561)
Social services	1,094,248	-	144,067	(950,181)
Education	23,851,309	236,916	6,300,988	(17,313,405)
Interest expense	256,113	-	-	(256,113)
Total governmental activities	\$ 34,256,534	\$ 1,268,264	\$ 6,725,840	(26,262,430)
General revenues:				
General property tax			27,020,591	
State revenue sharing			297,446	
Unrestricted investment earnings			874	
Miscellaneous			17,112	
Total general revenues			27,336,023	
Change in net position				
Net position - beginning of year			13,949,608	
Prior period adjustment - see note - 18			(27,824)	
Net position - beginning of year restated			13,921,784	
Net position - end of year			\$ 14,995,377	

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

Fund Financial Statements

TOWN OF SCITUATE, RHODE ISLAND
Balance Sheet
Governmental Funds
March 31, 2015

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 2,798,042	\$ 388,361	\$ 3,186,403
Real estate and personal property tax receivable	6,662,027	-	6,662,027
Due from federal & state governments	92,214	229,068	321,282
Other receivables	438,346	19,995	458,341
Internal balances	2,878,796	826,948	3,705,744
Prepaid expenditures	291,862	-	291,862
TOTAL ASSETS	\$ 13,161,287	\$ 1,464,372	\$ 14,625,659
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued expenses	\$ 1,651,024	\$ 96,367	\$ 1,747,391
Internal balances	3,671,298	34,446	3,705,744
Unearned revenue	-	19,995	19,995
Other liabilities	24,481	-	24,481
Total liabilities	5,346,803	150,808	5,497,611
DEFERRED INFLOW OF RESOURCES			
Unavailable tax revenue	1,520,226	-	1,520,226
Fund balances:			
<i>Nonspendable:</i>			
Prepaid expenditures	291,862	-	291,862
Cemetery perpetual care	-	120,766	120,766
<i>Restricted for:</i>			
Educational programs	1,691,690	128,416	1,820,106
Public safety programs	-	98,999	98,999
Social service programs	-	105,744	105,744
Records preservation	-	80,129	80,129
Other programs	15,525	15,701	31,226
<i>Committed for:</i>			
Open space, park & recreational facilities	-	97,855	97,855
Other post employment benefits	300,000	-	300,000
Other programs	-	7,357	7,357
<i>Assigned for:</i>			
2016 budget -Town & School	1,211,080	-	1,211,080
Educational programs	76,968	-	76,968
Capital projects	-	677,165	677,165
<i>Unassigned:</i>	2,707,133	(18,568)	2,688,565
Total fund balances	6,294,258	1,313,564	7,607,822
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,161,287	\$ 1,464,372	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (see note 9)	18,629,907
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (see note 9)	1,151,262
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (see note 9)	(12,393,614)
Net position of governmental activities	\$ 14,995,377

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

TOWN OF SCITUATE, RHODE ISLAND
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended March 31, 2015

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues			
General property tax	\$ 26,764,120	\$ -	\$ 26,764,120
Federal and state aid grants	5,525,208	993,210	6,518,418
Charges for service	784,048	269,985	1,054,033
Fines and penalties	37,746	-	37,746
Investment and interest income	64,198	85	64,283
Contributions and private grants	439,074	31,007	470,081
Miscellaneous	-	150,671	150,671
Total revenues	<u>33,614,394</u>	<u>1,444,958</u>	<u>35,059,352</u>
Expenditures			
General government	1,108,564	4,585	1,113,149
Public safety	2,831,970	16,856	2,848,826
Public works	2,377,266	1,935	2,379,201
Social services	825,888	300,979	1,126,867
Education	22,341,800	1,146,427	23,488,227
Fixed charges and other	2,159,735	-	2,159,735
Debt service			
Principal	1,476,000	-	1,476,000
Interest	293,086	-	293,086
Total expenditures	<u>33,414,309</u>	<u>1,470,782</u>	<u>34,885,091</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>200,085</u>	<u>(25,824)</u>	<u>174,261</u>
Other financing sources (uses)			
Transfers from other funds	-	118,049	118,049
Transfers to other funds	(118,049)	-	(118,049)
Total other financing sources (uses)	<u>(118,049)</u>	<u>118,049</u>	<u>-</u>
Net changes in fund balances	82,036	92,225	174,261
Fund balances - beginning	<u>6,212,222</u>	<u>1,221,339</u>	<u>7,433,561</u>
Fund balances - ending	<u>\$ 6,294,258</u>	<u>\$ 1,313,564</u>	<u>\$ 7,607,822</u>

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

TOWN OF SCITUATE, RHODE ISLAND
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended March 31, 2015

Net change in fund balances - total governmental funds		\$ 174,261
<p>Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:</p> <p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays and adjustments in the current period.</p>		
Capital outlay	513,939	
Depreciation expense	<u>(1,223,775)</u>	(709,836)
Property taxes that are not collected in the current period and do not represent current financial resources are deferred in the fund financial statements, however they are recognized as revenues in the statement of activities.		256,471
Amortization of bond premiums and refundings in the current period do not represent current financial resources, however they are recognized as expenditures and revenues in the statement of activities.		551
Some expenditures and revenues reported in the governmental funds that require the use of current financial resources are not reported as revenue or expenditures in the statement of activities.		20,696
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the full accrual basis, expenses and liabilities are recorded regardless of when financial resources are available.		
Principal payments made on long-term debt	1,476,000	
Net decrease in compensated absences	27,380	
Net decrease in Net Pension obligation	68,815	
Net increase in the other post employment benefit obligation	<u>(240,745)</u>	<u>1,331,450</u>
Change in net position of governmental activities		<u>\$ 1,073,593</u>

Please see Note 10 for a more detailed explanation of the differences between the Government-Wide Financial Statements and the Fund Financial Statements

TOWN OF SCITUATE, RHODE ISLAND
Statement of Fiduciary Net Position
Fiduciary Funds
March 31, 2015

	Pension Trust Fund	Private Purpose Trust Fund	Agency Funds
ASSETS			
Cash and cash equivalents	\$ 185,429	\$ 51,775	\$ 220,522
Investments:			
Collective funds - equity	2,987,064	-	-
Collective funds - fixed income	1,374,676	-	-
Collective funds - real estate investment trust	240,755	-	-
Total Investments:	4,602,495	-	-
Total Assets	4,787,924	51,775	220,522
LIABILITIES			
Benefits payable	16,737	-	-
Deposits held in custody for others	-	-	220,522
Total Liabilities	16,737	-	220,522
NET POSITION			
Held in trust for pension benefits and other purposes	\$ 4,771,187	\$ 51,775	\$ -

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

TOWN OF SCITUATE, RHODE ISLAND
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended March 31, 2015

	<u>Pension Trust Fund</u>	<u>Private Purpose Trust Fund</u>
Additions:		
Contributions:		
Employer	\$ 729,958	\$ -
Plan member	110,657	-
Total contributions;	<u>840,615</u>	<u>-</u>
Investment income:		
Interest and dividend income	74	5
Net appreciation (depreciation) in fair value of investments	364,475	-
Less: investment expense	<u>(44,609)</u>	<u>-</u>
Net investment income	<u>319,940</u>	<u>5</u>
Total Additions	<u>1,160,555</u>	<u>5</u>
Deductions		
Benefits Paid	<u>671,686</u>	<u>-</u>
Total Deductions:	<u>671,686</u>	<u>-</u>
Change in net assets	488,869	5
Net position - beginning of year	<u>4,282,318</u>	<u>51,770</u>
Net position - end of year	<u>\$ 4,771,187</u>	<u>\$ 51,775</u>

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

Notes to Financial Statements

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

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

Recently Issued Accounting Standards

The Town implemented the following accounting pronouncements for the year ended March 31, 2015:

- GASB Statement No. 67 – Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25 effective for the Town's fiscal year ending March 31, 2015.
- GASB Statement No. 70 Accounting and Reporting for Non-exchange Financial Guarantees effective for the Town's fiscal year ending March 31, 2015.

The Town will adopt the following new accounting pronouncements in future years:

- GASB Statement No. 68 - Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27 effective for the Town's fiscal year ending March 31, 2015.
- GASB Statement No. 69 Government Combinations and Disposals of Government Operations effective for the Town's fiscal year ending March 31, 2015.
- GASB Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68 effective for the Town's fiscal year ending March 31, 2015.

The impact of these pronouncements on the Town's financial statements has not been determined.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

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

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

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units.” A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Through the application of GASB Statement Nos. 14 and 39 criteria, no separate entities have been determined to be component units of the Town.

B. BASIS OF PRESENTATION AND ACCOUNTING

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements

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

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

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

Governmental Fund Financial Statements

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

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major Governmental Funds:

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

Fiduciary Fund Financial Statements

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

Pension Trust Fund – This fund accounts for pension benefits provided to Town Police Officers. The principal revenue source for this fund is employer and employee contributions.

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

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

C. INVESTMENTS

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

D. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE

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

E. CAPITAL ASSETS AND DEPRECIATION

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All capital assets are capitalized at historical or estimated historical cost. Donated capital assets are recorded at fair market value as of the date received. The Town follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than 1 year.

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

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

<i>Description</i>	<i>Useful Life</i>
Infrastructure	25-75 years
Buildings and improvements	20-40 years
Office furniture and equipment	5-7 years
Machinery and equipment	10-12 years
Vehicles	4-10 years

F. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the Town reports unavailable property tax revenue, which arises only under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. PROPERTY TAXES

The Town is permitted by State Law to levy property taxes. Current fiscal year tax collections for the Town were approximately 78.4% of the total 2014 levy. During the period April 1, 2015 through May 31, 2015, the Town collected an additional \$4,970,572 of the 2014 tax levy. The total collections therefore represent approximately 96.8% of the total 2014 levy. The tax rate of the Town is established by the Town Council.

The Town's fiscal 2014-2015 property taxes were levied on June 18, 2014 on assessed valuation as of December 31, 2013. Upon levy, taxes are billed and are due quarterly on July 1, October 1, January 1, and April 1. Failure to mail payments by due date results in a lien on the taxpayer's property. Assessed values are established by Tax Assessor's Office and are currently calculated at 50% of assessed value for real estate and 95% of market value for motor vehicles. A full revaluation of all property was completed as of December 31, 2012. The City of Providence Water Supply Board is the Town's principal taxpayer representing 19.05% of the Town's net assessed valuation in fiscal 2015.

H. COMPENSATED ABSENCES

Under the terms of various contracts and agreements, Town and School Department employees are granted vacation and sick leave in varying amounts based on length of service. Vacation benefits are accrued as a liability based on the accumulated benefits earned at March 31. Sick leave benefits are based on the sick leave accumulated at March 31 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability is calculated at the rate of pay in effect at March 31, 2015.

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

I. ACCRUED LIABILITIES AND LONG-TERM DEBT

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

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

J. DEBT PREMIUMS AND ISSUANCE COSTS

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

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

K. ESTIMATES

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 2 – CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2015 was as follows:

	Primary Government				Ending Balance
	Beginning Balance	Increases	Decreases	Adjustments	
Governmental activities:					
Capital assets not being depreciated:					
Land & land rights	\$ 2,124,928	\$ -	\$ -	\$ -	\$ 2,124,928
Construction in progress	505,000	70,340	(477,176)	(27,824)	70,340
Total capital assets not being depreciated	<u>2,629,928</u>	<u>70,340</u>	<u>(477,176)</u>	<u>(27,824)</u>	<u>2,195,268</u>
Other capital assets:					
Infrastructure	16,681,699	14,730	(32,266)	-	16,664,163
Buildings and improvements	21,343,892	181,443	-	-	21,525,335
Office furniture and equipment	1,668,214	47,095	(10,197)	-	1,705,112
Motor vehicles	5,278,758	582,217	(38,992)	-	5,821,983
Machinery and equipment	2,712,529	95,290	(3,578)	-	2,804,241
Total other capital assets at historical cost	<u>47,685,092</u>	<u>920,775</u>	<u>(85,033)</u>	<u>-</u>	<u>48,520,834</u>
Less accumulated depreciation for:					
Infrastructure	13,642,080	309,502	-	-	13,951,582
Buildings and improvements	9,360,027	460,996	-	-	9,821,023
Office furniture and equipment	1,384,852	85,193	(10,184)	-	1,459,861
Motor vehicles	4,346,532	276,642	(38,991)	-	4,584,183
Machinery and equipment	2,183,932	91,442	(5,828)	-	2,269,546
Total accumulated depreciation	<u>30,917,423</u>	<u>1,223,775</u>	<u>(55,003)</u>	<u>-</u>	<u>32,086,195</u>
Governmental activities capital assets, net	<u>\$ 19,397,597</u>	<u>\$ (232,660)</u>	<u>\$ (30,030)</u>	<u>\$ (27,824)</u>	<u>\$ 18,629,907</u>

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
General government	\$ 6,558
Public safety	232,990
Public works	458,813
Social services	37,721
Education	487,693
Total governmental activities depreciation expense	<u>\$ 1,223,775</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

LEGAL DEBT MARGIN – The Town's legal debt margin as set forth by State Statute is limited to 3% of total net assessed value, which approximates \$40,957,150. As of March 31, 2015, the Town's debt, subject to the 3% limit, was \$3,075,000, which is under the debt limit by \$37,882,150.

DEFICIT FUND BALANCES – The following non-major fund Special Revenue Funds had a deficit fund balance at March 31, 2015: Main Street Project (\$7,058), Citizens Police Academy Fund \$(402), Partnership for Success Fund (\$2,658), Wireless Classroom (\$76,365) and Capital Project Fund Animal Shelter Bond Fund \$(8,450).

NOTE 4 – CASH DEPOSITS

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

Cash and investments of the Town consist of the following at March 31, 2015:

<i>Cash and cash equivalents</i>	
Deposits with financial institutions	\$ 3,644,129
<i>Total cash</i>	<u><u>\$ 3,644,129</u></u>

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

<i>Statement of net position</i>	
Cash and cash equivalents	\$ 3,186,403
	<u>\$ 3,186,403</u>
<i>Fiduciary funds</i>	
Cash and cash equivalents	457,726
	<u>457,726</u>
<i>Total cash and investments</i>	<u><u>\$ 3,644,129</u></u>

CUSTODIAL CREDIT RISK – Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town does not have a formal deposit policy for custodial credit risk. As of March 31, 2015, \$ -0- of the Town’s bank balance of \$3,644,129 was exposed to custodial credit risk as follows:

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 4 – CASH DEPOSITS *continued*

Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturities greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators, shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. At March 31, 2015, the Town's uninsured or uncollateralized deposits with institutions were \$0. These deposits are held by institutions that meet the minimum capital standards prescribed by the federal regulators.

NOTE 5 – INVESTMENTS

The Town invests in various types of investments that are stated at fair value. The Town Treasurer has control over the type of investments made, except for those investments in the Police Pension Trust Fund, which are controlled by the Plan Trustee. The Town does not have a formal investment policy or any other legally contracted agreement that limits the type of investments that may be made, except as stipulated in the Police Pension Plan trustee agreement.

Interest Rate Risk – The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The town did not have any debt type investments that were exposed to credit risk as defined by GASB 40.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Town does not have a formal policy which addresses custodial credit risk. The Town had no investments subject to custodial credit risk as of March 31, 2015.

Concentration of Credit Risk – The Town places no limit on the amount the Town may invest in any one issuer. The Town had no investments subject to concentration of credit risk as of March 31, 2015.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 6 – LONG-TERM LIABILITIES

A. LONG-TERM LIABILITIES

Long-term liability activity for the year ended March 31, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and loans payable:					
Bonds payable	\$ 4,295,000	\$ -	\$ 1,220,000	\$ 3,075,000	\$ 755,000
Loans payable	3,430,000	-	155,000	3,275,000	160,000
Capital Lease	454,500	-	101,000	353,500	101,000
	<u>8,179,500</u>	<u>-</u>	<u>1,476,000</u>	<u>6,703,500</u>	<u>1,016,000</u>
Plus amortized premium on loans	112,289	-	7,486	104,803	-
Total bonds and loans	<u>8,291,789</u>	<u>-</u>	<u>1,483,486</u>	<u>6,808,303</u>	<u>1,016,000</u>
Other liabilities:					
Compensated absences	859,491	26,606	53,986	832,111	257,954
Net pension obligation	2,982,821	-	68,815	2,914,006	-
Net other post-employment benefits obligation	1,703,252	240,745	-	1,943,997	-
Total other liabilities	<u>5,545,564</u>	<u>267,351</u>	<u>122,801</u>	<u>5,690,114</u>	<u>257,954</u>
Governmental Activities					
Long-Term Liabilities	<u>\$ 13,837,353</u>	<u>\$ 267,351</u>	<u>\$ 1,606,287</u>	<u>\$ 12,498,417</u>	<u>\$ 1,273,954</u>

All debt of the governmental activities is general obligation debt. The payments on the bonds, loans and compensated absences are made from the General Fund. If the net pension obligation or net other postemployment benefits obligation were to be liquidated, payments would be made by the General Fund.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 6 - LONG TERM LIABILITIES (CONTINUED)

Long-term liability activity for the fiscal year ended March 31, 2015 was as follows:

GOVERNMENTAL ACTIVITIES	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding April 1, 2014	Additions	Maturities During Year	Outstanding March 31, 2015	Amounts due within one year	Interest Paid
General Obligation Bonds Payable										
General obligation bonds	9/30/2005	4.18%	9/30/2015	250,000	50,000	-	25,000	25,000	25,000	2,090
General obligation bonds	4/28/2009	2.79%	8/1/2018	7,035,000	3,760,000	-	710,000	3,050,000	730,000	95,000
Refunding bonds - School	7/15/2002	3.50%	4/1/2014	4,600,000	485,000	-	485,000	-	-	10,003
Total general obligation bonds payable				<u>11,885,000</u>	<u>4,295,000</u>	<u>-</u>	<u>1,220,000</u>	<u>3,075,000</u>	<u>755,000</u>	<u>107,093</u>
Loans payable										
RIHEBC Loan	4/30/2009	3.0-5.0%	5/15/2029	4,000,000	3,430,000	-	155,000	3,275,000	160,000	153,687
Total loans payable				<u>4,000,000</u>	<u>3,430,000</u>	<u>-</u>	<u>155,000</u>	<u>3,275,000</u>	<u>160,000</u>	<u>153,687</u>
Amortized premium on loans					112,289	-	7,486	104,803	-	-
Total governmental activities bonds, TANs and leases payable					<u>7,837,289</u>	<u>-</u>	<u>1,382,486</u>	<u>6,454,803</u>	<u>915,000</u>	<u>260,780</u>
Capital Leases										
US Bank - Fire Truck	11/21/2013		5/21/2018	505,000	454,500	-	101,000	353,500	101,000	5,540
				<u>505,000</u>	<u>454,500</u>	<u>-</u>	<u>101,000</u>	<u>353,500</u>	<u>101,000</u>	<u>5,540</u>
Accrued expenses										
Compensated absences - Town					478,288	-	53,986	424,302	131,534	-
Compensated absences - School Department					381,203	26,606	-	407,809	126,421	-
Net pension obligation					2,982,821	-	68,815	2,914,006	-	-
Net other post employment benefit obligation					1,703,252	240,745	-	1,943,997	-	-
Total accrued expenses					<u>5,545,564</u>	<u>267,351</u>	<u>122,801</u>	<u>5,690,114</u>	<u>257,954</u>	<u>-</u>
Total long-term liabilities - governmental activities					<u>\$ 13,837,353</u>	<u>\$ 267,351</u>	<u>\$ 1,606,287</u>	<u>\$ 12,498,417</u>	<u>\$ 1,273,954</u>	<u>\$ 266,320</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 6 – LONG-TERM LIABILITIES (Continued)

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

GOVERNMENTAL ACTIVITIES - GENERAL OBLIGATION BONDS

Fiscal Year Ended March 31,	Percentage of Maturity	Principal	Interest	Total Debt Service
2016	24.55%	755,000	75,956	830,956
2017	48.94%	750,000	54,265	804,265
2018	74.15%	775,000	32,991	807,991
2019	100.00%	795,000	11,090	806,090
		\$ 3,075,000	\$ 174,302	\$ 3,249,302

C. LOANS PAYABLE

On April 30, 2009, the Town entered into a loan agreement with Rhode Island Health and Educational Building Corp. in the amount of \$4,000,000 for School Department capital improvements. The loan bears interest of 3 - 5% and is payable semi-annually.

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

GOVERNMENTAL ACTIVITIES - LOANS PAYABLE

Fiscal Year Ended March 31,	Percentage of Maturity	Principal	Interest	Total Debt Service
2016	4.89%	160,000	148,562	308,562
2017	9.92%	165,000	142,875	307,875
2018	15.11%	170,000	135,912	305,912
2019	20.61%	180,000	127,462	307,462
2020	26.26%	185,000	118,837	303,837
2021	32.21%	195,000	109,712	304,712
2022	38.47%	205,000	99,713	304,713
2023	45.04%	215,000	90,286	305,286
2024-2030	100.00%	1,800,000	327,231	2,127,231
		\$ 3,275,000	\$ 1,300,590	\$ 4,575,590

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 6 – LONG-TERM LIABILITIES (Continued)

D. LEASES PAYABLE

The Town capital leases consist of a fire truck purchase. The future minimum lease payments are as follows:

<u>ENDED MARCH 31,</u>	<u>FISCAL YEAR</u> <u>PAYMENTS</u>
2016	\$ 101,000
2017	101,000
2018-2019	<u>151,500</u>
Future Minimum Rental Payments	353,500
Interest Portion of Payments	<u>9,122</u>
Obligation Under Capital Leases	<u>\$ 362,622</u>

NOTE 7 – SHORT-TERM DEBT

The Town issued the following short-term notes during fiscal year 2015:

Tax Anticipation Notes – Tax anticipation notes in the amount of \$2,500,000 were issued on April 24, 2014 and matured on March 12, 2015 with an interest rate of .72%. The notes were issued in anticipation of taxes assessed as of December 31, 2013 and due July 1, 2014. The proceeds were deposited into the General Fund.

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u> <u>Balance</u>
Governmental Activities				
Tax Anticipation Notes	\$ -	\$ 2,500,000	\$ 2,500,000	\$ -
Governmental Activities				
Short-Term Debt	<u>\$ -</u>	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>	<u>\$ -</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 8 – INTERFUND BALANCES AND TRANSFERS

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

	<u>Due from/ other funds</u>	<u>Due to/ other funds</u>
General Fund	\$ 2,878,796	\$ 3,671,298
Special Revenue Funds:		
Town Special Revenue	230,830	18,410
School Special Revenue	109,546	150
Other Non-major Funds		
Capital Projects Funds	486,572	15,886
Totals	<u>\$ 3,705,744</u>	<u>\$ 3,705,744</u>

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

<u>Fund / Department</u>	Transfers from other funds	Transfers to other funds
General Fund	\$ -	\$ 118,049
Capital Projects	118,049	-
Totals	<u>\$ 118,049</u>	<u>\$ 118,049</u>

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 9 - DIFFERENCES BETWEEN GOVERNMENTAL FUNDS BALANCE SHEET AND THE STATEMENT OF NET POSITION

"Total fund balances" of the Towns' governmental funds \$7,607,822 differs from "net position" of governmental activities \$14,995,377 reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

Balance Sheet/Statement of Net Position				
	Total Governmental Funds	Long-term Assets/ Liabilities (1)	Reclassifications and Eliminations	Statement Net Position Totals
Assets				
Cash and cash equivalents	\$ 3,186,403	\$ -	\$ -	\$ 3,186,403
Receivables:				
Property taxes, net	6,662,027	(295,000)	-	6,367,027
Intergovernmental	321,282	-	-	321,282
Other	458,341	74,559	-	532,900
Internal balances	3,705,744	-	(3,705,744)	-
Prepaid expenses	291,862	-	-	291,862
Property, plant and equipment - net	-	16,434,639	-	16,434,639
Assets not being depreciated	-	2,195,268	-	2,195,268
Total assets	14,625,659	18,409,466	(3,705,744)	29,329,381
Deferred Outflows of Resources	-	27,744	-	27,744
LIABILITIES				
Liabilities:				
Accounts payable and accrued expenses	1,747,393	104,803	-	1,852,196
Accrued interest payable	-	71,464	-	71,464
Internal balances	3,705,744	-	(3,705,744)	-
Unearned revenue	19,995	-	-	19,995
Other liabilities	24,479	-	-	24,479
Long-term liabilities				
Due within one year	-	1,273,954	-	1,273,954
Due in more than one year	-	11,119,660	-	11,119,660
Total liabilities	5,497,611	12,569,881	(3,705,744)	14,361,748
Deferred Inflows of Resources	1,520,226	(1,520,226)	-	-
Fund Balances/Net Position				
Total fund balances/net position	7,607,822	7,387,555	-	14,995,377
Total liabilities and fund balances/net position	\$ 14,625,659	\$ 18,437,210	\$ (3,705,744)	\$ 29,357,125

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

Cost of capital assets	\$ 50,716,102
Accumulated depreciation	(32,086,195)
	\$ 18,629,907

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

Adjustment of unearned revenue	\$ 1,520,226
Accrued interest receivable	74,559
Deferred amount of refunding	27,744
Accrued interest payable	(71,464)
Allowance for doubtful accounts	(295,000)
Bond premiums	(104,803)
	\$ 1,151,262

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

Bonds payable	\$ 3,075,000
Loans payable	3,275,000
Capital leases payable	353,500
Accrued compensated absences	832,111
Net pension obligation	2,914,006
Net other post employment benefit obligation	1,943,997
	\$ 12,393,614

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 10 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

The "net change in the fund balances" for governmental funds (\$174,261) differs from the "change in net position" for governmental activities \$1,073,593 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

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

	<u>Total Governmental Funds</u>	<u>Long-term Revenues/ Expenses (1)</u>	<u>Capital- related Items (2)</u>	<u>Long-term Debt Transactions (3)</u>	<u>Statement of Activities Totals</u>
Revenues					
General property tax	\$ 26,764,120	\$ 256,471	\$ -	\$ -	\$ 27,020,591
Intergovernmental and departmental revenues	6,518,418	-	-	-	6,518,418
License and permits	1,054,033	-	-	-	1,054,033
Fines and penalties	37,746	-	-	-	37,746
Interest on investments	64,283	14,304	-	-	78,587
Tuitions	470,081	-	-	-	470,081
Other revenues	150,671	-	-	-	150,671
Total revenues	<u>35,059,352</u>	<u>270,775</u>	<u>-</u>	<u>-</u>	<u>35,330,127</u>
Expenditures					
Current:					
General government	1,113,149	144,550	(2,823)	-	1,254,876
Public safety	2,848,826	-	199,116	-	3,047,942
Public works	2,379,201	-	213,110	-	2,592,311
Social services	1,126,867	-	(32,619)	-	1,094,248
Education	23,488,227	-	363,082	-	23,851,309
Fixed charges and other	2,159,735	-	-	-	2,159,735
Debt Service					
Principal	1,476,000	-	-	(1,476,000)	-
Interest	293,086	(36,973)	-	-	256,113
Total expenditures	<u>34,885,091</u>	<u>107,577</u>	<u>739,866</u>	<u>(1,476,000)</u>	<u>34,256,534</u>
Other financing sources (uses)					
Transfers from other funds	118,049	-	-	-	118,049
Transfers to other funds	(118,049)	-	-	-	(118,049)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change for the year	<u>\$ 174,261</u>	<u>\$ 163,198</u>	<u>\$ (739,866)</u>	<u>\$ 1,476,000</u>	<u>\$ 1,073,593</u>

**TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015**

NOTE 10 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES (CONTINUED)

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

Deferred revenue property tax	\$ 256,471
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Interest expense in the statement of activities differs from the amount reported in the governmental funds for two reasons. Accrued interest was reduced on the calculation for bonds payable and bond issuance costs and premiums are reported as expenditures in governmental funds while in the government-wide financial statements they are capitalized and amortized over the life of the bond.

Accrued interest payable	\$ 36,422
Accrued interest receivable	14,304
Deferred amount of refunding	(6,935)
Amortization bond premium costs	7,486
Total expenditure adjustment	<u>\$ 51,277</u>

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

Capital outlay	\$ 513,939
Depreciation expense	(1,223,775)
Difference	<u>\$ (709,836)</u>

When a loss is realized for the disposal of capital assets the loss is not recognized on the governmental funds and is only recorded on the statement of activities.

Loss on disposal of equipment	<u>\$ (30,030)</u>
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- (3) Repayment of bond principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

Capital lease payments	\$ 101,000
Principal payments made	1,220,000
Loan payments made	155,000
Difference	<u>\$ 1,476,000</u>

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

Net increase in the OPEB	\$ (240,745)
Net decrease in the NPO	68,815
Net increase in compensated absences	27,380
Change	<u>\$ (144,550)</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 11 – NET POSITIONS/FUND BALANCES

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

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

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

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

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

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

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

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

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

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 11 – NET POSITION/FUND BALANCES (Continued)

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

- a) For committed fund balances: the Financial Town Meeting is the highest level of decision making authority by a proposed resolution adopted and approved by the voters is required to establish, modify or rescind a fund balance commitment.
- b) For assigned fund balance: The financial town meeting empowers and authorizes the Town’s Treasurer to assign amounts to a purpose and is also authorized to remove such assignment.
- c) The Town considers amounts that are committed, assigned or unassigned to have been spent when an expenditure is incurred for the purpose of which any amounts in any of the unassigned fund balance classifications could be used.
- d) 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 an expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

NOTE 12 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

A. ACCOUNTS RECEIVABLE

The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables except CDBG loans receivable within the subsequent year. The real estate and personal property tax receivable is net of an allowance for doubtful accounts of \$295,000.

B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities at March 31, 2015, were as follows:

	<i>Vendors</i>	<i>Salaries and Benefits</i>	<i>Other</i>	<i>Total</i>
Governmental Activities				
General Fund	\$ 784,071	\$ 866,953	\$ 176,267	\$ 1,827,291
Other Governmental Funds	96,367	-	-	96,367
	<u>\$ 880,438</u>	<u>\$ 866,953</u>	<u>\$ 176,267</u>	<u>\$ 1,923,658</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 13 – POST-EMPLOYMENT BENEFITS

Plan Description

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

The plan provides the following benefits based on employee group:

- *Certified Teachers*: Upon retirement, certified teachers are eligible to purchase medical and dental insurance (single or family) up to age 65 and pay 100% of the premium.
- *Non-Certified School Employees*: Upon retirement, non-certified school employees are eligible to purchase medical and dental insurance (single or family) for 18 months under COBRA. The COBRA benefits do not constitute a benefit to be included in determination of OPEB liabilities. Therefore, we note this provision exists but is not included in liabilities or cost valued in this report.
- *Police Department*: Police officers that retire after July 1, 2000 with 25 years of service are eligible for medical and dental insurance (single or family). The police officer contributes 50% of the premium towards his/her coverage.
- *DPW and Non-Union Town Employees*: DPW and non-union town employees upon retirement are eligible for individual medical insurance coverage. Retired members must contribute the following towards their premium coverage:

<u>Years of Service</u>	<u>Contribution</u>
10-15	100%
16-22	21%
23-29	10.5%
30+	0%

- Town employees are also eligible to contribute 100% of the remaining premium towards family coverage.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 13 – POST-EMPLOYMENT BENEFITS (continued)

Plan Description

Funding Policy

Contribution requirements are negotiated between the Town and the respective unions or are stated in the Town Human Resource Policy Manual for non-union employees. The Town is required to contribute the cost of medical and dental benefits, less the amount of any applicable employee share of medical or dental premiums. For the year ended March 31, 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 March 31, 2015, the Town contributed \$113,712 to the plan.

Annual OPEB Cost and Net OPEB Obligation

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

Annual required contribution	\$ 450,247
Interest on net OPEB obligation	76,647
Adjustment to annual required contribution	<u>(104,565)</u>
Annual OPEB cost	422,329
Allocations for implicit Rate Subsidy	(67,872)
Contributions made	<u>(113,712)</u>
Increase (decrease) in net OPEB obligation	<u>240,745</u>
Net OPEB beginning of year	<u>1,703,252</u>
Net OPEB obligation end of year	<u><u>\$ 1,943,997</u></u>
Percentage of the annual postemployment benefit cost contributed	<u><u>43.00%</u></u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 13 – POST-EMPLOYMENT BENEFITS (Continued)

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

Three-Year Trend Information

Fiscal Year	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
3/31/2013	395,984	44.88%	1,500,663
3/31/2014	392,407	48.37%	1,703,252
3/31/2015	422,329	43.00%	1,943,997

Funded Status and Funding Progress

The funded status of the Town’s plans as of the most recent actuarial valuation dates is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
April 1, 2014	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
General	N/A	4,321,044	4,321,044	N/A	16,250,162	26.6%

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 13 – POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Methods and Assumptions

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

The April 1, 2014 (measurement date) actuarial valuation used the projected unit credit funding actuarial cost method (with service proration). Under this funding method, projected benefits are assumed to accrue on a straight line basis from the date of hire to the date of retirement for each participant. Normal cost for a participant is the present value of the projected benefit which accrues in the current plan year. Normal cost for the plan is the sum of the normal costs for all participants. The actuarial assumptions included: a) 4.5% interest discount rate; b) medical cost trend rate – 6.5% per year graded off 0.25% per year to an ultimate rate of 4.5% per year; and c) dental cost trend rate – 5% per year graded off 0.25% per year to an ultimate rate of 4.00% per year – general inflation rate of 2.75%. The unfunded actuarial accrued liability as of the April 1, 2014 is being amortized using the level dollar 30-year open amortization basis.

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

NOTE 14 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. LITIGATION

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 14 – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES (continued)

B. FEDERALLY ASSISTED PROGRAMS – COMPLIANCE AUDITS

The Town participates in a number of federal awards programs. These programs through the year ended March 31, 2015 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditors' reports thereon are presented in the Single Audit Section of this report. The amount, if any, of expenditures that may be disallowed will not be material to the financial position of the Town.

NOTE 15 – RISK MANAGEMENT

The Town of Scituate is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. The Town and the School Department (as of July 27, 2005) participate in a non-profit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) which provides coverage for property and liability claims. Upon joining the Trust, the Town and the School Department signed a participation agreement that outlines the rights and responsibilities of the Trust, the Town and the School Department. The agreement states that for premiums paid, the Trust will assume financial responsibility for the losses up to the maximum amount of insurance purchased, minus deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust retains internally for payment from the pooled contributions of its members. Under the participation agreement, the Town and the School Department are insured for varying amounts depending on the type of coverage provided. Settled claims resulting from these risks have not exceeded Trust coverage in any of the past three fiscal years. The Town and School Department funded workers' compensation claims through their health insurance policies through December 31, 2007 and claims not covered by health insurance were paid by the Town or School Department on a pay-as-you-go basis. Effective January 1, 2008, the Town and School Department purchased workers' compensation insurance.

NOTE 16 – PENSION PLANS

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

All Town of Scituate certified school personnel participate in the Employees' Retirement System of the State of Rhode Island ("ERS"), a cost-sharing multiple-employer defined benefit plan administered by the State of Rhode Island. The payroll for employees covered by the System for the year ended March 31, 2015 was \$10,833,756, which consisted of \$131,511 for employees charged to federal programs and \$10,702,245 for all other employees.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

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

Plan Description

All full-time teachers, principals, school nurses and certain other school officials (including the superintendent) in the Town'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). 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. 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 financial report may be obtained by writing to Employees Retirement System of Rhode Island, 50 Service Road, Warwick, Rhode Island, 02886, by calling (401) 462-7600 or by accessing their website at www.ersri.org.

Plan Year: The Plan has a twelve-month period ending on June 30th.

Administration: ERSRI is administered by the State of Rhode Island Retirement Board. However, the State Treasurer is responsible for the investment of the trust assets, including the establishment of the asset allocation policy.

Type of Plan: ERSRI is a qualified governmental defined benefit retirement plan. Separate contribution rates are determined for state employees and for teachers. For Governmental Accounting Standards Board purposes, it is a cost-sharing multiple-employer plan.

Eligibility: Most Rhode Island state employees and certified public school teachers participate in ERSRI. Certain employees of the Airport Corporation, the Economic Development Corporation, and the Narragansett Bay Commission participate in the plan as though they were state employees. State police officers, state judges, teachers and administrators in the public colleges and universities are covered by their own separate systems, and are therefore excluded. Certain elected state officials are excluded unless they make an election to join ERSRI. Superintendents, principals, business agents and other administrators participate as teachers. Non-certified public school employees, such as teacher's aides, janitors, secretaries, and bus drivers, cannot participate in ERSRI, although they may be covered by the Municipal Employees Retirement System (MERS) or a separate plan maintained by the town or city. Eligible employees become members as of their date of employment.

**TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015**

NOTE 16 – PENSION PLANS (continued)

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

Plan Description

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 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 the year ended March 31, 2015, there are two rates in effect. From April 1, 2014 through June 30, 2014 the total employer rate was 20.68% (8.42% State share and 12.26% local share). From July 1, 2014 through March 31, 2015 the total employer rate was 22.60% (9.19% State share and 13.41% local share).

Required Contributions:

Three-Year Trend Information

<i>Fiscal Year</i>	<i>Annual Required Contributions</i>	<i>Percentage Contributed</i>
2013	\$ 1,206,791	100%
2014	\$ 1,206,572	100%
2015	\$ 1,395,408	100%

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.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

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

Actuarial Methods and Assumptions

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

Valuation date	June 30, 2014
Actuarial cost method	Entry Age
Amortization method	Level Percent of Payroll – Closed 25-yr period from June 30, 2010
Asset valuation method	5 Year Phase-in of Actual Investment Return
Actuarial assumptions:	
Investment rate of return	7.50%, Compounded Annually
Projected salary increases	3.50%
Cost-of-living adjustments	2.00% Assumed – While plan funding level exceeds 80%.
Inflation Rate	2.75% Annually

B. DEFINED CONTRIBUTION PLAN

Plan Description

The Town of Scituate participates in the State of Rhode Island Defined Contribution Retirement Plan (the "Plan"). The plan is a defined contribution (money purchase) plan that operates under Section 401(a) of the Internal Revenue Code (IRC). The Plan is established pursuant to Chapter 10.3 of Title 36 of the Rhode Island General Laws ("RIGL 36-10.3"). The purpose of the Plan is to provide retirement benefits for participating employees. The Plan issues a publicly available financial report that includes financial statements and required supplementary information. For further information the financial report may be obtained by writing to Employees Retirement System of Rhode Island, 50 Service Road, Warwick, Rhode Island, 02886, by calling (401) 462-7600 or by accessing their website at www.ersri.org.

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

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

B. DEFINED CONTRIBUTION PLAN

Plan Description

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

Benefits are provided through:

Teachers Insurance and Annuity Association (TIAA). TIAA provides traditional annuities (and a variable annuity through its real estate account). You can receive more information about TIAA by writing to: TIAA, 730 Third Avenue, New York, NY 10017. You also can receive information by calling 1 (800) 842-2733.

College Retirement Equities Fund (CREF). CREF is TIAA's companion organization, providing variable annuities. You can receive more information about CREF by writing to: CREF, 730 Third Avenue, New York, N.Y. 10017. You also can receive information by calling 1 (800) 842-2733.

The Retirement Board is the Plan Administrator and Trustee responsible for Plan operation. The State Investment Commission is responsible for selecting the investment alternatives available under the Plan (the "Funding Vehicles"). Employee contributions and Employer's contributions are invested in the Funding Vehicles selected by the employee's. The Plan Year begins on July 1 and ends on June 30. All plan assets are stated at fair value. The Employer's current selection of Funding Vehicles isn't intended to limit future additions or deletions of Funding Vehicles. The selection of available Funding Vehicles is made by the Rhode Island State Investment Commission. Refer to the Plan's microsite www.tiaa-cref.org/ri for a current listing of Funding Vehicles and the investments thereunder.

Municipalities with teachers that do not contribute to Social Security:

a. 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 3%. The plan members and Town contributed \$821,948 and \$335,862, respectively, during the fiscal year ended March 31, 2015

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

B. DEFINED CONTRIBUTION PLAN

Plan Description

Municipalities with general employees (not police and fire units) in MERS that 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 non-police and fire members must contribute 2% of his/her compensation and the Town is required to contribute 1%. The plan members and Town contributed \$28,288 and \$10,313 respectively, during the fiscal year ended March 31, 2015.

Municipalities that participate in the Teachers Survivor Benefit Program (teachers not covered by Social Security)

c. Plan Funding Policy

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 members annual salary up to but not exceeding an annual salary of \$9,600; one-half of the cost is contributed by the member by deductions from his or her salary, and the other half is contributed and paid by the school district. These contributions are in addition to the contributions required for regular pension benefits.

The Scituate School Department contributed \$13,379, \$13,506 and \$13,730 during the fiscal years 2015, 2014 and 2013 respectively, equal to 100% of the required contributions for those respective years.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

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

The Town of Scituate, Rhode Island participates in the Municipal Employees' Retirement System of the State of Rhode Island ("System"), an agent multiple employer defined benefit plan. The System includes a normal plan for general employees and both a normal and optional plan for police personnel. All full-time Town and non-certified School Department general employees participate in the System. The 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 for Police and Fire of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly. The System issues a publicly available financial report that includes financial statements and required supplementary information for the Town. The financial report may be obtained by writing to Employees Retirement System of Rhode Island, 50 Service Avenue, Warwick, Rhode Island 02886, by calling (401) 462-7600 or by accessing their website at www.ersri.org.

Eligibility: General employees, police officers and firefighters employed by electing municipalities participate in MERS. Teachers and administrators are covered by the separate Employees' Retirement System of Rhode Island, but other school employees may be covered by MERS. Eligible employees become members at their date of employment. Anyone employed by a municipality at the time the municipality joins MERS may elect not to be covered. Certain elected officials may opt to be covered by MERS. Employees covered under another plan maintained by the municipality may not become members of MERS. Police officers and/or firefighters may be classified as such by the municipality, in which case the special contribution and benefit provisions described below will apply to them, or they may be classified as general employees with no special benefits. Members designated as police officers and/or firefighters are treated as belonging to a separate unit from the general employees, with separate contribution rates applicable.

Employee Contributions: General employees, police officers and firefighters contribute 7.00% of their salary per year. In addition, if the municipality has elected one of the optional cost-of-living provisions, an additional member contribution of 1.00% of salary is required. If a municipality elects the optional 20-year retirement provision for its police officers and/or its firefighters, an additional contribution of 1.00% of salary will be required from these members. The municipality, at its election, may choose to "pick up" the members' contributions for its employees under the provisions of Internal Revenue Code (IRC) Section 414(h).

Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

C. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (Continued)

Employer Contributions: Each participating unit's contribution rate is determined actuarially. Contributions determined in a given actuarial valuation go into effect two years after the actuarial valuation.

Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods by making an additional contribution to purchase the additional service. Special rules and limits govern the purchase of additional service and the contribution required.

Final Average Compensation (FAC): As of July 1, 2012, the average of the member's highest five consecutive annual salaries will be used. Once a member retires or is terminated, the applicable FAC will be the greater of the member's highest three year FAC as of July 1, 2012 or the five year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

Retirement Benefits

General employees: Eligibility

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age not to exceed 67.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior Retirement Date, described in Section (e) below, and the retirement age applicable to members hired after June 30, 2012 in (a) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If that option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

C. MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (Continued)

- Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service.
- Members designated as police officers or firefighters may retire at or after age 55 with credit for at least 10 years of service or at any age with credit for 25 or more years of service. Members may retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elects to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member may retire at any age with 20 or more years of service.

Retirement Benefits

General employees: Monthly Benefit

- For service prior to July 1, 2012, 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). For service after July 1, 2012, 1.00% of the members monthly FAC for each year of service.

Police and Fire employees: Eligibility

- Members are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contribution service. Members with at least 10 years of service, had achieved age 45, and had a retirement age prior to age 52 as of June 30, 2012 may retire at age 52.

Police and Fire employees: Monthly Benefit

- 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012 and the member has attained 20 years of service, the benefit is 2.50% of the members monthly FAC for each year of service prior to July 1, 2012.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

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

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.

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

Annual Pension Cost: The Town's annual pension cost of \$412,328 for MERS was equal to the Town's required and actual contribution.

Three-Year Trend Information

GENERAL MUNICIPAL EMPLOYEES

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2013	\$ 357,520	100%	\$ -
2014	\$ 375,911	100%	\$ -
2015	\$ 412,328	100%	\$ -

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

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

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.

Actuarial Valuation Date June 30, 2014	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
General Employees	10,029,081	12,544,675	2,515,594	80%	2,670,386	94%
Police	195,509	20,938	(174,571)	934%	-	0%

D. POLICE PENSION PLAN

Plan Description

The Town of Scituate participates in a single-employer defined benefit pension plan established by the Town to provide pension benefits for its police officers as of October 1, 1981. The Pension Plan is being administered by Wilmington Trust Company. For financial reporting purposes, the plan is included as a pension trust fund in the Town's financial statements. A separate, audited pension plan report is not available for the Police Pension Plan. The Town's payroll for employees covered by the Plan for the year ended March 31, 2015 was \$821,754.

At April 1, 2015, employee membership related to the plan was as follows:

Retired	15
Vested Disabled	3
Active	<u>18</u>
Total	<u>36</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

D. POLICE PENSION PLAN (continued)

Plan Description

Benefit Provisions

Benefits and contributions are established by contract and may be amended by union negotiation. The Police Pension Plan provides retirement, death and disability benefits. Under the plan, all regular or permanent police of the Town of Scituate are eligible to participate in the plan, following the completion of a six-month waiting period. Members are 100 percent vested after 10 years of service. A participant hired on or prior to June 30, 2000 is eligible for normal retirement after completion of 20 years of service. A participant hired on or after July 1, 2000 is eligible for normal retirement after completion of 25 years of service. If a member leaves covered employment or dies prior to 10 years of service, accumulated member contributions are refunded. A member who terminates after ten years of service will be eligible to receive a pension commencing at age 56 equal to his or her accrued benefit. For participants hired on or prior to June 30, 2000, the normal retirement benefit is equal to 2.5% of the base annual pay times years of service up to 20 years, plus 2% of base annual pay times years of service in excess of 20 years. The maximum benefit is 60% of base annual pay. For participants hired on or after July 1, 2000, the normal retirement benefit is equal to 60% of the base annual pay. A participant may retire upon the completion of 10 years of service or the attainment of age 56, whichever is later.

Funding Policy

Effective July 1, 2000, active plan members are required to contribute 10% of their covered earnings. The Town is required to contribute an amount at least equal to the employees' contributions. The Town has an actuarial calculation to determine the actuarially required contribution, but does not fund the plan based on the calculation. The Town contribution for the year ended March 31, 2015 was \$729,858

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the accounting period in which they are due. Contributions from the Town are recognized when due and when the Town has made a formal commitment to provide the contributions. Expenses are recognized in the period in which they are incurred. Benefit payments to participants are recorded upon distribution.

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

D. POLICE PENSION PLAN (continued)

Plan Description

Method Used to Value Investments

Investments are recorded at fair value. Cash and cash equivalents having a maturity of three months or less when purchased are reported at cost. Fair market is determined using quoted market prices, when available, independent third party appraisals, and independent brokers and industry experts. Given the inherent nature of investments it is reasonably possible that changes in the value of those investments will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

Investments

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board by a majority vote of its members. It is the policy of the Police Pension Board to pursue an investment strategy that emphasizes long-term appreciation as a primary source of return with current income as a secondary objective. The plan implies a willingness to risk significant principal loss so long as the Portfolio is position to earn a significantly greater rate of return than the market over the long-term. The following was the Board’s adopted asset allocation policy as of March 31, 2015:

<u>Asset Class</u>	<u>March 31, 2015 Asset Allocation</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expeted Real Rate of Return</u>
Domestic Large Cap Equity	27.30%	30.00%	8.13%
Dom Smid Cap Value Equity	13.40%	10.00%	8.54%
International Equity	16.80%	15.00%	8.79%
Emerging Markets	5.00%	5.00%	10.02%
Investment Grade Bonds	25.50%	15.00%	3.46%
Hedge Funds Managed Futures	0.00%	5.00%	6.16%
Real Estate	5.00%	5.00%	8.52%
Cash & Equivalents	7.00%	15.00%	2.50%
Total allocation	<u>100.00%</u>	<u>100.00%</u>	

Projected Rate of Return 6.70%

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

D. POLICE PENSION PLAN (continued)

Rate of return: For the year ended March 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.80%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net position liability of the Police Pension Plan at March 31, 2015 were as follows:

Net Pension Liability of the Police Pension Plan

	<u>March 31, 2015</u>
Total pension liability	\$ 13,220,333
Plan fiduciary net position	<u>4,771,187</u>
Town's net pension liability	<u>\$ 8,449,146</u>
Plan fiduciary net position as a percentage of the total pension liability	36.09%

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

D. POLICE PENSION PLAN (continued)

Actuarial Assumptions

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

Valuation date	April 1, 2015
Actuarial cost method	Entry Age Normal
Amortization method	Level percent
Amortization period	Closed 25 years from April 1, 2012
Asset valuation method	Current Market Value
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.00% per annum
Inflation Rate	N/A
Cost of living adjustments	A 3.00% non-compounded COLA for active members who retire on or after July 1, 2003. For members who retire before July 1, 2003, 30% of negotiated salary increase, compounded annually.
Mortality rate	RP-2014 Blue Collar, MP-2014 Generational

Summary of Significant Accounting Policies

Discount rate: The discount rate used to measure the total pension liability was 7.50%.

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%, 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%) or 1-percentage-point higher (8.50%) than the current 7.50%

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Plan's Net Pension Liability as of March 31, 2015	<u>\$ 10,258,735</u>	<u>\$ 8,449,146</u>	<u>\$ 6,978,987</u>

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

D. POLICE PENSION PLAN (continued)

Annual Pension Cost and Net Pension Obligation

The Town's annual pension cost and net pension obligation for the Police Pension Plan for the current year were determined by the actuary as of March 31, 2015, based on the latest actuarial report completed as of April 1, 2014.

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

Annual required contribution	\$ 631,513
Interest on NPO	223,712
Adjustment to annual required contribution	<u>(194,082)</u>
Annual NPO cost	661,143
Contributions made	<u>(729,958)</u>
Increase (decrease) in net pension obligation	<u>(68,815)</u>
NPO beginning of year	<u>2,982,821</u>
NPO obligation end of year	<u>\$ 2,914,006</u>

Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
3/31/2013	676,020	94.30%	3,067,158
3/31/2014	674,372	112.51%	2,982,821
3/30/2015	661,143	110.41%	2,914,006

TOWN OF SCITUATE, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2015

NOTE 16 – PENSION PLANS (continued)

D. POLICE PENSION PLAN (continued)

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. The funded status of the Town’s Police plan as of April 1, 2015, the most recent actuarial valuation, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
March 31, 2015	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
Police	4,771,187	13,220,333	8,449,146	36.1%	821,754	1028.2%

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 25, 2014, the date the financial statements were available to be issued.

On April 21, 2015, the Town issued \$1,700,000 in General Obligation Tax Anticipation Notes. The notes have an interest rate of 0.57% and mature on February 11, 2016.

NOTE 18 – PRIOR PERIOD ADJUSTMENT

A prior year expense identified as construction in process has reclassified as an expense of that period. This amount totaled \$27,824.

TOWN OF SCITUATE, RHODE ISLAND
Notes to Financial Statements
March 31, 2015

NOTE 19 ACTUARIAL INFORMATION

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

	<u>Municipal Employees Retirement System</u>	<u>Police Pension Plan</u>	<u>Other Postemployment Health Insurance Benefit Plan</u>	
Valuation Date	June 30, 2014	April 1, 2015	April 1, 2014	
Actuarial cost method	Entry Age Normal	Entry Age Normal	Projected Unit Credit Funding Method	
Amortization method	Level percent of payroll over a closed period	Level dollar closed	Level dollar over an open period	
Amortization period	25 years from June 30, 2010	Closed 25 years from April 1, 2012	30 years	
Asset valuation method	Market value of assets with a five year phase-in of actual investment return in excess of (less than) expected investment income.	Current market value	N/A - Unfunded	
Actuarial assumptions: Investment rate of return	7.50%, compounded annually, composed of an assumed 2.75% inflation rate and a 4.75% net real rate of return	7.50% per annum	4.5% discount rate	
Preand Post retirement Mortality		RP-2014 Blue Collar, MP-2014 Generational	RP-2000 M/F Combined Healthy Table	
Projected salary increases	General employees - an annual service related component, plus a 3.5% wage inflation assumption (composed of a 2.75% price inflation assumption and a .75% addition general increase); police officers - not applicable	4.00% per annum	Not applicable	
Cost-of-living adjustments	Assumed to be 2% per annum. Actual COLA will be determined based on the plan's five-year average investment rate of return minus 5.5% and will range from zero to 4.00%.	A 3.00% non-compounded COLA for active members who retire on or after July 1, 2003. For members who retire before July 1, 2003, 30% of negotiated salary increase, compounded annually.	Not applicable	
General inflation rate	2.75	N/A	N/A	
Healthcare cost trend rates	Not applicable	Not applicable	Medical - 6.5% per year graded off 0.25% per year to ultimate rate of 4.50%	
Participant information	General employees: Active employees Retirees and beneficiaries	Active Vested disabled Retired	Active Retired	362 52 <hr/> <hr/> 414

REQUIRED SUPPLEMENTARY INFORMATION

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

Actuarial Valuation Date June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Municipal Employees Retirement System - General Employees						
2012	9,552,928	12,346,123	2,793,195	77%	2,696,855	104%
2013	9,706,047	12,594,492	2,888,445	77%	2,745,344	105%
2014	10,029,081	12,544,675	2,515,594	80%	2,670,386	94%
Municipal Employees Retirement System - Police Officers						
2012	175,958	22,848	(153,110)	770%	-	0%
2013	183,693	21,896	(161,797)	839%	-	0%
2014	195,509	20,938	(174,571)	934%	-	0%
Police Pension Plan (2)						
4/1/2007	3,264,495	7,779,343	4,514,848	42%	857,060	527%
4/1/2009	2,286,905	9,768,342	7,481,437	23%	898,737	832%
4/1/2011	3,122,375	11,348,767	8,226,392	28%	917,936	896%
4/1/2013	3,566,679	11,853,528	8,286,849	30%	916,057	905%
4/1/2014	4,282,318	12,256,192	7,973,874	35%	942,282	846%
4/1/2015	4,771,187	13,220,333	8,449,146	36%	821,754	1028%
Postemployment Health Insurance Plan						
4/1/2010	-	4,385,028	4,385,028	0%	15,355,605	29%
4/1/2012	-	3,977,363	3,977,363	0%	15,672,979	25%
4/1/2014	-	4,321,044	4,321,044	0%	16,250,162	27%

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

(2) AAL is based on the Entry Age Normal Actuarial Cost Method.
Allocation is based on earnings.
No aggregation is used.
Entry age based on date of hire.

TOWN OF SCITUATE, RHODE ISLAND
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Non-GAAP Budgetary Basis
For the Fiscal Year Ended March 31, 2015

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
General property tax				
Property Taxes	\$ 26,947,290	\$ 26,947,290	\$ 26,764,120	\$ (183,170)
Total general property taxes	<u>26,947,290</u>	<u>26,947,290</u>	<u>26,764,120</u>	<u>(183,170)</u>
Federal and State Aid and Grants				
Police Grants	30,500	30,500	500	(30,000)
Recycling grants	-	-	-	-
Telephone tax	129,220	129,220	140,192	10,972
Motor vehicle phase out	74,943	74,943	87,889	12,946
Hotel and meal tax	76,128	76,128	69,365	(6,763)
School housing	186,341	186,341	256,132	69,791
State library aid	95,113	95,113	95,127	14
State incentive aid	48,940	48,940	48,940	-
Total federal and state aid grants	<u>641,185</u>	<u>641,185</u>	<u>698,145</u>	<u>56,960</u>
Charges for service				
Town clerk	217,486	217,486	217,345	(141)
Dog licenses	16,800	16,800	15,707	(1,093)
Tax collector	9,000	9,000	6,904	(2,096)
Building inspector	50,000	50,000	56,116	6,116
Town properties	10,000	10,000	10,675	675
Planning and zoning	6,250	6,250	7,353	1,103
Recreation	21,000	21,000	25,801	4,801
Emergency medical services	315,000	315,000	298,374	(16,626)
Police	48,000	48,000	52,908	4,908
Highway	7,500	7,500	7,500	-
Communications tower rental	91,000	91,000	84,820	(6,180)
Total charges for service	<u>792,036</u>	<u>792,036</u>	<u>783,503</u>	<u>(8,533)</u>
Fines and Penalties	<u>51,250</u>	<u>51,250</u>	<u>37,746</u>	<u>(13,504)</u>
Investment and interest income				
Interest on taxes	80,000	80,000	63,365	(16,635)
Interest on investments	1,200	1,200	830	(370)
Total investment and interest income	<u>81,200</u>	<u>81,200</u>	<u>64,195</u>	<u>(17,005)</u>
Miscellaneous Revenue	82,500	82,500	98,772	16,272
Prior Year Budgeted Surplus	259,080	259,080	259,080	-
Total revenues	<u>\$ 28,854,541</u>	<u>\$ 28,854,541</u>	<u>\$ 28,705,561</u>	<u>\$ (148,980)</u>

TOWN OF SCITUATE, RHODE ISLAND
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended March 31, 2015

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
General Government				
Town council	\$ 14,500	\$ 14,500	\$ 12,500	\$ 2,000
Town treasurer	167,356	167,356	148,521	18,835
Town clerk	168,856	168,856	155,852	13,004
Town solicitor	352,398	352,398	376,646	(24,248)
Probate judge	3,750	3,750	2,123	1,627
Tax assessor	130,641	130,641	93,157	37,484
Tax collector	106,676	106,676	98,090	8,586
Board of canvassers	15,290	15,290	14,432	858
Building and zoning	224,239	224,239	207,243	16,996
Total general government	<u>1,183,706</u>	<u>1,183,706</u>	<u>1,108,564</u>	<u>75,142</u>
Public Safety				
Fire department	998,543	998,543	892,475	106,068
Animal control	76,489	76,489	74,659	1,830
Street lights	35,000	35,000	29,089	5,911
Emergency management	42,000	42,000	41,081	919
Police department	1,907,639	1,907,639	1,794,666	112,973
Total public safety	<u>3,059,671</u>	<u>3,059,671</u>	<u>2,831,970</u>	<u>227,701</u>
Public works				
Town properties	511,628	511,628	541,767	(30,139)
Highway	1,207,158	1,207,158	1,218,451	(11,293)
Solid waste disposal	597,829	597,829	589,938	7,891
Care of trees	10,500	10,500	10,500	-
Pawtuxet River Authority	5,000	5,000	5,000	-
Regional sewer project	-	-	-	-
Cemetery care	7,740	7,740	11,610	(3,870)
Total public works	<u>2,339,855</u>	<u>2,339,855</u>	<u>2,377,266</u>	<u>(37,411)</u>
Social services				
Recreation department	165,154	165,154	147,524	17,630
Libraries	537,053	537,053	537,067	(14)
Human service	9,768	9,768	5,788	3,980
Memorial and Veterans' Day	1,000	1,000	1,000	-
Senior services	136,135	136,135	134,509	1,626
Total social services	<u>849,110</u>	<u>849,110</u>	<u>825,888</u>	<u>23,222</u>
Fixed charges and other				
Audit	35,000	35,000	24,710	10,290
Officers' bonds	1,660	1,660	1,331	329
Employee benefits	1,668,300	1,668,300	1,529,626	138,674
RI League of Cities & Towns	4,110	4,110	4,110	-
Police supplemental pension contribution	599,958	599,958	599,958	-
Total fixed charges and other	<u>2,309,028</u>	<u>2,309,028</u>	<u>2,159,735</u>	<u>149,293</u>
Debt service				
Principal	1,476,000	1,476,000	1,476,000	-
Interest	457,321	457,321	293,086	164,235
Total debt service	<u>1,933,321</u>	<u>1,933,321</u>	<u>1,769,086</u>	<u>164,235</u>
School Appropriation				
	17,179,850	17,179,850	17,179,850	-
Total Expenditures	<u>28,854,541</u>	<u>28,854,541</u>	<u>28,252,359</u>	<u>602,182</u>
Excess of revenues over expenditures before other financing uses				
	-	-	453,202	453,202
Other Financing Uses				
Transfers to other funds - SRF	-	-	61,722	(61,722)
Transfers to other funds - Capital Projects	-	-	118,049	(118,049)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>179,771</u>	<u>(179,771)</u>
Total Expenditures	<u>\$ 28,854,541</u>	<u>\$ 28,854,541</u>	<u>\$ 28,432,130</u>	<u>\$ 422,411</u>
Net change in fund balance - budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,431</u>	<u>\$ 273,431</u>

TOWN OD SCITUATE, RHODE ISLAND
Notes to Required Supplementary Information
March 31, 2015

NOTE 2- BUDGETARY DATA AND BUDGETARY COMPLIANCE

The Town has formally established budgetary accounting control for its General Fund. It is the responsibility of the Town Budget Committee to submit to the Town Council and make available to the general public a proposed General Fund budget, including the School Department appropriation for the fiscal year. The Town Council may then revise and adopt a recommended General Fund budget including changes to the School Department appropriation. At least two public hearings are conducted on the recommended General Fund budget and the final recommended budget is approved by the voters and legally enacted through an ordinance of the Town Council at the Annual Financial Town Meeting. The General Fund annual operating budget amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary.

The budget approved and adopted at the Annual Financial Town Meeting reports the amount budgeted for each department. Therefore, the legal level of control for the General Fund is at the departmental level. Transfers between departments must be approved by the Town Council. Amendments that would change the total appropriation must be approved by the voters and Town Council at a Financial Town Meeting. There were no supplemental budgetary appropriations in fiscal year 2015. Appropriations which are not expended or encumbered lapse at year end.

The General Fund budget is in conformity with the legally enacted budgetary basis, which is not in conformity with generally accepted accounting principles. The budget to actual presentation in the required supplementary information is reflected on the budgetary basis. The difference between the budgetary basis and the generally accepted accounting principles basis is explained below.

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

A reconciliation of the General Fund's revenues and expenditures and other financing sources (uses) is presented below.

	Revenues and Transfers	Expenditures and Transfers
General Fund:		
Schedule of Revenues, Expenditures and Other Financing Sources		
(Non-GAAP Budgetary Basis) Budget and Actual	\$ 28,705,561	\$ 28,432,130
Adjustment for pension contribution made by State of Rhode Island on behalf of employees.....	968,729	968,729
Appropriation of Fund Balance Non-GAAP.....	(259,080)	-
Transfers between funds combined per GASB 54.....	-	(61,722)
Unbudgeted Items.....	5,167,913	5,161,950
 Statement of Revenues, Expenditures and Changes in Fund		
Balances	\$ 34,583,123	\$ 34,501,087

SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Non-GAAP Budgetary Basis
For the Fiscal Year Ended March 31, 2015

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
General property tax	\$ 26,947,290	\$ 26,947,290	\$ 26,764,120	\$ (183,170)
Federal and state aid grants	641,185	641,185	698,145	56,960
Charges for services	792,036	792,036	783,503	(8,533)
Fines and penalties	51,250	51,250	37,746	(13,504)
Investment and interest income	81,200	81,200	64,195	(17,005)
Miscellaneous revenue	82,500	82,500	98,772	16,272
Total Revenues	<u>28,595,461</u>	<u>28,595,461</u>	<u>28,446,481</u>	<u>(148,980)</u>
Expenditures				
General government	1,183,706	1,183,706	1,108,564	75,142
Public Safety	3,059,671	3,059,671	2,831,970	227,701
Public works	2,339,855	2,339,855	2,377,266	(37,411)
Social services	849,110	849,110	825,888	23,222
Fixed charges and other	2,309,028	2,309,028	2,159,735	149,293
Debt service:				
Principal	1,476,000	1,476,000	1,476,000	-
Interest	457,321	457,321	293,086	164,235
School appropriation	17,179,850	17,179,850	17,179,850	-
Total expenditures	<u>28,854,541</u>	<u>28,854,541</u>	<u>28,252,359</u>	<u>602,182</u>
Excess of revenues over expenditures before operating transfers	<u>(259,080)</u>	<u>(259,080)</u>	<u>194,122</u>	<u>453,202</u>
Other financing sources and uses				
Transfers to other funds	-	-	(179,771)	(179,771)
Prior year budgeted surplus	259,080	259,080	259,080	-
Total operating transfers	<u>259,080</u>	<u>259,080</u>	<u>79,309</u>	<u>(179,771)</u>
Excess of revenues over (under) expenditures and operating transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,431</u>	<u>\$ 273,431</u>

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	Town Special Revenue Funds	School Special Revenue Funds	Capital Projects Funds	Town Permanent Funds	Total Non-Major Governmental Funds
ASSETS					
Cash and cash equivalents (overdraft)	\$ 255,285	\$ (195,566)	\$ 198,029	\$ 130,613	\$ 388,361
Internal balances	230,830	109,546	486,572	-	826,948
Due from other governments	34,308	194,760	-	-	229,068
Other receivables	19,995	-	-	-	19,995
TOTAL ASSETS	\$ 540,418	\$ 108,740	\$ 684,601	\$ 130,613	\$ 1,464,372
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable and accrued expenses	\$ 71,920	\$ 24,447	\$ -	\$ -	\$ 96,367
Internal balances	18,410	150	15,886	-	34,446
Unearned revenue	19,995	-	-	-	19,995
Total liabilities	110,325	24,597	15,886	-	150,808
Fund balances					
<i>Nonspendable:</i>					
Cemetery perpetual care	-	-	-	120,766	120,766
<i>Restricted for:</i>					
Educational programs	44,273	84,143	-	-	128,416
Public safety programs	98,999	-	-	-	98,999
Social service programs	105,744	-	-	-	105,744
Records preservation	80,129	-	-	-	80,129
Other programs	5,854	-	-	9,847	15,701
<i>Committed for:</i>					
Open space, park & recreational facilities	97,855	-	-	-	97,855
Other programs	7,357	-	-	-	7,357
<i>Assigned for:</i>					
Capital projects	-	-	677,165	-	677,165
<i>Unassigned</i>					
	(10,118)	-	(8,450)	-	(18,568)
Total fund balances (deficits)	430,093	84,143	668,715	130,613	1,313,564
TOTAL LIABILITIES AND FUND BALANCES	\$ 540,418	\$ 108,740	\$ 684,601	\$ 130,613	\$ 1,464,372

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015**

	<u>Town Special Revenue Funds</u>	<u>School Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Town Permanent Funds</u>	<u>Total Non-Major Governmental Funds</u>
Revenues					
Intergovernmental revenue	\$ 353,572	\$ 639,638	\$ -	\$ -	\$ 993,210
Charges for service	269,985	-	-	-	269,985
Investment income	51	-	21	13	85
Contributions and private grants	18,757	-	12,250	-	31,007
Other income	38,058	112,613	-	-	150,671
Total revenues	<u>680,423</u>	<u>752,251</u>	<u>12,271</u>	<u>13</u>	<u>1,444,958</u>
Expenditures					
General government	4,585	-	-	-	4,585
Public safety	14,590	-	2,266	-	16,856
Public works	1,935	-	-	-	1,935
Social services	300,979	-	-	-	300,979
Education	375,273	748,878	22,276	-	1,146,427
Total expenditures	<u>697,362</u>	<u>748,878</u>	<u>24,542</u>	<u>-</u>	<u>1,470,782</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(16,939)	3,373	(12,271)	13	(25,824)
Other financing sources (uses)					
Transfers from other funds	-	-	118,049	-	118,049
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>118,049</u>	<u>-</u>	<u>118,049</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	<u>(16,939)</u>	<u>3,373</u>	<u>105,778</u>	<u>13</u>	<u>92,225</u>
Fund balances - beginning	447,032	80,770	562,937	130,600	1,221,339
Fund balances - ending	<u>\$ 430,093</u>	<u>\$ 84,143</u>	<u>\$ 668,715</u>	<u>\$ 130,613</u>	<u>\$ 1,313,564</u>

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

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

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

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

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

Community Development Block Grant - accounts for activity of the Community Development Block Grant program.

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

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

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

Animal Adoption Fund – accounts to provide assistance for animal adoptions.

Historical Land Records – established by State law for the preservation of historical public records.

Recreation Campership Fund – established to provide recreation program registration fees for needy families.

Probate Filing Records – established by State law for maintaining probate court records.

Federal Asset Forfeiture Fund – established to account for funds provided by the Federal government from seized properties.

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

State Police Computer Grant – established to account for funds received to upgrade the police department's computer system.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Partnership for Success – established to account for State grant received for the prevention of substance abuse.

Miscellaneous Police Grants - established to account for miscellaneous police grants for alcohol and traffic safety.

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Vital Statistics Surcharge Fund</u>	<u>Food Service Fund</u>	<u>Community Development Block Grant</u>	<u>Sub. Abuse Fund</u>	<u>Senior Citizens Van Fund</u>	<u>State Asset Forfeiture Fund</u>	<u>Animal Adoption Fund</u>
ASSETS							
Cash and cash equivalents	\$ 673	\$ 96,215	\$ 20	\$ 185	\$ 1,350	\$ 720	\$ 11,268
Due from other governments	-	19,978	-	6,200	-	-	-
Internal balances	-	-	35,136	23,946	-	-	-
Other receivables	-	-	19,995	-	-	-	-
TOTAL ASSETS	<u>\$ 673</u>	<u>\$ 116,193</u>	<u>\$ 55,151</u>	<u>\$ 30,331</u>	<u>\$ 1,350</u>	<u>\$ 720</u>	<u>\$ 11,268</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ 71,920	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-
Unearned revenue	-	-	19,995	-	-	-	-
Total liabilities	<u>-</u>	<u>71,920</u>	<u>19,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
<i>Restricted for:</i>							
Educational programs	-	44,273	-	-	-	-	-
Public safety programs	-	-	-	-	-	720	11,268
Social service programs	-	-	35,156	30,331	1,350	-	-
Records preservation	673	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	-
<i>Committed for:</i>							
Open space, park & recreational facilities	-	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Capital projects	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>673</u>	<u>44,273</u>	<u>35,156</u>	<u>30,331</u>	<u>1,350</u>	<u>720</u>	<u>11,268</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 673</u>	<u>\$ 116,193</u>	<u>\$ 55,151</u>	<u>\$ 30,331</u>	<u>\$ 1,350</u>	<u>\$ 720</u>	<u>\$ 11,268</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Historical Land Records</u>	<u>Recreation Camperships Fund</u>	<u>Probate Filing Records</u>	<u>Federal Asset Drug Forfeiture Fund</u>	<u>Animal Health Fund</u>	<u>State Police Computer Grant</u>	<u>Police Substance Abuse Fund</u>
ASSETS							
Cash and cash equivalents	\$ 8,319	\$ 730	\$ 1,682	\$ 26,141	\$ 6,450	\$ 4,210	\$ 4,769
Due from other governments	-	-	-	-	-	-	-
Internal balances	-	500	-	-	-	2,195	-
Other receivables	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 8,319</u>	<u>\$ 1,230</u>	<u>\$ 1,682</u>	<u>\$ 26,141</u>	<u>\$ 6,450</u>	<u>\$ 6,405</u>	<u>\$ 4,769</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	-	-
Public safety programs	-	-	-	26,141	6,450	6,405	4,769
Social service programs	-	1,230	-	-	-	-	-
Records preservation	8,319	-	1,682	-	-	-	-
Other programs	-	-	-	-	-	-	-
<i>Committed for:</i>							
Open space, park & recreational facilities	-	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Capital projects	-	-	-	-	-	-	-
<i>Unassigned</i>							
Total fund balances (deficits)	<u>8,319</u>	<u>1,230</u>	<u>1,682</u>	<u>26,141</u>	<u>6,450</u>	<u>6,405</u>	<u>4,769</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 8,319</u>	<u>\$ 1,230</u>	<u>\$ 1,682</u>	<u>\$ 26,141</u>	<u>\$ 6,450</u>	<u>\$ 6,405</u>	<u>\$ 4,769</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Explorers Account Post 1</u>	<u>Senior Center Donations</u>	<u>Human Service Legislative Grant</u>	<u>Food Pantry Donations</u>	<u>Senior Center Grants</u>	<u>Emergency Management Grants</u>	<u>Congregational Church Restoration</u>
ASSETS							
Cash and cash equivalents	\$ 9,383	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,303
Due from other governments	-	-	-	-	-	-	-
Internal balances	-	5,222	3,989	8,416	20,050	24,053	-
Other receivables	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 9,383</u>	<u>\$ 5,222</u>	<u>\$ 3,989</u>	<u>\$ 8,416</u>	<u>\$ 20,050</u>	<u>\$ 24,053</u>	<u>\$ 5,303</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	162	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>162</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	-	-
Public safety programs	9,221	-	-	-	-	24,053	-
Social service programs	-	5,222	3,989	8,416	20,050	-	-
Records preservation	-	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	5,303
<i>Committed for:</i>							
Open space, park & recreational facilities	-	-	-	-	-	-	-
Other programs	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Capital projects	-	-	-	-	-	-	-
<i>Unassigned</i>							
Total fund balances (deficits)	<u>9,221</u>	<u>5,222</u>	<u>3,989</u>	<u>8,416</u>	<u>20,050</u>	<u>24,053</u>	<u>5,303</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,383</u>	<u>\$ 5,222</u>	<u>\$ 3,989</u>	<u>\$ 8,416</u>	<u>\$ 20,050</u>	<u>\$ 24,053</u>	<u>\$ 5,303</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Land Dedication Recreation Fund</u>	<u>Green Area Beautification</u>	<u>Main Street Project</u>	<u>Cemetery Capital Fee Fund</u>	<u>Recording Technical Scanning Fund</u>	<u>Citizens Police Academy Fund</u>
ASSETS						
Cash and cash equivalents	\$ 504	\$ 551	\$ -	\$ 7,357	\$ 69,455	\$ -
Due from other governments	-	-	-	-	-	-
Internal balances	97,351	-	-	-	-	-
Other receivables	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 97,855</u>	<u>\$ 551</u>	<u>\$ -</u>	<u>\$ 7,357</u>	<u>\$ 69,455</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	7,058	-	-	402
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>7,058</u>	<u>-</u>	<u>-</u>	<u>402</u>
Fund balances						
<i>Restricted for:</i>						
Educational programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Social service programs	-	-	-	-	-	-
Records preservation	-	-	-	-	69,455	-
Other programs	-	551	-	-	-	-
<i>Committed for:</i>						
Open space, park & recreational facilities	97,855	-	-	-	-	-
Other programs	-	-	-	7,357	-	-
<i>Unassigned</i>	-	-	(7,058)	-	-	(402)
Total fund balances (deficits)	<u>97,855</u>	<u>551</u>	<u>(7,058)</u>	<u>7,357</u>	<u>69,455</u>	<u>(402)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 97,855</u>	<u>\$ 551</u>	<u>\$ -</u>	<u>\$ 7,357</u>	<u>\$ 69,455</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	Partnership for Success	Misc. Police Grants	Totals
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ 255,285
Due from other governments	8,130	-	34,308
Internal balances	-	9,972	230,830
Other receivables	-	-	19,995
TOTAL ASSETS	\$ 8,130	\$ 9,972	\$ 540,418
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued expenses	\$ -	\$ -	\$ 71,920
Internal balances	10,788	-	18,410
Unearned revenue	-	-	19,995
Total liabilities	10,788	-	110,325
 Fund balances			
<i>Restricted for:</i>			
Educational programs	-	-	44,273
Public safety programs	-	9,972	98,999
Social service programs	-	-	105,744
Records preservation	-	-	80,129
Other programs	-	-	5,854
<i>Committed for:</i>			
Open space, park & recreational facilities	-	-	97,855
Other programs	-	-	7,357
<i>Unassigned</i>	(2,658)	-	(10,118)
Total fund balances (deficits)	(2,658)	9,972	430,093
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,130	\$ 9,972	\$ 540,418

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	Vital Statistics Surcharge Fund	Food Service Fund	Community Development Block Grant	Sub. Abuse Fund	Senior Citizens Van Fund	State Asset Forfeiture Fund	Animal Adoption Fund
Revenues							
Intergovernmental revenue	\$ -	\$ 142,352	\$ 83,783	\$ 17,644	\$ -	\$ -	\$ -
Charges for service	-	236,916	-	-	-	-	14,825
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other income	-	-	37,486	-	-	-	-
Total revenues	<u>-</u>	<u>379,268</u>	<u>121,269</u>	<u>17,644</u>	<u>-</u>	<u>-</u>	<u>14,825</u>
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	3,557
Public works	-	-	-	-	-	-	-
Social services	-	-	145,492	22,545	-	-	-
Education	-	375,273	-	-	-	-	-
Total expenditures	<u>-</u>	<u>375,273</u>	<u>145,492</u>	<u>22,545</u>	<u>-</u>	<u>-</u>	<u>3,557</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	-	3,995	(24,223)	(4,901)	-	-	11,268
Other financing sources (uses)							
Transfers from (to) other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	-	3,995	(24,223)	(4,901)	-	-	11,268
Fund balances - beginning	673	40,278	59,379	35,232	1,350	720	-
Fund balances - ending	<u>\$ 673</u>	<u>\$ 44,273</u>	<u>\$ 35,156</u>	<u>\$ 30,331</u>	<u>\$ 1,350</u>	<u>\$ 720</u>	<u>\$ 11,268</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	Historical Land Records	Recreation Camperships Fund	Probate Filing Records	Federal Asset Drug Forfeiture Fund	Animal Health Fund	State Police Computer Grant	Police Substance Abuse Fund
Revenues							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	2,360	-	-	-	6,652	-	-
Investment income	1	-	-	42	1	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other income	-	500	72	-	-	-	-
Total revenues	<u>2,361</u>	<u>500</u>	<u>72</u>	<u>42</u>	<u>6,653</u>	<u>-</u>	<u>-</u>
Expenditures							
General government	2,613	-	-	-	-	-	-
Public safety	-	-	-	-	4,963	-	-
Public works	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-
Total expenditures	<u>2,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,963</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(252)	500	72	42	1,690	-	-
Other financing sources (uses)							
Transfers from (to) other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	(252)	500	72	42	1,690	-	-
Fund balances - beginning	8,571	730	1,610	26,099	4,760	6,405	4,769
Fund balances - ending	<u>\$ 8,319</u>	<u>\$ 1,230</u>	<u>\$ 1,682</u>	<u>\$ 26,141</u>	<u>\$ 6,450</u>	<u>\$ 6,405</u>	<u>\$ 4,769</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	Explorers Account Post 1	Senior Center Donations	Human Service Legislative Grant	Food Pantry Donations	Senior Center Grants	Emergency Management Grants	Congregational Church Restoration
Revenues							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 2,060	\$ 2,000	\$ -
Charges for service	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	1,945	2,971	3,000	7,472	2,564	-	-
Other income	-	-	-	-	-	-	-
Total revenues	<u>1,945</u>	<u>2,971</u>	<u>3,000</u>	<u>7,472</u>	<u>4,624</u>	<u>2,000</u>	<u>-</u>
Expenditures							
General government	-	-	-	-	-	-	-
Public safety	774	-	-	-	-	-	-
Public works	-	-	-	-	-	1,935	-
Social services	-	4,245	2,448	7,121	930	-	-
Education	-	-	-	-	-	-	-
Total expenditures	<u>774</u>	<u>4,245</u>	<u>2,448</u>	<u>7,121</u>	<u>930</u>	<u>1,935</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	1,171	(1,274)	552	351	3,694	65	-
Other financing sources (uses)							
Transfers from (to) other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	1,171	(1,274)	552	351	3,694	65	-
Fund balances - beginning	8,050	6,496	3,437	8,065	16,356	23,988	5,303
Fund balances - ending	<u>\$ 9,221</u>	<u>\$ 5,222</u>	<u>\$ 3,989</u>	<u>\$ 8,416</u>	<u>\$ 20,050</u>	<u>\$ 24,053</u>	<u>\$ 5,303</u>

(Continued)

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015**

	Land Dedication Recreation Fund	Green Area Beautification	Main Street Project	Cemetery Capital Fee Fund	Recording Technical Scanning Fund	Citizens Police Academy Fund
Revenues						
Intergovernmental revenue	\$ 32,063	\$ -	\$ 45,404	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	9,232	-
Investment income	-	-	-	-	7	-
Contributions and private grants	-	-	-	-	-	805
Other income	-	-	-	-	-	-
Total revenues	<u>32,063</u>	<u>-</u>	<u>45,404</u>	<u>-</u>	<u>9,239</u>	<u>805</u>
Expenditures						
General government	-	-	-	-	1,972	-
Public safety	-	-	-	-	-	714
Public works	-	-	-	-	-	-
Social services	31,488	-	70,340	-	-	-
Education	-	-	-	-	-	-
Total expenditures	<u>31,488</u>	<u>-</u>	<u>70,340</u>	<u>-</u>	<u>1,972</u>	<u>714</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	575	-	(24,936)	-	7,267	91
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	575	-	(24,936)	-	7,267	91
Fund balances - beginning	<u>97,280</u>	<u>551</u>	<u>17,878</u>	<u>7,357</u>	<u>62,188</u>	<u>(493)</u>
Fund balances - ending	<u>\$ 97,855</u>	<u>\$ 551</u>	<u>\$ (7,058)</u>	<u>\$ 7,357</u>	<u>\$ 69,455</u>	<u>\$ (402)</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	<u>Partnership for Success</u>	<u>Misc. Police Grants</u>	<u>Totals</u>
Revenues			
Intergovernmental revenue	\$ 13,712	\$ 14,554	\$ 353,572
Charges for service	-	-	269,985
Investment income	-	-	51
Contributions and private grants	-	-	18,757
Other income	-	-	38,058
Total revenues	<u>13,712</u>	<u>14,554</u>	<u>680,423</u>
Expenditures			
General government	-	-	4,585
Public safety	-	4,582	14,590
Public works	-	-	1,935
Social services	16,370	-	300,979
Education	-	-	375,273
Total expenditures	<u>16,370</u>	<u>4,582</u>	<u>697,362</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(2,658)	9,972	(16,939)
Other financing sources (uses)			
Transfers from (to) other funds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	<u>(2,658)</u>	<u>9,972</u>	<u>(16,939)</u>
Fund balances - beginning	-	-	447,032
Fund balances - ending	<u>\$ (2,658)</u>	<u>\$ 9,972</u>	<u>\$ 430,093</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Close Reading</u>	<u>Professional Development</u>	<u>Early Childhood</u>	<u>Technology</u>	<u>Art Festival</u>	<u>Volunteers</u>	<u>Student Equity</u>	<u>RTTT ELC</u>
ASSETS								
Cash and cash equivalents (overdraft)	\$ (3,150)	\$ 4,789	\$ 8,976	\$ 2,751	\$ 750	\$ 404	\$ -	\$ -
Due from other governments	3,150	-	-	-	-	-	-	-
Internal balances	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 4,789</u>	<u>\$ 8,976</u>	<u>\$ 2,751</u>	<u>\$ 750</u>	<u>\$ 404</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances								
<i>Restricted for:</i>								
Educational programs	-	4,289	8,976	2,751	750	404	-	-
<i>Unassigned</i>	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>4,289</u>	<u>8,976</u>	<u>2,751</u>	<u>750</u>	<u>404</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 4,789</u>	<u>\$ 8,976</u>	<u>\$ 2,751</u>	<u>\$ 750</u>	<u>\$ 404</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>IDEA Preschool</u>	<u>IDEA Part B</u>	<u>Title I</u>	<u>Title II</u>	<u>RTTT IIS</u>	<u>RTTT IIS SET ASIDE</u>	<u>RTTT S & C</u>	<u>RTTT EE</u>
ASSETS								
Cash and cash equivalents (overdraft)	\$ (6,404)	\$ (118,445)	\$ (24,890)	\$ (17,924)	\$ -	\$ -	\$ -	\$ 150
Due from other governments	7,413	140,846	25,427	17,924	-	-	-	-
Internal balances	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,009</u>	<u>\$ 22,401</u>	<u>\$ 537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenses	\$ 1,009	\$ 22,401	\$ 537	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-	150
Total liabilities	<u>1,009</u>	<u>22,401</u>	<u>537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150</u>
Fund balances								
<i>Restricted for:</i>								
Educational programs	-	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,009</u>	<u>\$ 22,401</u>	<u>\$ 537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>RTTT HCD Set Aside</u>	<u>RTTT EE Set Aside</u>	<u>RI Foundation</u>	<u>Language Assistance</u>	<u>FAA Gentian</u>	<u>Amica</u>	<u>Verizon</u>	<u>RI Foundation Scholarship</u>
ASSETS								
Cash and cash equivalents (overdraft)	\$ -	\$ -	\$ -	\$ 31,312	\$ 1,000	\$ 1,393	\$ 87	\$ -
Due from other governments	-	-	-	-	-	-	-	-
Internal balances	-	-	-	-	-	-	-	109,546
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,312</u>	<u>\$ 1,000</u>	<u>\$ 1,393</u>	<u>\$ 87</u>	<u>\$ 109,546</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances								
<i>Restricted for:</i>								
Educational programs	-	-	-	31,312	1,000	1,393	87	109,546
<i>Unassigned</i>	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,312</u>	<u>1,000</u>	<u>1,393</u>	<u>87</u>	<u>109,546</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,312</u>	<u>\$ 1,000</u>	<u>\$ 1,393</u>	<u>\$ 87</u>	<u>\$ 109,546</u>

(Continued))

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Full Day Kindergarten</u>	<u>Wireless Classroom</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents (overdraft)	\$ -	\$ (76,365)	\$ (195,566)
Due from other governments	-	-	194,760
Internal balances	-	-	109,546
TOTAL ASSETS	<u>\$ -</u>	<u>\$ (76,365)</u>	<u>\$ 108,740</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued expenses	\$ -	\$ -	\$ 24,447
Internal balances	-	-	150
Total liabilities	<u>-</u>	<u>-</u>	<u>24,597</u>
 Fund balances			
<i>Restricted for:</i>			
Educational programs	-	-	160,508
<i>Unassigned</i>	-	(76,365)	(76,365)
Total fund balances (deficit)	<u>-</u>	<u>(76,365)</u>	<u>84,143</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ (76,365)</u>	<u>\$ 108,740</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	<u>Close Reading</u>	<u>Professional Development</u>	<u>Early Childhood</u>	<u>Technology</u>	<u>Art Festival</u>	<u>Volunteers</u>	<u>Student Equity</u>	<u>RTTT ELC</u>
Revenues								
Intergovernmental revenue	\$ 3,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	500	-	-	-
Total revenues	<u>3,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures								
Education	3,150	1,337	-	-	-	896	15,596	51
Total expenditures	<u>3,150</u>	<u>1,337</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>896</u>	<u>15,596</u>	<u>51</u>
Excess revenues over (under) expenditures	-	(1,337)	-	-	500	(896)	(15,596)	(51)
Excess of revenues and other sources over (under) expenditures	<u>-</u>	<u>(1,337)</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>(896)</u>	<u>(15,596)</u>	<u>(51)</u>
Fund balances - beginning	-	5,626	8,976	2,751	250	1,300	15,596	51
Fund balances - ending	<u>\$ -</u>	<u>\$ 4,289</u>	<u>\$ 8,976</u>	<u>\$ 2,751</u>	<u>\$ 750</u>	<u>\$ 404</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015**

	<u>IDEA Preschool</u>	<u>IDEA Part B</u>	<u>Title I</u>	<u>Title II</u>	<u>RTTT IIS</u>	<u>RTTT IIS SET ASIDE</u>	<u>RTTT S & C</u>	<u>RTTT EE</u>
Revenues								
Intergovernmental revenue	\$ 24,689	\$ 366,812	\$ 148,676	\$ 62,726	\$ 10,638	\$ 1,921	\$ 850	\$ 6,638
Other	-	-	-	-	-	-	-	-
Total revenues	<u>24,689</u>	<u>366,812</u>	<u>148,676</u>	<u>62,726</u>	<u>10,638</u>	<u>1,921</u>	<u>850</u>	<u>6,638</u>
Expenditures								
Education	24,689	366,812	148,676	62,726	10,638	1,921	850	6,638
Total expenditures	<u>24,689</u>	<u>366,812</u>	<u>148,676</u>	<u>62,726</u>	<u>10,638</u>	<u>1,921</u>	<u>850</u>	<u>6,638</u>
Excess revenues over (under) expenditures	-	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	<u>RTTT HCD Set Aside</u>	<u>RTTT EE Set Aside</u>	<u>RI Foundation</u>	<u>Language Assistance</u>	<u>FAA Gentian</u>	<u>Amica</u>	<u>Verizon</u>	<u>RI Foundation Scholarship</u>
Revenues								
Intergovernmental revenue	\$ 1,948	\$ 1,726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	1,567	-	500	500	-	109,546
Total revenues	<u>1,948</u>	<u>1,726</u>	<u>1,567</u>	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>	<u>109,546</u>
Expenditures								
Education	1,948	1,726	1,567	12,421	-	200	807	-
Total expenditures	<u>1,948</u>	<u>1,726</u>	<u>1,567</u>	<u>12,421</u>	<u>-</u>	<u>200</u>	<u>807</u>	<u>-</u>
Excess revenues over (under) expenditures	-	-	-	(12,421)	500	300	(807)	109,546
Excess of revenues and other sources over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,421)</u>	<u>500</u>	<u>300</u>	<u>(807)</u>	<u>109,546</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,733</u>	<u>500</u>	<u>1,093</u>	<u>894</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,312</u>	<u>\$ 1,000</u>	<u>\$ 1,393</u>	<u>\$ 87</u>	<u>\$ 109,546</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Special Revenue Restricted Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015

	<u>Full Day Kindergarten</u>	<u>Wireless Classroom</u>	<u>Totals</u>
Revenues			
Intergovernmental revenue	\$ 9,864	\$ -	\$ 639,638
Other	<u>-</u>	<u>-</u>	<u>112,613</u>
Total revenues	<u>9,864</u>	<u>-</u>	<u>752,251</u>
Expenditures			
Education	<u>9,864</u>	<u>76,365</u>	<u>748,878</u>
Total expenditures	<u>9,864</u>	<u>76,365</u>	<u>748,878</u>
Excess revenues over (under) expenditures	-	(76,365)	3,373
Excess of revenues and other sources over (under) expenditures	<u>-</u>	<u>(76,365)</u>	<u>3,373</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>80,770</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ (76,365)</u>	<u>\$ 84,143</u>

(Concluded)

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

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

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

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

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

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

School Fields Open Space – established to account for the purchase and maintenance of open space in Town.

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

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

Public Works/Safety Bond Fund – established to account for bonded capital expenditures for public works and public safety.

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

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

School 2008/2009/2010 Capital Funds – established to account for non-bonded school construction costs.

2009 School Loan Fund – established to account for School capital expenditures funded through a loan from RIHEBC.

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

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

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

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

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

Capital Assets Fund – accounts for expenditure associated with the purchase of new capital asset software and the related conversion costs.

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

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

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Capital Projects Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	Highway Department Capital Escrow	School Ball Field Fund	School Capital Construction Fund	Highway Bridges Special Projects Fund	Police Vehicles Capital Fund	School Fields Open Space	Chopmist Hill Renovation Fund	Animal Shelter Bond Fund
ASSETS								
Cash and cash equivalents	\$ 44,672	\$ 636	\$ 305	\$ 12,163	\$ -	\$ 95,709	\$ -	\$ -
Other receivables	-	-	-	-	-	-	-	-
Internal balances	2,840	-	-	53,422	5,814	28,263	22	-
TOTAL ASSETS	<u>\$ 47,512</u>	<u>\$ 636</u>	<u>\$ 305</u>	<u>\$ 65,585</u>	<u>\$ 5,814</u>	<u>\$ 123,972</u>	<u>\$ 22</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-	8,450
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,450</u>
Fund balances								
<i>Assigned for:</i>								
Capital projects	47,512	636	305	65,585	5,814	123,972	22	-
<i>Unassigned for:</i>	-	-	-	-	-	-	-	(8,450)
Total fund balances (deficit)	<u>47,512</u>	<u>636</u>	<u>305</u>	<u>65,585</u>	<u>5,814</u>	<u>123,972</u>	<u>22</u>	<u>(8,450)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 47,512</u>	<u>\$ 636</u>	<u>\$ 305</u>	<u>\$ 65,585</u>	<u>\$ 5,814</u>	<u>\$ 123,972</u>	<u>\$ 22</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Capital Projects Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	Public Works / Safety Bond Fund	School Bond Fund	School Land Fund	School 2008 Capital Fund	School 2009 Capital Fund	School 2010 Capital Fund	2009 School Loan Fund	Town Properties Building Fund
ASSETS								
Cash and cash equivalents	\$ -		\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -
Other receivables	-	-	-	-	-	-	-	-
Internal balances	32,770	2,462	3,787	5,898	13,145	129,540	-	40,046
TOTAL ASSETS	\$ 32,770	\$ 2,462	\$ 3,787	\$ 5,898	\$ 13,145	\$ 129,540	\$ 1	\$ 40,046
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	7,436	-	-	-
Total liabilities	-	-	-	-	7,436	-	-	-
Fund balances								
Assigned for:								
Capital projects	32,770	2,462	3,787	5,898	5,709	129,540	1	40,046
Unassigned for:	-	-	-	-	-	-	-	-
Total fund balances (deficit)	32,770	2,462	3,787	5,898	5,709	129,540	1	40,046
TOTAL LIABILITIES AND FUND BALANCES	\$ 32,770	\$ 2,462	\$ 3,787	\$ 5,898	\$ 13,145	\$ 129,540	\$ 1	\$ 40,046

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Capital Projects Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015

	<u>Computer Upgrade Fund</u>	<u>Recreation Capital Fund</u>	<u>K-9 Capital Fund</u>	<u>Police Vehicle Fund</u>	<u>Capital Assets Fund</u>	<u>Proposed Police Station Fund</u>	<u>Fire Department Capital Fund</u>	<u>Total Capital Projects Funds</u>
ASSETS								
Cash and cash equivalents	\$ 20,226	\$ 11,554	\$ 124	\$ 113	\$ 11,632	\$ -	\$ 894	\$ 198,029
Other receivables	-	-	-	-	-	-	-	-
Internal balances	17,186	18,500	-	-	8,400	22,367	102,110	486,572
TOTAL ASSETS	<u>\$ 37,412</u>	<u>\$ 30,054</u>	<u>\$ 124</u>	<u>\$ 113</u>	<u>\$ 20,032</u>	<u>\$ 22,367</u>	<u>\$ 103,004</u>	<u>\$ 684,601</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal balances	-	-	-	-	-	-	-	15,886
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,886</u>
Fund balances								
Assigned for:								
Capital projects	37,412	30,054	124	113	20,032	22,367	103,004	677,165
Unassigned for:	-	-	-	-	-	-	-	(8,450)
Total fund balances (deficit)	<u>37,412</u>	<u>30,054</u>	<u>124</u>	<u>113</u>	<u>20,032</u>	<u>22,367</u>	<u>103,004</u>	<u>668,715</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 37,412</u>	<u>\$ 30,054</u>	<u>\$ 124</u>	<u>\$ 113</u>	<u>\$ 20,032</u>	<u>\$ 22,367</u>	<u>\$ 103,004</u>	<u>\$ 684,601</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
March 31, 2015

	Highway Department Capital Escrow	School Ball Field Fund	School Capital Construction Fund	Highway Bridges Special Projects Fund	Police Vehicles Capital Fund	School Fields Open Space	Chopmist Hill Renovation Fund	Animal Shelter Bond Fund
Revenues								
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	4	1	-	2	-	9	-	-
Contributions and private grants	-	-	-	-	3,750	-	-	-
TOTAL REVENUES	<u>\$ 4</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 3,750</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	1,865	-	-	-
Public works	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,865</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing source:	4	1	-	2	1,885	9	-	-
Other financing sources (uses)								
Transfers from other funds	-	-	-	-	-	8,000	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures	<u>4</u>	<u>1</u>	<u>-</u>	<u>2</u>	<u>1,885</u>	<u>8,009</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	47,508	635	305	65,583	3,929	115,963	22	(8,450)
Fund balances - ending	<u>\$ 47,512</u>	<u>\$ 636</u>	<u>\$ 305</u>	<u>\$ 65,585</u>	<u>\$ 5,814</u>	<u>\$ 123,972</u>	<u>\$ 22</u>	<u>\$ (8,450)</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
March 31, 2015

	<u>Public Works / Safety Bond Fund</u>	<u>School Bond Fund</u>	<u>School Land Fund</u>	<u>School 2008 Capital Fund</u>	<u>School 2009 Capital Fund</u>	<u>School 2010 Capital Fund</u>	<u>2009 School Loan Fund</u>	<u>Town Properties Building Fund</u>
Revenues								
State aid and grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-	8,500
TOTAL REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,500</u>
Expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	401	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	22,276	-	-
Total expenditures	<u>401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,276</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing source:	(401)	-	-	-	-	(22,276)	-	8,500
Other financing sources (uses)								
Transfers from other funds	-	-	-	-	-	-	-	7,939
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,939</u>
Excess of revenues and other sources over (under) expenditures	(401)	-	-	-	-	(22,276)	-	16,439
Fund balances - beginning	33,171	2,462	3,787	5,898	5,709	151,816	1	23,607
Fund balances - ending	<u>\$ 32,770</u>	<u>\$ 2,462</u>	<u>\$ 3,787</u>	<u>\$ 5,898</u>	<u>\$ 5,709</u>	<u>\$ 129,540</u>	<u>\$ 1</u>	<u>\$ 40,046</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds
March 31, 2015

	Computer Upgrade Fund	Recreation Capital Fund	K-9 Capital Fund	Police Vehicle Fund	Capital Assets Fund	Proposed Police Station Fund	Fire Department Capital Fund	Total Capital Projects Funds
Revenues								
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	2	2	-	-	1	-	-	21
Contributions and private grants	-	-	-	-	-	-	-	12,250
TOTAL REVENUES	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,271</u>
Expenditures								
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	2,266
Public works	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	22,276
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,542</u>
Excess (deficiency) of revenues over (under) expenditures before other financing source:	2	2	-	-	1	-	-	(12,271)
Other financing sources (uses)								
Transfers from other funds	-	-	-	-	-	-	102,110	118,049
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,110</u>	<u>118,049</u>
Excess of revenues and other sources over (under) expenditures	2	2	-	-	1	-	102,110	105,778
Fund balances - beginning	37,410	30,052	124	113	20,031	22,367	894	562,937
Fund balances - ending	<u>\$ 37,412</u>	<u>\$ 30,054</u>	<u>\$ 124</u>	<u>\$ 113</u>	<u>\$ 20,032</u>	<u>\$ 22,367</u>	<u>\$ 103,004</u>	<u>\$ 668,715</u>

(concluded)

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

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

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

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

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

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Permanent Funds
Combining Balance Sheet - Non-Major Governmental Funds
March 31, 2015**

	<u>Sam Tourtellot & Leslie Davis Fund</u>	<u>Elsie Gleason Fund</u>	<u>Glenford Cemetery Fund</u>	<u>Cemetery Fund</u>	<u>Totals</u>
ASSETS					
Cash and cash equivalents	\$ 7,266	\$ 2,581	\$ 26,789	\$ 93,977	\$ 130,613
TOTAL ASSETS	<u>\$ 7,266</u>	<u>\$ 2,581</u>	<u>\$ 26,789</u>	<u>\$ 93,977</u>	<u>\$ 130,613</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Other liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances					
Nonspendable	-	-	26,789	93,977	120,766
Restricted	7,266	2,581	-	-	9,847
Total fund balances (deficit)	<u>7,266</u>	<u>2,581</u>	<u>26,789</u>	<u>93,977</u>	<u>130,613</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,266</u>	<u>\$ 2,581</u>	<u>\$ 26,789</u>	<u>\$ 93,977</u>	<u>\$ 130,613</u>

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Town Permanent Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended March 31, 2015**

	<u>Sam Tourtellot & Leslie Davis Fund</u>	<u>Elsie Gleason Fund</u>	<u>Glenford Cemetery Fund</u>	<u>Cemetery Fund</u>	<u>Totals</u>
Revenues					
Earnings on investments	\$ 1	\$ -	\$ 3	\$ 9	\$ 13
Total revenues	<u>1</u>	<u>-</u>	<u>3</u>	<u>9</u>	<u>13</u>
Expenditures					
Net decrease in FMV of investment	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before other financing sources	<u>1</u>	<u>-</u>	<u>3</u>	<u>9</u>	<u>13</u>
Fund balances - beginning	<u>7,265</u>	<u>2,581</u>	<u>26,786</u>	<u>93,968</u>	<u>130,600</u>
Fund balances - ending	<u>\$ 7,266</u>	<u>\$ 2,581</u>	<u>\$ 26,789</u>	<u>\$ 93,977</u>	<u>\$ 130,613</u>

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Fiduciary Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended March 31, 2015

	<u>Balance</u> <u>April 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>March 31, 2015</u>
STUDENT ACTIVITY FUND				
ASSETS				
Cash and cash equivalents	\$ 211,867	\$ 141,186	\$ 140,873	\$ 212,180
TOTAL ASSETS	<u>\$ 211,867</u>	<u>\$ 141,186</u>	<u>\$ 140,873</u>	<u>\$ 212,180</u>
LIABILITIES				
Deposits held in custody for others	\$ 211,867	\$ 141,186	\$ 140,873	\$ 212,180
TOTAL LIABILITIES	<u>\$ 211,867</u>	<u>\$ 141,186</u>	<u>\$ 140,873</u>	<u>\$ 212,180</u>
TOWN COUNCIL SUNSHINE FUND				
ASSETS				
Cash and cash equivalents	\$ 63	\$ -	\$ -	\$ 63
TOTAL ASSETS	<u>\$ 63</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63</u>
LIABILITIES				
Deposits held in custody for others	\$ 63	\$ -	\$ -	\$ 63
TOTAL LIABILITIES	<u>\$ 63</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63</u>
PROBATE FUND				
ASSETS				
Cash and cash equivalents	\$ 8,279	\$ -	\$ -	\$ 8,279
TOTAL ASSETS	<u>\$ 8,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,279</u>
LIABILITIES				
Deposits held in custody for others	\$ 8,279	\$ -	\$ -	\$ 8,279
TOTAL LIABILITIES	<u>\$ 8,279</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,279</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	\$ 220,209	\$ 141,186	\$ 140,873	\$ 220,522
TOTAL ASSETS	<u>\$ 220,209</u>	<u>\$ 141,186</u>	<u>\$ 140,873</u>	<u>\$ 220,522</u>
LIABILITIES				
Deposits held in custody for others	\$ 220,209	\$ 141,186	\$ 140,873	\$ 220,522
TOTAL LIABILITIES	<u>\$ 220,209</u>	<u>\$ 141,186</u>	<u>\$ 140,873</u>	<u>\$ 220,522</u>

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Fiduciary Funds - Pupil Activity Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended March 31, 2015**

	<u>Cash Balance April 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Cash Balance March 31, 2015</u>
PUPIL ACTIVITY FUNDS				
Hope Elementary School	\$ 9,430	\$ 9,423	\$ 6,914	\$ 11,939
North Scituate Elementary School	14,053	9,052	5,730	17,375
Clayville Elementary School	18,085	6,622	10,179	14,528
Scituate Middle/High School	170,299	116,089	118,050	168,338
TOTALS	<u>\$ 211,867</u>	<u>\$ 141,186</u>	<u>\$ 140,873</u>	<u>\$ 212,180</u>

Scituate School Department Operations

**SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
School Balance Sheet
School Department Operations
March 31, 2015**

	<u>School Unrestricted</u>	<u>NWR</u>	<u>Capital Reserve Fund</u>	<u>Jobs Fund</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash and cash equivalents	\$ 12,787	\$ (13,028)	\$ -	\$ (3,349)	\$ (3,590)
Receivables:					
Due from federal and state governments	92,214	-	-	-	92,214
Other	18,413	7,676	-	2,929	29,018
Prepaid expenditures	291,862	-	-	-	291,862
Due from:					
Other funds	2,369,164	8,663	384,011	2,261	2,764,099
TOTAL ASSETS	<u>\$ 2,784,440</u>	<u>\$ 3,311</u>	<u>\$ 384,011</u>	<u>\$ 1,841</u>	<u>\$ 3,173,603</u>
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Accounts payable	\$ 470,304	\$ -	\$ -	\$ -	\$ 470,304
Accrued payroll and benefits	664,971	-	-	-	664,971
Due to:					
Other funds	51,275	1,684	-	1,817	54,776
TOTAL LIABILITIES	<u>1,186,550</u>	<u>1,684</u>	<u>-</u>	<u>1,817</u>	<u>1,190,051</u>
FUND BALANCE:					
Restricted for:					
Education	1,597,890	1,627	384,011	24	1,983,552
Unassigned:					
	-	-	-	-	-
TOTAL FUND BALANCE	<u>1,597,890</u>	<u>1,627</u>	<u>384,011</u>	<u>24</u>	<u>1,983,552</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,784,440</u>	<u>\$ 3,311</u>	<u>\$ 384,011</u>	<u>\$ 1,841</u>	<u>\$ 3,173,603</u>

SUPPLEMENTARY INFORMATION
TOWN OF SCITUATE, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses)
School Department Operations
March 31, 2015

	<u>School Unrestricted</u>	<u>NWR</u>	<u>Capital Reserve Fund</u>	<u>Jobs Fund</u>	<u>Total Governmental Funds</u>
REVENUES:					
Intergovernmental revenue	\$ 3,858,334	\$ -	\$ -	\$ -	\$ 3,858,334
Other revenue	258,339	45,008	-	19,843	323,190
Intergovernmental - pension contribution	968,729	-	-	-	968,729
TOTAL REVENUES	<u>5,085,402</u>	<u>45,008</u>	<u>-</u>	<u>19,843</u>	<u>5,150,253</u>
EXPENDITURES:					
<i>Current:</i>					
Education	21,308,220	45,008	-	19,843	21,373,071
Intergovernmental - pension contribution	968,729	-	-	-	968,729
TOTAL EXPENDITURES	<u>22,276,949</u>	<u>45,008</u>	<u>-</u>	<u>19,843</u>	<u>22,341,800</u>
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>(17,191,547)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,191,547)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	17,179,850	-	-	-	17,179,850
NET OTHER FINANCING SOURCES (USES)	<u>17,179,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,179,850</u>
NET CHANGE IN FUND BALANCE	<u>(11,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,697)</u>
FUND BALANCE BEGINNING OF YEAR	<u>1,609,587</u>	<u>1,627</u>	<u>384,011</u>	<u>24</u>	<u>1,995,249</u>
FUND BALANCE END OF YEAR	<u>\$ 1,597,890</u>	<u>\$ 1,627</u>	<u>\$ 384,011</u>	<u>\$ 24</u>	<u>\$ 1,983,552</u>

TOWN OF SCITUATE
Supplementary Information
School Department Operating Budget
Budgetary Comparison Schedule
For the Fiscal Year Ended March 31, 2015

	<u>Original Budgeted Amount</u>	<u>Revised Budgeted Amount</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Town appropriation	\$ 17,179,850	\$ 17,179,850	\$ 17,179,850	\$ -
State aid to education	3,852,994	3,852,994	3,858,334	5,340
Other school revenues	122,500	122,500	258,339	135,839
School applied fund balance	952,000	952,000	952,000	-
Total revenues	<u>22,107,344</u>	<u>22,107,344</u>	<u>22,248,523</u>	<u>141,179</u>
Expenditures				
Education	22,107,344	22,107,344	21,308,220	799,124
Total expenditures	<u>22,107,344</u>	<u>22,107,344</u>	<u>21,308,220</u>	<u>799,124</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 940,303</u>	<u>\$ 940,303</u>

**TOWN OF SCITUATE, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2015**

REAL ESTATE AND PERSONAL PROPERTY TAXES

Tax Roll Year	Balance March 31, 2014	Current Year Assessment	Additions and Adjustments	Abatements and Adjustments	Amount to be Collected	Collections	Balance March 31, 2015
2014	\$ -	\$ 26,948,830	\$ 21,947	\$ (12,547)	\$ 26,958,230	\$ 21,054,760	\$ 5,903,470
2013	4,815,169	-	343	8,735	4,824,247	4,545,088	279,159
2012	186,993	-	-	(502)	186,491	62,799	123,692
2011	76,670	-	-	(435)	76,235	4,770	71,465
2010	60,773	-	-	-	60,773	-	60,773
2009	72,680	-	-	(1)	72,679	-	72,679
2008	66,350	-	-	-	66,350	444	65,906
2007	50,577	-	-	-	50,577	140	50,437
2006	12,044	-	-	-	12,044	35	12,009
2005	11,807	-	-	-	11,807	-	11,807
2004 and prior	10,629	-	-	1	10,630	-	10,630
Total	\$ 5,363,692	\$ 26,948,830	\$ 22,290	\$ (4,749)	\$ 32,330,063	\$ 25,668,036	\$ 6,662,027

SCHEDULE OF MOST RECENT NET ASSESSED PROPERTY VALUE BY CATEGORY

Description of Property	Valuations	Levy
Real property	\$ 780,683,800	\$ 14,818,940
Real property - Commercial	416,459,480	9,138,370
Real property - Frozen	204,197,980	2,810,504
Motor vehicles	117,276,830	3,541,760
Tangible personal	23,169,390	935,557
Total	1,541,787,480	31,245,131
Exemptions:		
Real property	497,745	9,448
Real property - Commercial	111,998,785	2,457,589
Real property - Frozen	3,801,867	-
Motor vehicles	59,298,702	1,790,821
Tangible personal	952,059	38,443
Total exemptions	176,549,158	4,296,301
Net assessed value	\$ 1,365,238,322	26,948,830
Current year assessment		\$ 26,948,830

Reconciliation of Current Year Property Tax Revenue

Current year collections	\$ 25,668,036
Payment adjustments and transfers	193,253
Revenue received 60 days subsequent to fiscal year ending March 31, 2015	4,970,572
	<u>30,831,861</u>
Prior year revenue received in current year	(4,067,741)
Current Year Property Taxes	\$ 26,764,120

Statistical Section

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Economic and Demographic Information

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

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

Table 1

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:										
Net Investment in Capital Assets	\$ 4,327,936	\$ 4,804,205	\$ 10,256,196	\$ 10,676,154	\$ 11,598,150	\$ 12,104,545	\$ 12,843,119	\$ 13,263,125	\$ 14,823,917	\$ 14,370,296
Restricted	665,002	848,235	790,480	831,917	585,995	681,967	2,420,821	2,380,016	2,284,828	2,266,817
Unrestricted	<u>3,049,935</u>	<u>3,684,371</u>	<u>3,614,351</u>	<u>3,841,863</u>	<u>(1,344,880)</u>	<u>(1,184,613)</u>	<u>(3,352,563)</u>	<u>(2,976,698)</u>	<u>(3,159,137)</u>	<u>(1,641,736)</u>
Total Governmental Activities Net Position	<u>\$ 8,042,873</u>	<u>\$ 9,336,811</u>	<u>\$ 14,661,027</u>	<u>\$ 15,349,934</u>	<u>\$ 10,839,265</u>	<u>\$ 11,601,899</u>	<u>\$ 11,911,377</u>	<u>\$ 12,666,443</u>	<u>\$ 13,949,608</u>	<u>\$ 14,995,377</u>

Source: Town of Scituate's Comprehensive Annual Financial Report

Table 2

Town of Scituate, Rhode Island
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
"Unaudited"

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities:										
General Government	\$ 1,204,056	\$ 1,420,456	\$ 1,392,152	\$ 1,527,583	\$ 6,653,132	\$ 1,485,973	\$ 1,586,381	\$ 1,452,706	\$ 1,211,309	\$ 1,254,876
Public Safety	3,645,144	3,721,954	3,894,316	4,028,697	4,116,636	4,231,458	4,162,851	4,910,264	5,083,824	5,207,677
Public Works	1,935,820	2,137,812	2,662,898	2,639,938	2,459,391	2,407,004	2,251,931	2,304,466	2,278,216	2,592,311
Social Services	1,127,796	882,715	973,438	950,922	866,246	891,122	960,148	796,773	1,015,582	1,094,248
Education	19,662,683	20,852,589	22,077,741	22,305,360	22,483,750	22,181,976	22,749,585	22,689,160	23,229,463	23,851,309
Debt Service	434,520	436,920	427,637	363,291	562,399	529,887	458,123	367,414	345,701	256,113
Total Governmental Activities Expenses	28,010,019	29,452,446	31,428,182	31,815,791	37,141,554	31,727,420	32,169,019	32,520,783	33,164,095	34,256,534
Program Revenues										
Governmental Activities:										
Charges for services:										
General Government	522,603	488,834	463,327	449,735	441,816	454,163	464,224	681,318	659,816	672,028
Public Safety	181,887	218,481	172,696	178,825	321,970	373,800	399,664	396,234	347,811	351,820
Public Works	26,960	16,300	18,490	17,505	17,775	17,350	15,481	7,500	7,500	7,500
Social Services	27,739	193,225	37,905	42,367	34,908	43,499	41,829	-	-	-
Education	589,963	663,221	565,627	487,357	472,530	444,565	429,062	236,404	247,072	236,916
Operating Grants and Contributions	5,316,355	5,350,449	5,471,366	5,706,585	4,896,729	5,650,603	5,556,318	5,887,888	6,446,317	6,725,840
Capital Grants and Contributions	99,041	6,000	-	10,000	88,145	250,000	84,973	-	-	-
Total Governmental Activities Program Revenues	6,764,548	6,936,510	6,729,411	6,892,374	6,273,873	7,233,980	6,991,551	7,209,344	7,708,516	7,994,104
Net (Expense) Revenue Governmental Activities	(21,245,471)	(22,515,936)	(24,698,771)	(24,923,417)	(30,867,681)	(24,493,440)	(25,177,468)	(25,311,439)	(25,455,579)	(26,262,430)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	\$ 20,110,590	\$ 21,394,953	\$ 22,416,562	\$ 23,572,025	\$ 24,615,000	\$ 24,834,047	\$ 25,467,030	\$ 25,820,373	\$ 26,311,689	\$ 27,020,591
State Aid and in lieu of taxes	1,874,426	2,106,982	2,149,821	1,885,405	1,722,883	455,126	292,411	310,851	327,960	297,446
Investment Earnings	105,421	167,126	185,515	69,729	7,608	8,299	2,782	2,301	2,018	874
Miscellaneous	-	140,813	-	-	11,521	13,486	30,798	12,469	-	17,112
Loss on disposal of equipment	-	-	-	-	-	-	-	(30,053)	-	-
Total Governmental Activities	22,090,437	23,809,874	24,751,898	25,527,159	26,357,012	25,310,958	25,793,021	26,115,941	26,641,667	27,336,023
Current Year										
Change in Net Position Governmental Activities	\$ 844,966	\$ 1,293,938	\$ 53,127	\$ 603,742	\$ (4,510,669)	\$ 817,518	\$ 615,553	\$ 804,502	\$ 1,186,088	\$ 1,073,593

Source: Town of Scituate's Comprehensive Annual Financial Report

Table 3

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 448,054	\$ 171,664	\$ 58,894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	935,681	1,316,007	1,502,327	1,854,152	2,941,930	2,665,483	-	-	-	-
Nonspendable	-	-	-	-	-	-	274,481	304,753	274,525	291,862
Restricted	-	-	-	-	-	-	1,719,717	1,684,286	1,720,724	1,707,215
Committed	-	-	-	-	-	-	-	-	200,000	300,000
Assigned	-	-	-	-	-	-	755,952	289,721	286,823	1,288,048
Unassigned	-	-	-	-	-	-	2,890,714	3,210,193	3,730,150	2,707,133
Total General Fund	\$ 1,383,735	\$ 1,487,671	\$ 1,561,221	\$ 1,854,152	\$ 2,941,930	\$ 2,665,483	\$ 5,640,864	\$ 5,488,953	\$ 6,212,222	\$ 6,294,258
All Other Governmental Funds										
Reserved	\$ 117,803	\$ 122,802	\$ 127,805	\$ 342,855	\$ 130,244	\$ 130,443	\$ -	\$ -	\$ -	\$ -
Unreserved										
Reported in:										
Special Revenue Funds	3,821,032	4,271,969	4,070,033	4,113,032	3,245,848	3,687,027	-	-	-	-
Capital Projects Funds	342,622	611,986	817,467	987,716	1,483,901	819,983	-	-	-	-
Nonspendable	-	-	-	-	-	-	42,095	42,095	120,754	120,766
Restricted	-	-	-	-	-	-	738,328	565,146	433,504	428,989
Committed	-	-	-	-	-	-	108,160	108,164	104,637	105,212
Assigned	-	-	-	-	-	-	637,563	722,330	571,387	677,165
Unassigned	-	-	-	-	-	-	(9,842)	(8,450)	(8,943)	(18,568)
Total All Other Governmental Funds	4,281,457	5,006,757	5,015,305	5,443,603	4,859,993	4,637,453	1,516,304	1,429,285	1,221,339	1,313,564
Total Governmental Funds	\$ 5,665,192	\$ 6,494,428	\$ 6,576,526	\$ 7,297,755	\$ 7,801,923	\$ 7,302,936	\$ 7,157,168	\$ 6,918,238	\$ 7,433,561	\$ 7,607,822

In 2012 the Town implemented GASB No. 54, reserved and unreserved fund balances are no longer used. Fund balances are now reported as nonspendable, restricted, committed, assigned and unassigned.

Source: Town of Scituate's Comprehensive Annual Financial Report

Table 4

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
General Property Taxes	\$ 20,014,679	\$ 21,202,702	\$ 22,253,861	\$ 23,425,236	\$ 24,478,480	\$ 24,698,174	\$ 25,348,302	\$ 25,598,867	\$ 26,413,957	\$ 26,764,120
Federal and State Aid and grants	7,221,174	7,424,366	7,598,155	7,568,321	6,652,745	6,332,363	5,854,361	5,982,397	6,456,518	6,518,418
Charges for Services	1,274,271	1,487,161	1,139,958	987,254	1,046,007	1,220,792	1,180,529	1,071,778	1,047,058	1,054,033
Fines and penalties	68,881	80,011	52,044	45,335	52,198	49,698	48,602	38,620	46,782	37,746
Investment and interest income	197,356	294,371	294,804	189,690	90,575	78,242	67,217	86,229	93,142	64,283
Contributions and private grants	68,648	39,065	23,032	33,669	55,012	23,366	79,341	-	-	470,081
Other Revenues	6,000	153,702	66,043	144,339	203,319	65,770	146,065	361,013	418,986	150,671
Total Revenues	28,851,009	30,681,378	31,427,897	32,393,844	32,578,336	32,468,405	32,724,417	33,138,904	34,476,443	35,059,352
Expenditures										
Current:										
General Government	936,694	1,142,136	1,034,386	1,065,681	1,142,803	1,031,577	1,118,115	1,167,313	1,042,246	1,113,149
Public Safety	2,724,448	2,806,773	2,963,325	2,751,355	2,724,479	2,756,086	2,742,352	2,772,947	2,920,141	2,848,826
Public Works	1,888,870	1,842,956	2,188,927	2,107,206	1,834,311	2,059,104	1,954,274	2,101,606	2,062,037	2,379,201
Social services	1,132,594	828,604	904,695	853,382	1,068,654	862,356	887,277	758,921	980,824	1,126,867
Fixed Charges	1,381,725	1,521,628	1,620,889	1,558,859	6,618,690	1,562,111	1,558,546	1,956,736	2,030,390	2,159,735
Education	19,540,910	20,740,580	21,908,212	22,131,374	25,850,794	22,250,848	22,244,651	22,274,192	22,909,665	23,488,227
Debt Service										
Principal	1,041,459	1,071,459	1,112,715	1,295,465	1,545,000	2,005,000	1,882,000	1,936,150	1,765,150	1,476,000
Interest	379,679	359,006	347,400	339,293	459,801	508,248	482,970	409,969	350,667	293,086
Total Expenditures	29,026,379	30,313,142	32,080,549	32,102,615	41,244,532	33,035,330	32,870,185	33,377,834	34,061,120	34,885,091
<i>Excess of Revenues Over (Under) Expenditures</i>										
<i> Before other financing sources (uses)</i>	<i>(175,370)</i>	<i>368,236</i>	<i>(652,652)</i>	<i>291,229</i>	<i>(8,666,196)</i>	<i>(566,925)</i>	<i>(145,768)</i>	<i>(238,930)</i>	<i>415,323</i>	<i>174,261</i>
Other Financing Sources (Uses)										
Proceeds from issuance of bonds	476,500	461,000	734,750	430,000	11,035,000	50,600	-	-	-	-
Premium on Bonds	-	-	-	-	149,719	-	-	-	-	-
Payment -Bond Refunding Agent	-	-	-	-	(2,014,355)	-	-	-	-	-
Transfers In	16,465,288	17,326,261	18,366,062	19,429,671	19,509,317	18,864,067	10,000	21,248	28,151	118,049
Transfers Out	(16,465,288)	(17,326,261)	(18,366,062)	(19,429,671)	(19,509,317)	(18,864,067)	(10,000)	(21,248)	(28,151)	(118,049)
Total Other Financing Sources (Uses)	476,500	461,000	734,750	430,000	9,170,364	50,600	-	-	-	-
Net Change in Fund Balances	\$ 301,130	\$ 829,236	\$ 82,098	\$ 721,229	\$ 504,168	\$ (516,325)	\$ (145,768)	\$ (238,930)	\$ 415,323	\$ 174,261
<i>Debt Service as a percentage of noncapital expenditures</i>	<i>5.02%</i>	<i>4.78%</i>	<i>4.66%</i>	<i>5.19%</i>	<i>5.45%</i>	<i>7.85%</i>	<i>7.34%</i>	<i>7.66%</i>	<i>6.85%</i>	<i>5.43%</i>

Source: Town of Scituate Comprehensive Annual Financial Report

Town of Scituate, Rhode Island
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
"Unaudited"

Table 5

Fiscal Year	Real Property						Personal Property	
	Residential	Commercial	Less Tax-Exempt Property	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Value	Tangible Personal Property (net)	Tax Rate Personal Property
2006	560,248,530	180,222,570	3,516,500	736,954,600	23.29	1,480,942,200	27,638,350	34.87
2007	567,514,290	180,135,970	3,436,500	744,213,760	24.57	1,495,300,520	29,502,240	36.79
2008	694,016,310	213,839,710	3,576,000	904,280,020	21.42	1,815,712,040	23,775,070	32.13
2009	699,609,930	213,222,350	3,680,000	909,152,280	22.395	1,825,664,560	23,216,950	33.59
2010	703,054,600	212,770,070	24,603,155	891,221,515	22.400	1,831,649,340	23,553,230	36.60
2011	555,472,840	209,553,800	62,544,334	702,482,306	32.000	1,530,053,280	23,611,120	38.25
2012	556,253,790	209,606,950	62,601,023	703,259,717	32.726	1,531,721,480	24,067,390	39.12
2013	558,634,860	209,460,780	62,616,523	705,479,117	32.726	1,536,191,280	23,296,080	39.12
2014	491,162,240	208,072,490	60,031,427	639,203,303	37.37	1,398,469,460	22,624,300	39.75
2015 #	780,683,800	620,657,460	116,298,397	1,285,042,863	18.98	1,401,341,260	23,169,390	40.38

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

Source: Tax Assessor's Office

(Continued)

** Tax Exempt amount increased in FY 2010 due to Tax Agreement with ProvWater.

FY 2015 Scituate transitioned to 100% assessment ratio for real estate. Previously assessed at 50% of value.

Town of Scituate, Rhode Island **Table 5**
Assessed and Estimated Actual Value of Taxable Property (Continued)
Last Ten Fiscal Years
"Unaudited"

Fiscal Year	Personal Property					Total			
	Motor Vehicle					Personal Property Estimates Actual Value	Total Assessed Value	Estimated Actual Value	Ratio
	Motor Vehicles	Less Tax-Exempt Property	Total Motor Vehicle Taxable Assessed Value	Tax Rate Motor Vehicles					
2006	86,423,570	33,358,221	53,065,349	30.20	118,610,528	854,533,020	1,599,552,728	53.42%	
2007	96,029,792	46,685,699	49,344,093	30.20	N/A	873,182,292	N/A	N/A	
2008	96,975,747	47,715,845	49,259,902	30.20	N/A	1,028,606,837	N/A	N/A	
2009	101,335,447	48,259,725	53,075,722	30.20	N/A	1,037,384,677	N/A	N/A	
2010	90,579,741	47,373,231	43,206,510	30.20	N/A	1,029,957,641	N/A	N/A	
2011	107,763,886	57,898,689	49,865,197	30.20	N/A	896,401,646	N/A	N/A	
2012	110,568,688	58,650,266	51,918,422	30.20	N/A	900,496,818	N/A	N/A	
2013	114,783,937	58,643,027	56,140,910	30.20	N/A	906,175,657	N/A	N/A	
2014	116,318,871	58,925,841	57,393,030	30.20	N/A	838,177,901	N/A	N/A	
2015	117,276,830	59,298,702	57,978,128	30.20	N/A	1,541,787,480	N/A	N/A	

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

Source: Tax Assessor's Office

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

Table 6

Town Direct Rates

<i>Fiscal Year</i>	<i>Basic Rate</i>	<i>MV</i>	<i>PP</i>	<i>Comm Mixed Use</i>
2006	23.290	30.200	34.870	29.280
2007	24.570	30.200	36.790	30.890
2008	21.420	30.200	32.130	30.240
2009	22.395	30.200	33.592	30.233
2010	24.400	30.200	36.600	32.940
2011	32.000	30.200	38.250	39.400
2012	32.726	30.200	39.117	40.296
2013	32.726	30.200	39.117	40.296
2014	37.370	30.200	39.750	43.200
2015	18.982	30.200	40.379	21.943

Notes:

- (1) Real Estate is assessed at 50% value 2014 and prior. 100% Assessment as of 2015.
- (2) Motor Vehicles are assessed at 95%
- (3) Full Revaluation was conducted as of December 31, 2009
- (4) Statistical Revaluation was conducted as of December 31, 2006 and December 31, 2012
- (5) Motor Vehicle Phase-Out Exemptions began in fiscal Year 2000
- (6) Retail/Wholesale inventory Tax phased out completely in Fiscal Year 2001
- (7) The Town does not have any overlapping governments.

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

Table 7

Taxpayer	2015			2005		
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Type of Business	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Type of Business
Providence Water Supply Board	260,116,608	19.05%	Utility/Watershed	166,896,280	20.83%	Utility/Watershed
Narragansett Electric, Co.	9,445,460	0.69%	Utility/Electric	8,143,710	1.02%	Utility/Electric
Providence Public Build Auth	6,565,939	0.48%	Utility/Watershed	3,870,825	0.48%	Utility/Watershed
Scituate Village Shopping Cntr.	3,101,100	0.23%	Retail Shopping	2,192,070	0.27%	Utility/Cable
Cox Communications	2,480,870	0.18%	Utility/Cable	1,722,150	0.21%	Retail Shopping
New England Development RI LLC	1,952,200	0.14%	Industrial Mill	1,442,500	0.18%	Residential
Scituate Commons	1,568,190	0.11%	Residential/Apartments	969,560	0.12%	Motor Vehicle Leasing
Firstgroup Leasing Trust	1,237,772	0.09%	Motor Vehicle Leasing	941,776	0.12%	Motor Vehicle Leasing
Ally Financial	1,166,147	0.09%	Motor Vehicle Leasing	929,450	0.12%	Residential
Drake Petroleum	941,720	0.07%	Commercial	791,550	0.10%	Residential/Apartments
Totals	\$288,576,006	21.14%		\$ 187,899,871	23.45%	

Sources: Town of Scituate Tax Assessor

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

(2) 2014 and 2004 Tax Rolls

TOWN OF SCITUATE, RHODE ISLAND
Property Tax Levies and Collections (1)
Last Ten Fiscal Years
"Unaudited"

Table 8

<i>Fiscal Year</i>	<i>Net Adjusted Tax Levy</i>	<i>Current Tax Collections</i>	<i>Percent of Current Taxes Collected</i>	<i>Delinquent Tax Collections</i>	<i>Total Tax Collections</i>	<i>Ratio of Total Tax Collections to Net Tax Levy</i>	<i>Net Outstanding Delinquent Taxes</i>	<i>Ratio of Delinquent Taxes to Net Tax Levy</i>
2006	20,028,014	16,436,121	82.1%	3,580,086	20,016,207	99.9%	11,807	0.1%
2007	21,235,983	17,443,409	82.1%	3,780,565	21,223,974	99.9%	12,009	0.1%
2008	22,356,188	18,707,533	83.7%	3,598,218	22,305,751	99.8%	50,437	0.2%
2009	23,482,907	19,346,238	82.4%	4,070,763	23,417,001	99.7%	65,906	0.3%
2010	24,576,740	20,203,423	82.2%	4,300,637	24,504,060	99.7%	72,680	0.3%
2011	24,848,695	19,801,247	79.7%	4,991,445	24,792,692	99.8%	56,003	0.2%
2012	25,516,046	20,328,684	79.7%	5,115,027	25,443,711	99.7%	72,335	0.3%
2013	25,762,664	20,421,168	79.3%	5,216,800	25,637,968	99.5%	124,696	0.5%
2014	26,420,795	21,615,018	81.8%	4,545,088	26,160,106	99.0%	260,689	1.0%
2015	26,958,230	21,054,760	78.1%	-	21,054,760	78.1%	5,903,470	21.9%

Notes:

(1) Source: Schedule of Tax Collections

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

Table 9

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Note Payable	Loan Payable	Capital Lease			
2006	9,356,389	190,000	-	-	9,546,389	3.29% (a)	924.68
2007	8,783,930	152,000	-	-	8,935,930	3.08% (a)	865.55
2008	8,443,965	114,000	-	-	8,557,965	2.95% (a)	828.94
2009	7,616,500	76,000	-	-	7,692,500	2.65% (a)	745.11
2010	11,199,500	38,000	4,000,000	-	15,237,500	5.25% (a)	1,475.93
2011	9,367,500	-	3,902,950	-	13,270,450	4.57% (a)	1,285.40
2012	7,625,500	-	3,750,300	-	11,375,800	3.92% (a)	1,101.88
2013	5,847,000	-	3,592,650	-	9,439,650	3.25% (a)	914.34
2014	4,295,000	-	3,430,000	454,500	8,179,500	2.82% (a)	792.28
2015	3,075,000	-	3,275,000	353,500	6,703,500	2.31% (a)	649.31

Notes: - Details regarding the Town's outstanding debt can be found in the notes to the financial statements.
- See Schedule 14 for personal income and population data.

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

(b) Ratio is calculated using personal income from 2010 census year.

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

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>		<u>Percentage of Actual Taxable Value (a) of Property</u>	<u>Table 10</u>
	<u>General Obligation Bonds</u>	<u>Total</u>		<u>Per Capita (b)</u>
2006	9,356,389	9,356,389	1.14%	906.28
2007	8,783,930	8,783,930	1.07%	850.83
2008	8,443,965	8,443,965	0.86%	817.90
2009	7,616,500	7,616,500	0.77%	737.75
2010	11,199,500	11,199,500	1.17%	1,035.36
2011	9,367,500	9,367,500	1.21%	906.91
2012	7,625,500	7,625,500	0.98%	738.62
2013	5,847,000	5,847,000	0.75%	566.35
2014	4,295,000	4,295,000	0.60%	416.02
2015	3,075,000	3,075,000	0.23%	297.85

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

Source: Town of Scituate, Rhode Island Audited Financial Statements

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

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

*Town of Scituate, Rhode Island
Direct and Overlapping Governmental Activities Debt
As of March 31, 2015
"Unaudited"*

Table 11

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

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

Table 12

	<i>Fiscal Year</i>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 24,529,749	\$ 26,195,469	\$ 29,319,450	\$ 29,563,349	\$ 28,729,449	\$ 23,236,266	\$ 23,336,807	\$ 23,506,925	\$ 21,548,048	\$ 40,957,150
Total net debt applicable to limit	<u>2,751,389</u>	<u>2,813,930</u>	<u>3,138,965</u>	<u>3,011,500</u>	<u>8,944,500</u>	<u>7,532,500</u>	<u>6,225,500</u>	<u>5,847,000</u>	<u>4,295,000</u>	<u>3,075,000</u>
Legal debt margin	<u>\$ 21,778,360</u>	<u>\$ 23,381,539</u>	<u>\$ 26,180,485</u>	<u>\$ 26,551,849</u>	<u>\$ 19,784,949</u>	<u>\$ 15,703,766</u>	<u>\$ 17,111,307</u>	<u>\$ 17,659,925</u>	<u>\$ 17,253,048</u>	<u>\$ 37,882,150</u>
Total net debt margin as a percentage of debt limit	88.78%	89.26%	89.29%	89.81%	68.87%	67.58%	73.32%	75.13%	80.07%	92.49%

Note: With certain exceptions, under the General Laws of the State of Rhode Island, the Town may not, without special statutory authorization, incur any debt which would increase its aggregate indebtedness not otherwise excepted by law to an amount greater than 3% of the taxable property of the Town. Deducted from the computation of aggregated indebtedness is the amount of any borrowing in anticipation of taxes authorized by law and the amount of any sinking funds maintained by the Town.

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

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

Table 13

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

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

Table 14

<i>Fiscal Year Ended March</i>	<i>Population (1)</i>	<i>Median Family Income (1)</i>	<i>Per Capita Personal Income (1)</i>	<i>Median Age(1)</i>	<i>School Enrollment (2)</i>	<i>Unemployment Rate (3)</i>
2006	10,324	67,593	28,092	39.7	1,792	5.50%
2007	10,324	67,593	28,092	39.7	1,873	4.70%
2008	10,324	67,593	28,092	39.7	1,806	7.00%
2009	10,324	67,593	28,092	39.7	1,700	12.5%
2010	10,817	67,593	28,092	39.7	1,660	11.9%
2011	10,329	60,788	28,092	39.7	1,652	11.1%
2012	10,324	60,788	28,092	39.7	1,538	10.0%
2013	10,324	60,788	28,092	39.7	1,502	8.8%
2014	10,324	60,788	28,092	39.7	1,437	7.9%
2015	10,324	60,788	28,092	39.7	1,422	7.7%

Sources:

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

**Town of Scituate, Rhode Island
Principal Employers
Current Year
"Unaudited"**

Table 15

<u>Employer</u>	2015		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Town of Scituate Municipal /School	419	1	6.65%
Totrama Supermarkets DBA The Village IGA	73	2	1.16%
Providence Water Supply Board	52	3	0.83%
Atlas Insulation Co.	48	4	0.76%
Maxi Drug South Lp DBA Rite - Aid	30	5	0.48%
McDonald's	22	6	0.35%
102 Scituate Corp DBA Dunkin Donuts	21	7	0.33%
Charming Treasurers	12	8	0.19%
Scituate Lumber	11	9	0.17%
Corner Bristo LLL	10	10	0.16%
Total	<u>698</u>		<u>11.08%</u>

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

Town of Scituate, Rhode Island
Full-time Equivalent Town Government Employees by Function/Program
Last Ten Fiscal Years
"Unaudited"

Table 16

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Central Administration										
Town Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Town Clerk	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Board of Canvassers	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Probate Court	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building/Zoning Planning	4.0	4.0	4.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Wastewater Planning Board	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Zoning Board	8.0	8.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Land Trust	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Historic District Town Sergeant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Administration										
Treasurer	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Treasurer's Office	3.0	3.0	2.5	2.0	2.0	2.0	2.0	2.0	3.0	2.0
Tax Collection	2.5	2.5	2.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tax Assessor	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Public Safety										
Police										
Officers	17.0	17.0	16.0	17.0	17.0	16.0	17.0	17.0	17.0	15.0
Civilians	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0	6.5
Animal Control										
Animal Control Officer	1.0	1.0	1.0	1	1	1	1	1	1.0	1.0
Civilians	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Emergency Management	1.0	1.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Public Works Department										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Asst. Director	0.0	0.0	0.5	0.5	0.5	0.5	0.0	0.0	-	
Highway										
Driver/Laborer/ Building/Grounds	6.4	6.4	5.0	6.0	6.0	6.0	7.0	7.0	8.0	8.0
Forman Driver/Laborer	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Maintenance										
Custodial	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Vehicles & Equipment	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Recreation Department										
Director	1.3	1.3	0.0	*0.4	*0.4	*0.4	*0.4	*0.4	0.4	0.4
Summer Programs	75.0	75.0	82.0	93.0	93.0	93.0	93.0	84.0	97.0	90.0
Human Services Department						1.0				
Director	1.0	1.0	1.0	1.0	1.0	1.5	1.0	1.0	1.0	1.0
Meal site	1.5	1.5	1.5	1.5	1.5	0.8	1.5	1.5	1.5	1.5
Senior Van Driver	0.8	0.1	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8

Source: Comprehensive Annual Financial Report/ Miscellaneous Statistics Unaudited

*Seasonal

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

Table 17

<i>Function/Program</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Public Safety (1)										
Police										
Calls	7,720	9,144	7,904	10,202	12,000	18,010	16,344	10,442	15,982	9,188
Physical Arrests	245	280	164	176	189	236	316	129	237	137
Citations	1,339	1,888	1,056	1,086	853	594	1,340	690	1,885	1,029
Accidents	362	273	284	300	195	388	273	181	276	229
Animal Control										
Dog Licenses Issued	659	408	408	576	576	576	600	510	540	585
Building/Zoning (1)										
Commercial Construction Permits	1	-	-	3	6	-	2	-	-	3
Residential Construction Permits	22	2	2	9	6	20	16	8	10	13
2 -Family	-	-	-	1	-	-	-	-	-	-

Sources: Various Town departments.

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

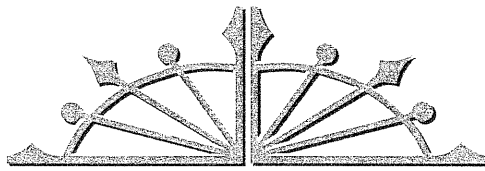
*Town of Scituate, Rhode Island
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
"Unaudited"*

Table 18

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	7	7	7	7	7	7	7	7	7	7
Fire Stations	4	4	4	4	4	4	4	4	2	2
Animal Control										
Animal Shelters	1	1	1	1	1	1	1	1	1	1
				1	1	1	1	1		
Public Works										
Stations/Garage	1	1	1		1	1	1	1	1	1
Streets and Highways										
Street (miles - state paved)	56.70	56.70	56.70	56.70	56.7	56.7	56.7	56.7	56.7	56.7
Street (miles- local paved)	83.0	83.0	83.0	86.7	86.7	86.7	87.4	87.4	87.4	87.4
Parks and Recreation										
Playgrounds	4	4	4	4	4	4	4	4	4	4
Tennis Courts	8	8	8	8	8	8	8	8	8	8
Beaches	1	1	1	1	1	1	1	1	1	1
Baseball/Softball diamonds	1	1	1	5	5	5	5	5	5	5
Baseball/Hardball diamonds	6	6	6	6	6	6	6	6	6	6
Soccer/Football fields	7	7	7	6	6	6	6	6	6	6
Basketball Courts/Outdoor	2	2	2	2	2	2	2	2	2	2
Basketball Courts/ Indoor	4	4	4	4	4	4	4	4	4	4
Undeveloped Sites	2	2	2	2	2	2	2	2	2	2
Human Services										
Transit mini-bus	2	2	2	3	3	3	3	3	3	3
Senior Center	1	1	1	1	1	1	1	1	1	1
Buildings										
Town Hall	1	1	1	1	1	1	1	1	1	1
Community House	1	1	1	1	1	1	1	1	1	1
Congregational Church	1	1	1	1	1	1	1	1	1	1
Potterville School House	1	1	1	1	1	1	1	1	1	1
Clayville School House	1	1	1	1	1	1	1	1	1	1
Old Towne House	1	1	1	1	1	1	1	1	1	1

Sources: Various Town Departments
Financial Report Miscellaneous Statistics

***TOWN OF SCITUATE, RHODE ISLAND
SINGLE AUDIT
FOR THE YEAR ENDED MARCH 31, 2015***



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners
William J. Baxter, Jr., CPA
Paul L. Dansereau, CPA

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Scituate, Rhode Island as of and for the year ended March 31, 2015, and the related notes to the financial statements, which collectively comprise the Town of Scituate's basic financial statements, and have issued our report thereon dated September 25, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Scituate's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of Scituate's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Scituate's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

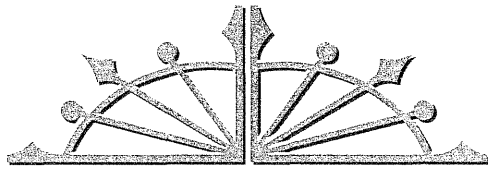
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

September 25, 2015



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners
William J. Baxter, Jr., CPA
Paul L. Dansereau, CPA

REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for the Major Federal Program

We have audited the Town of Scituate's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town of Scituate, Rhode Island's major federal programs for the year ended March 31, 2015. The Town of Scituate's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Scituate's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Scituate's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal programs. However, our audit does not provide a legal determination of Town of Scituate's compliance.

Opinion on Each Major Federal Program

In our opinion, Town of Scituate, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended March 31, 2015.

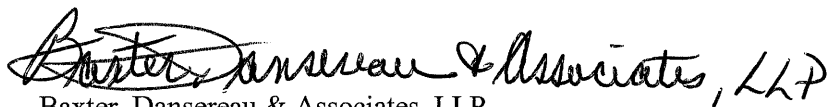
Report on Internal Control Over Compliance

Management of Town of Scituate is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Town of Scituate's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Town of Scituate's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

September 25, 2015

TOWN OF SCITUATE, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended March 31, 2015

	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
U.S. Department of Agriculture			
Passed through the State of Rhode Island Department of Education			
<i>Child Nutrition Cluster:</i>			
National School Breakfast Program	10.553	N/A	\$ 9,326
National School Lunch Program	10.555	N/A	132,871
Special School Milk Program for Children	10.556	N/A	155
Non-Cash Assistance Food Commodities (Note 4)	10.555	N/A	<u>11,268</u>
Total US Department of Agriculture			\$ 153,620
U.S. Department of Housing and Urban Development			
Passed through the State of Rhode Island Office of Housing and Community Development			
Community Development Block Grant/States Program	14.228	Various	<u>\$ 83,783</u>
Total U.S. Department of Housing and Urban Development			\$ 83,783
U.S. Department of Transportation			
Passed through the State of Rhode Island Department of Highway Safety			
Highway Planning and Construction	20.205	N/A	\$ 70,340
<i>Highway Safety Cluster:</i>			
State and Community Highway Safety	20.600	N/A	6,904
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	N/A	3,703
National Priority Safety Programs	20.616	N/A	<u>1,554</u>
Total U.S. Department of Transportation			\$ 82,501
U.S. Department of Education			
Passed-through the State of Rhode Island Department of Education			
Title I Grants to Local Education Agencies	84.010A	2725-11702-501	\$ 148,676
<i>Special Education Cluster:</i>			
Special Education - Grants to States	84.027A	2725-13202-501	366,812
Special Education - Preschool Grants	84.173A	2725-13502-501	24,689
Improving Teacher Quality State Grants	84.367A	2725-16402-501	62,726
<i>Race to the Top Cluster:</i>			
ARRA - Race to the Top - Educator	84.395	4572-13502-130	6,638
ARRA - Race to the Top - EE Set Aside	84.395	4572-13502-206	1,726
ARRA - Race to the Top - HCD Set Aside	84.395	4572-13502-207	1,948
ARRA - Race to the Top - Standards & Curriculum	84.395	4572-13502-110	850
ARRA - Race to the Top - IIS	84.395	4572-13502-120	10,638
ARRA - Race to the Top - IIS Set Aside	84.395	4572-13502-205	1,921
ARRA - Race to the Top - Early Learning Challenge	84.395	PQI32000903	<u>51</u>
Total U.S. Department of Education			\$ 626,675
U.S. Department of Health & Human Services			
Passed Through the State of Rhode Island Department of Health			
Substance Abuse and Mental Health Services			
Projects of Regional and National Significance	93.243	N/A	<u>\$ 16,370</u>
Total U.S. Department of Health & Human Services			\$ 16,370
Total Federal Expenditures			\$ 962,949

TOWN OF SCITUATE, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended March 31, 2015

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness (es) identified? yes X no

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness (es) identified? yes X no

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

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

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

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
	<i>Education Cluster</i>
84.027	Special Education Grants to States
84.173	Special Education Preschool Grants

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

Auditee qualified as low risk auditee? X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS yes X none

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS yes X none

TOWN OF SCITUATE, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended March 31, 2015
(continued)

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

A. Significant Deficiency in Internal Control

None Reported.

B. Compliance

None Reported.

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Finding

None Reported

B. Questioned Costs

None Reported

TOWN OF SCITUATE, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended March 31, 2015

PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF SCITUATE, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
March 31, 2015

1. **General** - The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal programs of the Town of Scituate, Rhode Island.
2. **Basis of Accounting** - The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.
3. **Determination of Type A, Type B and Major Programs** - The determination of Type A and Type B federal programs was based upon the expenditures for all federal programs for the Town of Scituate, Rhode Island. As such, the threshold for determining Type A vs. Type B programs is determined at the entity level. For the fiscal year-ended March 31, 2015, grants with expenditures exceeding \$300,000 were determined to be Type A programs and all other grants were considered Type B programs. The following programs were considered major programs:

<u>CFDA</u>	<u>Program Name</u>
84.027	<i>Special Education Cluster</i> Special Education Grants to States
84.173	Special Education Preschool Grants

4. **Non-Cash Assistance**

U.S.D.A. Contributions: The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$11,268 represents the market value of such commodities used during the period.