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***TOWN OF JAMESTOWN***

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***FINANCIAL STATEMENTS***

***FOR THE FISCAL YEAR ENDED  
June 30, 2014***

***Andrew E. Nota  
Town Administrator***

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

***Prepared by: Finance Department***

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***JAMESTOWN, RHODE ISLAND***

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**TOWN OF JAMESTOWN, RHODE ISLAND  
AUDITED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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## ***INTRODUCTORY SECTION***

This Section Contains the Following Subsections:

List of Town Officials

# **TOWN OF JAMESTOWN, RHODE ISLAND**

**Listing of Town Officials  
For the Year Ended June 30, 2014**

## **TOWN COUNCIL**

Kristine S. Trocki, President  
Mary E. Meagher, Vice President  
Thomas P. Tighe  
Eugene B. Mihaly  
Blake A. Dickinson

## **TOWN ADMINISTRATOR**

Andrew E. Nota

## **FINANCE DIRECTOR**

Christina D. Collins

## **SCHOOL COMMITTEE**

Catherine Kaiser, Chair  
Julia Held, Vice Chair  
Sara Baines  
Ryan Conlon  
B. J. Whitehouse

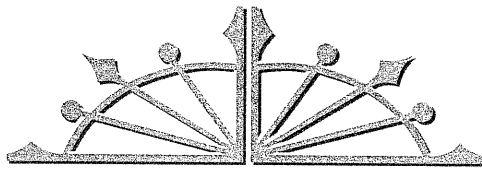
## **SCHOOL DIRECTOR OF FINANCE**

Jane Littlefield

## ***FINANCIAL SECTION***

This Section Contains the Following Subsections:

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



## BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

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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 Jamestown  
Jamestown, Rhode Island

#### *Report on the Financial Statements*

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

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

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

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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, the business type activities, each major fund and the aggregate remaining fund information of the Town of Jamestown, Rhode Island as of June 30, 2014, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *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 68-76 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 Jamestown, 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 January 13, 2015 on our consideration of the Town of Jamestown, 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 Jamestown, Rhode Island's internal control over financial reporting and compliance.

  
Baxter Dansereau & Associates, LLP

West Warwick, Rhode Island

January 13, 2015

## **MANAGEMENTS' DISCUSSION AND ANALYSIS**

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

Our discussion and analysis of the Town of Jamestown, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2014.

**Financial Highlights**

- ❖ The Town's primary government net position decreased in the amount of \$198,809 as a result of this current year's operations. On a government-wide basis the assets of the Town of Jamestown exceeded its liabilities at the close of the most recent fiscal year by \$26,095,797. Net position of business activities decreased by \$9,111 or (0.13%) while the current net position of Governmental Activities decreased by \$189,698 or (.99%.)
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$25,880,296 while revenues collected were \$25,681,487 for the 12 month fiscal year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$9,272,901. Over 45% of this amount, \$4,234,863 is unassigned and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general funds unassigned fund balance was \$3,767,245, which equals 18.5% of the total general fund expenditures before other financing sources and uses for the fiscal year. On a GAAP basis the current fiscal year's revenues exceeded expenditures and other financing sources by \$217,802. On a budgetary basis revenues exceeded expenditures and transfers by \$580,499.

**Overview of the Financial Statements**

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

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

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

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

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

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

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

The government wide financial statements are reported on pages 14 through 15.

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

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

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

***Proprietary Funds*** - The Town's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has four enterprise funds, the Jamestown Harbor Management Fund, the Water Fund, the On-site Wastewater Fund and the Sewer Fund.

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

The basic proprietary fund financial statements are presented on pages 19 through 21.

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

The basic fiduciary fund financial statements can be found on pages 22 and 23.

***Notes to Financial Statements*** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 24 through 67.

***Other Information*** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary Information is presented on pages 68 through 78.

The combining statements referred to earlier in connection with non-major governmental funds, and proprietary funds are presented on pages 79 through 111.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

**Government-wide Financial Analysis**

**Analysis of the Town of Jamestown's Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town of Jamestown, governmental activities assets exceeded liabilities by \$18,991,527 as of June 30, 2014. This reflects an overall net decrease of \$189,698 from the previous year before any recognition of adjustments for prior years. See page 4 financial highlights for a further explanation.

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

	<i>Town of Jamestown</i>					
	<i>Net Position</i>					
	<u>June 30, 2013</u>			<u>June 30, 2014</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 11,016,944	\$ 421,302	\$ 11,438,246	\$ 11,677,104	\$ 302,220	\$ 11,979,324
Capital assets	21,278,609	16,809,250	38,087,859	21,005,346	16,160,112	37,165,458
Total Assets	<u>32,295,553</u>	<u>17,230,552</u>	<u>49,526,105</u>	<u>32,682,450</u>	<u>16,462,332</u>	<u>49,144,782</u>
Other Liabilities	1,764,845	207,120	1,971,965	1,788,891	212,119	2,001,010
Long-Term Liabilities	11,306,195	9,831,551	21,137,746	11,902,032	9,145,943	21,047,975
Total Liabilities	<u>13,071,040</u>	<u>10,038,671</u>	<u>23,109,711</u>	<u>13,690,923</u>	<u>9,358,062</u>	<u>23,048,985</u>
Net Position:						
Net investment in capital assets	12,603,109	7,080,551	19,683,660	11,955,829	7,126,679	19,082,508
Restricted for:						
Education programs	1,130,399	-	1,130,399	847,318	-	847,318
Public safety programs	102,305	-	102,305	46,340	-	46,340
Unrestricted	5,388,700	111,330	5,500,030	6,142,040	(22,409)	6,119,631
Total Net Position	<u>\$ 19,224,513</u>	<u>\$ 7,191,881</u>	<u>\$ 26,416,394</u>	<u>\$ 18,991,527</u>	<u>\$ 7,104,270</u>	<u>\$ 26,095,797</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

The portion of the Town's governmental activities net position of \$11,955,829 consists of its net investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

As of June 30, 2014 the Town of Jamestown reports positive balances in both categories of net position for the government as a whole.

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

The following analysis provides a summary of the Town's operations for the year ended June 30, 2014. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year February 29, 2004. Therefore, comparative data is available and is presented in the following schedules. Current year Governmental activities decreased the Town's net position by \$189,698 or (.99%), while business-type activities decreased the Town's net position by \$9,111 accounting for (0.13%) for a total increase in the primary governments net position of \$198,809 or (.75%)

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



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**  
*Town of Jamestown*  
*Changes in Net Position*

	June 30, 2013			June 30, 2014		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
<b>Revenues</b>						
<b>Program revenues</b>						
Charges for services	\$ 1,267,089	\$ 2,235,138	\$ 3,502,227	\$ 1,390,916	\$ 2,279,884	\$ 3,670,800
Federal/State grants	1,571,434	-	1,571,434	1,251,079	-	1,251,079
<b>General Revenues</b>						
Property taxes	18,583,993	-	18,583,993	18,638,796	-	18,638,796
Investment earnings	142,839	3,457	146,296	130,929	3,800	134,729
State aid	731,485	-	731,485	714,279	-	714,279
Miscellaneous	1,017,032	194,413	1,211,445	1,081,589	190,215	1,271,804
<i>Special item - gain on sale of building</i>	-	-	-	-	-	-
Total revenues	23,313,872	2,433,008	25,746,880	23,207,588	2,473,899	25,681,487
<b>Expenses</b>						
Legislative/judicial/admin	2,577,859	-	2,577,859	2,617,738	-	2,617,738
Financial Administrative	323,446	-	323,446	320,477	-	320,477
Public Safety	2,468,740	-	2,468,740	2,550,851	-	2,550,851
Public Works	2,031,242	-	2,031,242	2,050,321	-	2,050,321
Public Welfare	3,964	-	3,964	5,540	-	5,540
Public Health	278,621	-	278,621	259,492	-	259,492
Tree Warden	29,480	-	29,480	30,656	-	30,656
Library	391,181	-	391,181	397,776	-	397,776
Parks & Recreation	518,289	-	518,289	563,112	-	563,112
Other	1,787,507	-	1,787,507	1,814,663	-	1,814,663
Education	12,162,790	-	12,162,790	12,395,173	-	12,395,173
Interest	384,542	-	384,542	428,487	-	428,487
Harbor Management Fund	-	238,203	238,203	-	192,148	192,148
Water Fund	-	1,018,776	1,018,776	-	1,105,295	1,105,295
On-Site Wastewater Fund	-	35,613	35,613	-	31,861	31,861
Sewer Fund	-	1,111,573	1,111,573	-	1,116,706	1,116,706
Total expenses	22,957,661	2,404,165	25,361,826	23,434,286	2,446,010	25,880,296
Transfers	74,581	(74,581)	-	37,000	(37,000)	-
Change in net position	430,792	(45,738)	385,054	(189,698)	(9,111)	(198,809)
Net position beginning	18,595,897	7,237,619	25,833,516	19,224,513	7,191,881	26,416,394
Prior period adjustment	197,824	-	197,824	(43,288)	(78,500)	(121,788)
Net position ending	\$ 19,224,513	\$ 7,191,881	\$ 26,416,394	\$ 18,991,527	\$ 7,104,270	\$ 26,095,797

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

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

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

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$9,272,901. Over 45% of the total amount, or \$4,234,863 constituted unassigned fund balances. The remainder of the fund balance is categorized at various commitment levels as follows.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Fund Balance Categories**

<i>Nonspendable:</i>	
Inventories	\$ 18,449
Prepays	64,000
<i>Restricted for:</i>	
Educational programs	847,318
Public safety programs	46,340
<i>Committed for:</i>	
Public works programs	286,859
2015 Budgeted operations	447,513
Capital programs	100,000
Post employment healthcare	1,650,000
Compensated absences	764,306
<i>Assigned for:</i>	
Public safety programs	34,072
Public welfare programs	90,391
Public works programs	367,312
Culture and recreation	321,478
<i>Unassigned:</i>	4,234,863
<b>Total fund balances</b>	<u><u>\$ 9,272,901</u></u>

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

**General Fund Budgetary Highlights**

**Revenues:**

Real Estate and Tangible Taxes - were over budget by \$224,567 due to high collection rate and payment of previous year's taxes.

Intergovernmental & Departmental - were over budget \$283,820 due to higher than anticipated activities in various departments and FEMA reimbursement.

Interests on Investments - were under budget \$11,589 due to continued low interest rates on investments.

Other- was over budget \$26, 257 due to anticipated revenues coming in during the year.

**Expenses:**

Financial Administration and Tax Assessor - was over budget \$12,351 as a result of various unanticipated expenses.

Public Safety - was under budget \$27,548 due to various cost savings.

Public Health- was under budget by \$34,636 due to various cost savings.

Library- was over budget \$15,093 as a result of various unanticipated costs.

Parks and Recreation - was under budget \$57,362, due to various costs savings.

Other – was over budget due to additional expenditure of \$43,264 to complete the East Ferry Seawall project.

Many of the salary line items are over budget due to labor contracts not being ratified at time of budget submission. There is a salary adjustment line item to offset the overage in the Other category in the legislative, judicial and general administrative group. The Town Administration salary line item is over budget by \$55,954, due to the retirement and severance for the Town Administrator.

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

The Town of Jamestown's investment in capital assets for its governmental and business-type activities amounts to \$37,165,458 net of accumulated depreciation at June 30, 2014. Included are land, building and improvements, construction in progress, motor vehicles, infrastructure, furniture and equipment.

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

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

	June 30, 2013			June 30, 2014		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land & Development Rights	\$ 6,818	\$ 55	\$ 6,873	\$ 6,818	\$ 55	\$ 6,874
Construction in Progress	540	-	540	78	-	78
Buildings and improvements	8,220	16,470	24,690	8,441	15,913	24,355
Infrastructure	4,296	-	4,296	4,296	-	4,296
Mains, wells, pumps & hydrants	-	260	260	-	191	191
Machinery and equipment	1,405	24	1,429	1,372	-	1,372
Total	\$ 21,279	\$ 16,809	\$ 38,088	\$ 21,005	\$ 16,160	\$ 37,165

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

At the end of the current fiscal year, the Town of Jamestown's Governmental Activities had a total bonded debt of \$9,049,517. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

*Town of Jamestown*  
*Outstanding Debt*  
*General Obligation and Notes Payable (000's)*

	June 30, 2013			June 30, 2014		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
General Obligation Bonds	\$ 8,676	\$ 190	\$ 8,866	\$ 9,050	\$ 140	\$ 9,190
Notes Payable	-	9,543	9,543	-	8,897	8,897
Totals	\$ 8,676	\$ 9,733	\$ 18,409	\$ 9,050	\$ 9,038	\$ 18,087

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2014**  
**(Un-audited)**

Additional information on the Town's long-term debt can be found in note 9 of the Notes to the Financial Statements and on pages 113 through 115.

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2013 was Aa2. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Jamestown's limit is \$64,960,225 at year-end. The Town's outstanding general obligation debt is \$9,049,517 at year-end, which is \$55,910,708 under the State imposed limitation.

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

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

For the fiscal year ending June 30, 2015 the Town of Jamestown has adopted a total general fund budget of \$22,658,804. Of the Town's 2015 budget, \$12,375,518 or 54.62% is budgeted for educational purposes and \$10,283,286 or 45.38% is budgeted for General Fund purposes.

The State of Rhode Island is budgeted to contribute \$419,370 to the Town's education department for the fiscal year ending June 30, 2015.

The Town's tax rate for fiscal 2014 was \$8.75, with 40.23% allocated for general government and 59.77% allocated for education. For fiscal 2015 the Town's tax rate is \$8.75, with 43.09% allocated for general government and 56.91% allocated for education.

**Request for Information**

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

Christina D. Collins  
Finance Director

## ***BASIC FINANCIAL STATEMENTS***

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

## ***Government Wide Financial Statements***

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Net Position**  
**June 30, 2014**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,607,375	\$ 694,656	\$ 10,302,031
<b>Accounts receivable:</b>			
Accounts receivable - net	285,925	311,556	597,481
Due from other governments	150,272	-	150,272
Other receivables	123,637	4,505	128,142
Internal balances	765,526	(765,526)	-
Inventory at cost	-	57,029	57,029
Other Assets - net	744,369	-	744,369
<b>Capital assets:</b>			
Property, plant and equipment - net	20,926,994	16,160,112	37,087,106
Construction in progress	78,352	-	78,352
<b>Total capital assets</b>	<b>21,005,346</b>	<b>16,160,112</b>	<b>37,165,458</b>
<b>TOTAL ASSETS</b>	<b>32,682,450</b>	<b>16,462,332</b>	<b>49,144,782</b>
 <b>LIABILITIES</b>			
Accounts payable	608,780	110,545	719,325
Accrued expenses	894,711	101,574	996,285
Unearned revenue	285,400	-	285,400
<b>Long-term liabilities</b>			
Due within one year	743,925	719,123	1,463,048
Due in more than one year	11,158,107	8,426,820	19,584,927
<b>Total liabilities</b>	<b>13,690,923</b>	<b>9,358,062</b>	<b>23,048,985</b>
 <b>NET POSITION</b>			
Net investment in capital assets	11,955,829	7,126,679	19,082,508
<i>Restricted for:</i>			
Education programs	847,318	-	847,318
Public safety programs	46,340	-	46,340
Unrestricted	6,142,040	(22,409)	6,119,631
<b>Total net position</b>	<b>\$ 18,991,527</b>	<b>\$ 7,104,270</b>	<b>\$ 26,095,797</b>

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



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2014**

Functions/ Programs	Program revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-type Activities	Total
<b>Primary government</b>						
Governmental activities:						
Legislative, judicial and general administrative	\$ 2,617,738	\$ 302,450	\$ -	\$ (2,315,288)		\$ (2,315,288)
Financial administration and tax assessor	320,477	30,364	12,259	(277,854)		(277,854)
Public safety	2,550,851	473,532	93,739	(1,983,580)		(1,983,580)
Public works	2,050,321	122,826	8,580	(1,918,915)		(1,918,915)
Public welfare	5,540	-	110,282	104,742		104,742
Public health	259,492	-	147,392	(112,100)		(112,100)
Tree warden	30,656	-	-	(30,656)		(30,656)
Library	397,776	7,109	194,519	(196,148)		(196,148)
Parks & recreation	563,112	454,635	63,691	(44,786)		(44,786)
Other	1,814,663	-	175,000	(1,639,663)		(1,639,663)
Education	12,395,173	-	445,617	(11,949,556)		(11,949,556)
Interest	428,487	-	-	(428,487)		(428,487)
<b>Total governmental activities</b>	<b>23,434,286</b>	<b>1,390,916</b>	<b>1,251,079</b>	<b>(20,792,291)</b>		<b>(20,792,291)</b>
Business type activities:						
Harbor management fund	192,148	309,815	-	-	\$ 117,667	117,667
Water fund	1,105,295	887,823	-	-	(217,472)	(217,472)
On-site wastewater fund	31,861	36,060	-	-	4,199	4,199
Sewer fund	1,116,706	1,046,186	-	-	(70,520)	(70,520)
<b>Total business-type activities</b>	<b>2,446,010</b>	<b>2,279,884</b>	<b>-</b>	<b>-</b>	<b>(166,126)</b>	<b>(166,126)</b>
<b>Total primary government</b>	<b>\$ 25,880,296</b>	<b>\$ 3,670,800</b>	<b>\$ 1,251,079</b>	<b>(20,792,291)</b>	<b>(166,126)</b>	<b>(20,958,417)</b>
<b>General revenues:</b>						
Taxes:						
Property taxes, levied for general purposes				18,638,796	-	18,638,796
Unrestricted investment earnings				130,929	3,800	134,729
State aid				714,279	-	714,279
Miscellaneous				1,081,589	190,215	1,271,804
Transfers				37,000	(37,000)	-
Total general revenues				20,602,593	157,015	20,759,608
<b>Change in net assets</b>				(189,698)	(9,111)	(198,809)
Net position-beginning				19,224,513	7,191,881	26,416,394
Prior period adjustment note 17				(43,288)	(78,500)	(121,788)
Net position-beginning restated				19,181,225	7,113,381	26,294,606
Net position-ending				\$ 18,991,527	\$ 7,104,270	\$ 26,095,797

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

***Fund Financial Statements***

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2014**

	General Fund	Capital Improvement Fund	Other Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 9,381,128	\$ 7,767	\$ 218,480	\$ 9,607,375
<b>Accounts receivable:</b>				
Property tax receivable net	285,925	-	-	285,925
Due from other governments	-	-	150,272	150,272
Other receivables	123,409	228	-	123,637
Internal balances	5,942,900	1,279,835	1,286,937	8,509,672
Other Assets - net	82,449	-	-	82,449
<b>TOTAL ASSETS</b>	<u>\$ 15,815,811</u>	<u>\$ 1,287,830</u>	<u>\$ 1,655,689</u>	<u>\$ 18,759,330</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 539,007	\$ 23,111	\$ 46,662	\$ 608,780
Accrued expenses	718,133	6,661	-	724,794
Internal balances	6,776,531	717,606	250,009	7,744,146
Unearned revenue	-	-	285,400	285,400
<b>Total liabilities</b>	<u>8,033,671</u>	<u>747,378</u>	<u>582,071</u>	<u>9,363,120</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable tax revenue	123,309	-	-	123,309
<b>Fund balances:</b>				
<i>Nonspendable:</i>				
Inventories	18,449	-	-	18,449
Prepays	64,000	-	-	64,000
<i>Restricted for:</i>				
Educational programs	847,318	-	-	847,318
Public safety programs	-	-	46,340	46,340
<i>Committed for:</i>				
Public works programs	-	-	286,859	286,859
2015 Budgeted operations	447,513	-	-	447,513
Capital programs	100,000	-	-	100,000
Post employment healthcare	1,650,000	-	-	1,650,000
Compensated absences	764,306	-	-	764,306
<i>Assigned for:</i>				
Public safety programs	-	-	34,072	34,072
Public welfare programs	-	-	90,391	90,391
Public works programs	-	-	367,312	367,312
Culture and recreation	-	-	321,478	321,478
<i>Unassigned:</i>	3,767,245	540,452	(72,834)	4,234,863
<b>Total fund balances</b>	<u>7,658,831</u>	<u>540,452</u>	<u>1,073,618</u>	<u>9,272,901</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 15,815,811</u>	<u>\$ 1,287,830</u>	<u>\$ 1,655,689</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Note 7)	21,005,346
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 7)	92,849
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note 7)	(11,379,569)
<b>Net assets of governmental activities</b>	<u>\$ 18,991,527</u>

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2014**

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Property tax	\$ 18,574,441	\$ -	\$ -	\$ 18,574,441
Intergovernmental and departmental revenue	2,200,706	-	686,222	2,886,928
License and permits	895,388	-	-	895,388
Fines and interest on late payments	164,064	-	-	164,064
Interest on investments	23,411	-	17	23,428
Other revenues	115,028	-	471,613	586,641
<b>Total revenues</b>	<u>21,973,038</u>	<u>-</u>	<u>1,157,852</u>	<u>23,130,890</u>
<b>Expenditures</b>				
Legislative, judicial and general administrative	2,202,485	-	-	2,202,485
Financial administration and tax assessor	320,477	-	-	320,477
Public safety	2,215,999	-	-	2,215,999
Public works	1,632,034	-	-	1,632,034
Public welfare	5,540	-	-	5,540
Public health	259,492	-	-	259,492
Tree warden	30,656	-	-	30,656
Library	397,776	-	-	397,776
Parks & recreation	449,752	-	-	449,752
Other	73,270	197,203	1,466,503	1,736,976
Education	11,683,455	-	546,243	12,229,698
Capital outlay	-	762,651	73,747	836,398
<b>Debt service:</b>				
Principal	698,658	-	-	698,658
Interest	343,259	-	-	343,259
<b>Total expenditures</b>	<u>20,312,853</u>	<u>959,854</u>	<u>2,086,493</u>	<u>23,359,200</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>1,660,185</u>	<u>(959,854)</u>	<u>(928,641)</u>	<u>(228,310)</u>
<b>Other financing sources (uses)</b>				
Issuance of debt	-	-	1,032,360	1,032,360
Issuance of refunding bonds	1,534,107	-	-	1,534,107
Payment to refunded bond escrow agent	(1,502,850)	-	-	(1,502,850)
Bond issuance cost	(35,374)	-	-	(35,374)
Transfers from other funds	195,000	1,574,266	(99,000)	1,670,266
Transfers to other funds	(1,633,266)	-	-	(1,633,266)
<b>Total other financing sources (uses)</b>	<u>(1,442,383)</u>	<u>1,574,266</u>	<u>933,360</u>	<u>1,065,243</u>
<b>Excess of revenues and other sources over(under) expenditures and other uses</b>	<u>217,802</u>	<u>614,412</u>	<u>4,719</u>	<u>836,933</u>
<b>Fund balances - beginning</b>	<u>7,441,029</u>	<u>(73,960)</u>	<u>1,068,899</u>	<u>8,435,968</u>
<b>Fund balances - ending</b>	<u>\$ 7,658,831</u>	<u>\$ 540,452</u>	<u>\$ 1,073,618</u>	<u>\$ 9,272,901</u>

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2014**

Net change in fund balances-total governmental funds	\$	836,933
<p>Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:</p> <p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceed depreciation expense in the current period.</p>		
Capital Outlay		879,662
Depreciation Expense	<u>(1,152,925)</u>	(273,263)
Reductions in deferred revenue that provide current financial resources to governmental funds are not reported as revenues in the statement of activities.		64,355
Some expenditures reported in the governmental funds that require the use of current financial resources are not reported as expenditures in the statement of activities. This is the net effect of those activities.		7,122
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas bond premiums are deferred and amortized in the statement of activities. These amounts is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Issuance of refunding bonds		(2,483,175)
Payment to bond escrow agent		1,502,850
Bond principal payments		698,658
Accrued bond interest		(92,350)
Deferred bond premium		(83,292)
Other certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities.		<u>(367,536)</u>
Change in net assets of governmental activities	\$	<u><u>(189,698)</u></u>

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2014**

	<b>Enterprise Funds</b>				
	<b>Harbor Management Fund</b>	<b>Water Fund</b>	<b>On-Site Wastewater Fund</b>	<b>Sewer Fund</b>	<b>Total</b>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 202,418	\$ 92,349	\$ -	\$ 399,889	\$ 694,656
<b>Accounts receivable - net:</b>					
Water and sewer user fees	-	73,854	-	237,702	311,556
Other receivables	-	-	-	4,505	4,505
Internal balances	66,050	-	5,434	-	71,484
Inventory	-	57,029	-	-	57,029
<b>Total current assets</b>	<u>268,468</u>	<u>223,232</u>	<u>5,434</u>	<u>642,096</u>	<u>1,139,230</u>
<b>Non-current assets</b>					
<b>Property, plant and equipment</b>					
Reservoirs and land	-	55,200	-	-	55,200
Plant facilities	-	7,811,122	-	12,039,702	19,850,824
Extensions and mains	-	2,727,800	-	2,086,111	4,813,911
Equipment	108,196	110,752	-	128,604	347,552
<b>Total property, plant and equipment</b>	<u>108,196</u>	<u>10,704,874</u>	<u>-</u>	<u>14,254,417</u>	<u>25,067,487</u>
Less accumulated depreciation	82,583	2,972,289	-	5,852,503	8,907,375
<b>Net property, plant and equipment</b>	<u>25,613</u>	<u>7,732,585</u>	<u>-</u>	<u>8,401,914</u>	<u>16,160,112</u>
<b>TOTAL ASSETS</b>	<u>294,081</u>	<u>7,955,817</u>	<u>5,434</u>	<u>9,044,010</u>	<u>17,299,342</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable	7,340	67,001	-	36,204	110,545
Accrued expenses	5,320	65,069	-	31,185	101,574
Internal balances	-	98,945	-	738,065	837,010
Current portion of bonds and notes payable	-	319,673	-	399,450	719,123
<b>Total current liabilities</b>	<u>12,660</u>	<u>550,688</u>	<u>-</u>	<u>1,204,904</u>	<u>1,768,252</u>
<b>Non-current liabilities</b>					
Compensated absences payable	-	53,426	-	54,579	108,005
Bonds and notes payable long term portion	-	4,549,702	-	3,769,113	8,318,815
<b>Total non-current liabilities</b>	<u>-</u>	<u>4,603,128</u>	<u>-</u>	<u>3,823,692</u>	<u>8,426,820</u>
<b>Total liabilities</b>	<u>12,660</u>	<u>5,153,816</u>	<u>-</u>	<u>5,028,596</u>	<u>10,195,072</u>
<b>Net Position</b>					
Net investment in capital assets	25,613	2,863,210	-	4,237,856	7,126,679
Unrestricted	255,808	(61,209)	5,434	(222,442)	(22,409)
<b>Total Net Position</b>	<u>\$ 281,421</u>	<u>\$ 2,802,001</u>	<u>\$ 5,434</u>	<u>\$ 4,015,414</u>	<u>\$ 7,104,270</u>

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2014**

	Enterprise Funds				
	Harbor Management Fund	Water Fund	On-Site Wastewater Fund	Sewer Fund	Total
<b>Operating revenues</b>					
Assessments and user fees	\$ 309,815	\$ 887,823	\$ 36,060	\$ 1,046,186	\$ 2,279,884
Other revenues	-	190,215	-	-	190,215
<b>Total operating revenues</b>	<u>309,815</u>	<u>1,078,038</u>	<u>36,060</u>	<u>1,046,186</u>	<u>2,470,099</u>
<b>Operating expenses</b>					
Salaries and benefits	94,913	401,386	27,664	382,988	906,951
Materials and supplies	85,422	326,706	4,197	211,807	628,132
Depreciation and amortization	11,813	200,275	-	450,302	662,390
<b>Total operating expenses</b>	<u>192,148</u>	<u>928,367</u>	<u>31,861</u>	<u>1,045,097</u>	<u>2,197,473</u>
<b>Operating income (loss)</b>	<u>117,667</u>	<u>149,671</u>	<u>4,199</u>	<u>1,089</u>	<u>272,626</u>
<b>Non-operating revenues (expenses)</b>					
Interest income	-	3,800	-	-	3,800
Interest expense	-	(176,928)	-	(71,609)	(248,537)
Transfer-in/(out)	(45,000)	-	-	8,000	(37,000)
<b>Total non-operating (expenses)</b>	<u>(45,000)</u>	<u>(173,128)</u>	<u>-</u>	<u>(63,609)</u>	<u>(281,737)</u>
<b>Change in Net Position</b>	<u>72,667</u>	<u>(23,457)</u>	<u>4,199</u>	<u>(62,520)</u>	<u>(9,111)</u>
<b>Total Net Position - beginning</b>	208,754	2,882,833	1,235	4,099,059	7,191,881
<b>Prior period adjustment</b>	-	(57,375)	-	(21,125)	(78,500)
<b>Total Net Position - beginning restated</b>	208,754	2,825,458	1,235	4,077,934	7,113,381
<b>Total Net Position - ending</b>	<u>\$ 281,421</u>	<u>\$ 2,802,001</u>	<u>\$ 5,434</u>	<u>\$ 4,015,414</u>	<u>\$ 7,104,270</u>

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Cash Flows-Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2014**

	Enterprise Funds				Total
	Harbor Management Fund	Water Fund	On-Site Wastewater Fund	Sewer Fund	
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 309,815	\$ 1,070,362	\$ 36,060	\$ 1,034,676	\$ 2,450,913
Cash payments to suppliers for goods and services	(83,010)	(313,803)	(4,197)	(219,317)	(620,327)
Cash payments to employees for services	(94,482)	(395,333)	(27,664)	(378,746)	(896,225)
<b>Net cash provided by (used for) operating activities</b>	<u>132,323</u>	<u>361,226</u>	<u>4,199</u>	<u>436,613</u>	<u>934,361</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition and construction of capital assets	-	(13,252)	-	-	(13,252)
Issuance of refunding bonds	-	55,214	-	31,611	86,825
Payment to refunded bond escrow agent	-	(50,000)	-	(30,000)	(80,000)
Principal paid on bonds, notes and loans	-	(309,840)	-	(392,254)	(702,094)
Interest paid on bonds, notes and loans	-	(180,124)	-	(72,286)	(252,410)
<b>Net cash provided (used for) capital and related financing activities</b>	<u>-</u>	<u>(498,002)</u>	<u>-</u>	<u>(462,929)</u>	<u>(960,931)</u>
<b>Cash flows from non-capital financing activities</b>					
Interfund transfers	65,334	70,580	(4,199)	3,883	135,598
<b>Net cash provided by (used for) non-capital financing activities</b>	<u>65,334</u>	<u>70,580</u>	<u>(4,199)</u>	<u>3,883</u>	<u>135,598</u>
<b>Cash flows from investing activities</b>					
Interest on investments	-	3,800	-	-	3,800
<b>Net cash provided by (used for) investing activities</b>	<u>-</u>	<u>3,800</u>	<u>-</u>	<u>-</u>	<u>3,800</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>197,657</u>	<u>(62,396)</u>	<u>-</u>	<u>(22,433)</u>	<u>112,828</u>
Cash and cash equivalents at beginning of year	4,761	154,745	-	422,322	581,828
<b>Cash, (cash overdrafts recorded as payables) and cash equivalents at end of year</b>	<u>\$ 202,418</u>	<u>\$ 92,349</u>	<u>\$ -</u>	<u>\$ 399,889</u>	<u>\$ 694,656</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>					
Operating income (Loss)	\$ 117,667	\$ 149,671	\$ 4,199	\$ 1,089	\$ 272,626
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>					
Depreciation and amortization	11,813	200,275	-	450,302	662,390
<b>Changes in assets and liabilities:</b>					
(Increase) decrease in accounts receivable	-	(7,676)	-	(11,510)	(19,186)
(Increase) decrease in inventory	-	-	-	-	-
Increase (decrease) in accounts payable	2,372	14,021	-	(7,510)	8,883
Increase (decrease) in accrued expenses	471	4,935	-	4,242	9,648
<b>Total adjustments</b>	<u>14,656</u>	<u>211,555</u>	<u>-</u>	<u>435,524</u>	<u>661,735</u>
<b>Net cash provided by operating activities</b>	<u>\$ 132,323</u>	<u>\$ 361,226</u>	<u>\$ 4,199</u>	<u>\$ 436,613</u>	<u>\$ 934,361</u>

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



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2014**

	Employee Retirement Plan	Private-purpose Trusts	Agency Funds
<b>ASSETS</b>			
Cash	\$ 281,740	\$ 139,845	\$ 97,429
<b>Receivables:</b>			
Accrued interest and dividends	41,069	-	-
Total receivables	41,069	-	-
Investments, at fair value:			
Government obligations	1,356,108	-	-
Domestic & foreign corporate bonds	2,090,883	-	275,821
Mutual funds	4,166,364	-	-
Equities	1,890,461	-	550,574
Total investments	9,503,816	-	826,395
<b>Total Assets</b>	9,826,625	139,845	923,824
<b>LIABILITIES</b>			
Deposits held in custody for others	-	-	923,824
Total liabilities	-	-	\$ 923,824
<b>NET POSITION</b>			
Held in trust for pension benefits and other purposes	\$ 9,826,625	\$ 139,845	

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Employee Retirement Plan</u>	<u>Private-purpose Trusts</u>
<b>Additions</b>		
Contributions		
Employer	\$ 141,330	\$ -
Plan members	75,092	-
Total contributions	<u>216,422</u>	<u>-</u>
<b>Investment earnings</b>		
Net increase/(decrease) in fair value of investments	684,340	-
Interest and dividends	345,336	356
Total investment earnings	<u>1,029,676</u>	<u>356</u>
<b>Total additions</b>	<u>1,246,098</u>	<u>356</u>
<b>Deductions</b>		
Benefits paid	455,023	-
Scholarships	-	4,050
Plan cost	38,531	-
Total deductions	<u>493,554</u>	<u>4,050</u>
Change in net position	752,544	(3,694)
Net position beginning of year	9,074,081	143,539
<b>Net position end of year</b>	<u>\$ 9,826,625</u>	<u>\$ 139,845</u>

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

## **Notes to Financial Statements**

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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

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

***THE FINANCIAL REPORTING ENTITY***

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

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

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

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

\* is able to impose its will on the potential component unit and/or

\* is in a relationship of financial benefit or burden with the potential component unit,

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

Test 3 - The financial statements would be misleading if data from the potential component writ were not included.

The following entities were considered for classification as component units for the fiscal year ended 2014:

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF PRESENTATION**

**Recently Issued Accounting Standards**

The Town implemented the following accounting pronouncements for the year ended June 30, 2014:

- GASB Statement No. 65 - Items Previously Reported as Assets and Liabilities effective for the Town's fiscal year ending June 30, 2014
- GASB Statement No. 66 – Technical Corrections – 2012 an amendment of GASB Statements No. 10 and No. 62 effective for the Town's fiscal year ending June 30, 2014.
- GASB Statement No. 67 – Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25 effective for the Town's fiscal year ending June 30, 2014.
- GASB Statement No. 70 Accounting and Reporting for Non-exchange Financial Guarantees effective for the Town's fiscal year ending June 30, 2014.

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 June 30, 2015.
- GASB Statement No. 69 Government Combinations and Disposals of Government Operations effective for the Town's fiscal year ending June 30, 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 June 30, 2015.

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

***Government-Wide Financial Statements***

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund Financial Statements***

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

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

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

**GOVERNMENTAL FUND TYPES:**

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

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

***Special Revenue Funds*** - are used to account for restricted or committed revenues that comprise a substantial portion of the *inflows* of a fund.

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**PROPRIETARY FUND TYPES:**

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

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

**FIDUCIARY FUND TYPES:**

These funds account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of governments. *Fiduciary Fund types are not part of the reporting entity in the Government-wide financial statements.* These funds are as follows:

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

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

**BASIS OF ACCOUNTING**

**Measurement Focus – Government Wide Financial Statements**

In the government wide financial statements the Statement of Net Position and Statement of Activities (governmental and business-type activities) are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. . Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from nonexchange transactions should be recognized in accordance with the requirements of Section N50.

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. Fines, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***BASIS OF ACCOUNTING (continued)***

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

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

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

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

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

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***BASIS OF ACCOUNTING (continued)***

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

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

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

The annual operating budgets' appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The General Fund and School Capital Improvement Fund budgets are in conformity with the legally enacted budgetary basis, which is not in conformity with generally accepted accounting principles. The budget to actual presentations in the financial statements for these funds is reflected on both the GAAP and budgetary basis. The difference between the budgetary basis and the generally accepted accounting principles basis is explained further in the Notes to Required Supplementary Information on page 76.

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

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

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

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**BASIS OF ACCOUNTING (continued)**

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

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

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

**Capital Assets** - In Governmental Fund type, operations are accounted for using the "current financial resources" measurement focus. Capital assets, which include property, plant and equipment, and infrastructure (e.g. road, curbs and gutters, streets and sidewalks, and drainage systems), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town defines capital assets as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). Pursuant to the implementation of GASB Statement No. 34, the historical costs of infrastructure assets (retroactive to January 1, 1979) are included as part of the governmental capital assets reported in the government-wide statements. Donated assets are recorded at estimated fair market value at the date of donation.

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

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

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

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Equity Classifications**

**Government-Wide Statements** - Equity is classified as net position and displayed in three components:

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

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

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government's management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

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

- a) For committed fund balances: the Town Council is the highest level of decision making authority.
- b) For assigned fund balance: Town management has decision making authority, with approval from the Town council.
- c) The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and considers committed amounts to have been spent when and expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund Balance Policies** - Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last

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

**Program Revenues** - Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**Property Taxes** - The Town is permitted by State law to levy property taxes. Current tax collections for the Town were approximately 99.14 % of the total 2013-2014 levy. The Town Council establishes the tax rate for the Town and it is then voted on at the annual Financial Town Meeting.

The Town's 2014 property taxes were levied on the first Monday of June 2013 on assessed valuations as of December 31, 2012. Upon levy, taxes are billed quarterly and are due in September, December, March and June. Failure to make payments by due dates will result interest being charged on the unpaid balance. Failure to pay taxes owed will result in the sale of the property for taxes, interest and legal fees.

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Deferred Outflows of Resources** – Represent a consumption of net position or fund balance by a government that is applicable to a future reporting period. As of the fiscal year ended June 30, 2014 the Town did not recognize any deferred outflows of resources.

**Deferred Inflows of Resources** – In addition to liabilities, the statement of net position and/or balance sheet can report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net position that applies to a future period and which will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2014 the Town had one item qualifying as a deferred inflow of resources in the governmental funds balance sheet. Unavailable tax revenue represents property taxes receivables which are assessed on December 31, 2012 and prior and is not collected within 60 days of June 30, 2014. Net unavailable tax revenue included in the fund financial statements was \$123,309 at June 30, 2014. This amount is deferred and will be recognized as an inflow of resources in the years) in which the amounts become available.

**Unearned Revenues** - Represent funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years.

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

**NOTE 2- STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Legal Debt Limit** - The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$64,960,225. As of June 30, 2014, the Town's debt was under the debt limit by \$55,910,708. The long-term debt reported in the Water and Sewer Funds are exempt from the three percent limitation.

**Deposits With Financial Institutions** - Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturity's greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposit, regardless of maturity. There were no violations of the requirements noted in the year. At June 30, 2014 the Town's uncollateralized deposits with an institution are \$2,980,529.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 3 – CASH AND INVESTMENTS**

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

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

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

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

**Custodial Credit Risk**

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2014, \$2,980,529 of the Town's bank balance of \$10,681,665 was uninsured and uncollateralized.

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 3 – CASH AND INVESTMENTS (continued)**

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

***Cash and Cash Equivalents***

Deposits with financial institutions	\$ 10,821,045
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***Investments***

Mutual Funds	4,166,364
--------------	-----------

Equities	2,441,035
----------	-----------

Government Bonds	1,356,108
------------------	-----------

Domestic Corporate Bonds & Fixed Income	2,366,704
---	-----------

Total Pension Investments	<u>10,330,211</u>
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<b><i>Total Cash and Investments</i></b>	<b><u><u>\$ 21,151,256</u></u></b>
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Cash and investments are classified in the accompanying financial statements as follows:

***Statement of Net Assets***

Cash and cash equivalents	\$ 10,302,031
---------------------------	---------------

***Fiduciary Funds***

Cash	519,014
------	---------

Investments	<u>10,330,211</u>
-------------	-------------------

	<u>10,849,225</u>
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<b><i>Total Cash and Investments</i></b>	<b><u><u>\$ 21,151,256</u></u></b>
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**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 3 – CASH AND INVESTMENTS (continued)**

**Custodial Credit Risk**

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

Type of Investment	Investment Maturities (in Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Government Securities	\$ 1,356,108	-	\$ 241,935	\$ 479,200	\$ 634,973
Corporate Bonds	2,090,883	50,863	1,167,669	872,351	-
Total	<u>\$ 3,446,991</u>	<u>\$ 50,863</u>	<u>\$ 1,409,604</u>	<u>\$ 1,351,551</u>	<u>\$ 634,973</u>

**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. This table represents the investment type ratings for the Police Pension Fund as assigned by Moody's Investor's Service for the Town's debt type investments as of June 30, 2014.

Average Rating	Bonds
Aaa	\$ 177,542
Aa1	396,110
Aa2	313,989
Aa3	111,535
A1	643,904
A2	355,288
A3	590,072
Baa1	474,959
Baa2	55,880
	<u>\$ 3,119,279</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 4 – PROPERTY TAXES**

The Town is responsible for assessing, collecting, and distributing property taxes in accordance with enabling State legislation. Under the “current financial resources” measurement focus (fund accounting) property tax revenue is recognized in accordance with Section P70, “Property Taxes” of the *Codification of Government Accounting and Reporting Standards*, which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. In the government-wide financial statements revenue is recognized when earned (billed). The Town uses the direct write off method for un-collectable property taxes and follows state law when to write off the balance.

**NOTE 5 – INTERFUND RECEIVABLES**

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

Interfund receivable and payable balances at June 30, 2014 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<b>General Fund:</b>		
Total General Fund	\$ 5,942,900	\$ 6,776,531
<b>Special Revenue Funds:</b>		
Total Special Revenue Funds	1,001,464	229,722
<b>Capital Project Funds:</b>		
Town Capital Project Funds	1,296,698	737,893
School Capital Improvement	268,610	-
Total Capital Project Funds	1,565,308	737,893
<b>Enterprise Funds:</b>		
Harbor Management Fund	66,050	-
Water Fund	-	98,945
On-site Wastewater Fund	5,434	-
Sewer Fund	-	738,065
Total Enterprise Funds	71,484	837,010
<b>TOTALS</b>	<b>\$ 8,581,156</b>	<b>\$ 8,581,156</b>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 6. INFORMATION ABOUT CAPITAL ASSETS**

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

	Primary Government			Ending Balance
	Beginning Balance	Increases	Adjustments	
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land and improvements	\$ 3,318,316	\$ -	\$ -	\$ 3,318,316
Development Rights	3,500,000	-	-	3,500,000
Construction in Progress	539,617	66,035	(527,300)	78,352
Total capital assets not being depreciated	7,357,933	66,035	(527,300)	6,896,668
Other capital assets:				
Buildings and improvements	16,185,498	196,213	527,300	16,909,011
Infrastructure	10,616,417	391,850	-	11,008,267
Machinery, equipment and furniture	5,086,393	225,564	-	5,311,957
Total other capital assets at historical cost	31,888,308	813,627	527,300	33,229,235
Less accumulated depreciation for:				
Buildings and improvements	7,965,751	502,166	-	8,467,917
Infrastructure	6,320,424	392,038	-	6,712,462
Machinery, equipment and furniture	3,681,457	258,721	-	3,940,178
Total accumulated depreciation	17,967,632	1,152,925	-	19,120,557
Governmental activities capital assets, net	\$ 21,278,609	\$ (273,263)	\$ -	\$ 21,005,346

Depreciation expense was charged to functions as follows:

Governmental activities:	
Public safety	\$ 334,852
Public works	418,287
Parks and recreation	113,360
Public education	165,475
Other	120,951
Total governmental activities depreciation expense	\$ 1,152,925

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

**NOTE 6. INFORMATION ABOUT CAPITAL ASSETS (continued)**

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

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 55,200	\$ -	\$ -	\$ 55,200
Total capital assets not being depreciated	55,200	-	-	55,200
Other capital assets:				
Plant facilities	22,489,926	13,252	-	22,503,178
Mains, wells, pumps and hydrants	2,144,157	-	-	2,144,157
Equipment and machinery	364,952	-	-	364,952
Total other capital assets at historical cost	24,999,035	13,252	-	25,012,287
Less accumulated depreciation for:				
Plant facilities	6,020,286	569,471	-	6,589,757
Mains, wells, pumps and hydrants	1,884,032	69,050	-	1,953,082
Equipment and machinery	340,667	23,869	-	364,536
Total accumulated depreciation	8,244,985	662,390	-	8,907,375
Business-type activities capital assets, net	\$ 16,809,250	\$ (649,138)	\$ -	\$ 16,160,112

Depreciation expense was charged to functions as follows:

Business-type activities:	
Water Fund	\$ 200,275
Harbor Fund	11,813
Sewer Fund	450,302
Total business-type activities depreciation expense	\$ 662,390

**TOWN OF JAMESTOWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2014**

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

"Total fund balances" of the town's governmental funds \$9,272,901 differs from "net position" of governmental activities \$18,991,527 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**

	<b>Total Governmental Funds</b>	<b>Long-term Assets/ Liabilities (1)</b>	<b>Reclassifications and Eliminations</b>	<b>Statement Net Position Totals</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 9,607,375	\$ -	\$ -	\$ 9,607,375
<b>Accounts receivable:</b>				
Accounts receivable net	285,925	-	-	285,925
Due from other governments	150,272	-	-	150,272
Other receivables	123,637	-	-	123,637
Internal balances	8,509,672	-	(7,744,146)	765,526
Other Assets - net	82,449	661,920	-	744,369
Capital assets - net	-	21,005,346	-	21,005,346
<b>Total assets</b>	<b>18,759,330</b>	<b>21,667,266</b>	<b>(7,744,146)</b>	<b>32,682,450</b>
<b>Liabilities, deferred inflow of resources and fund balances</b>				
<b>Liabilities:</b>				
Accounts payable	608,780	-	-	608,780
Accrued expenses	724,794	169,917	-	894,711
Internal balances	7,744,146	-	(7,744,146)	-
Unearned revenue	285,400	-	-	285,400
<b>Long-term liabilities</b>				
Due within one year	-	743,925	-	743,925
Due in more than one year	-	11,158,107	-	11,158,107
<b>Total liabilities</b>	<b>9,363,120</b>	<b>12,071,949</b>	<b>(7,744,146)</b>	<b>13,690,923</b>
<b>Deferred inflow of resources</b>	123,309	(123,309)	-	-
<b>Fund Balances/Net Position</b>				
Total fund balances/net position	9,272,901	9,718,626	-	18,991,527
Total liabilities, deferred inflows of resources fund balances and net position	<b>\$ 18,759,330</b>	<b>\$ 21,667,266</b>	<b>\$ (7,744,146)</b>	<b>\$ 32,682,450</b>

(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	\$ 40,125,903
Accumulated depreciation	(19,120,557)
	<b>\$ 21,005,346</b>

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 unearned revenues in the governmental funds and thus are not included in the fund balance.

Accrued interest	\$ (30,460)
Deferred inflow	123,309
	<b>\$ 92,849</b>

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

Bonds & notes payable	\$ 9,049,517
Bond premium	139,457
Accrued compensated absences	764,307
Net OPEB obligation	2,088,208
Net Pension Benefit	(661,920)
	<b>\$ 11,379,569</b>

**TOWN OF JAMESTOWN**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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

The "net change in the fund balances" for governmental funds, \$836,933 differs from the "change in net position" for governmental activities (\$189,698) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

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

	Total Governmental Funds	Long-term Revenues/ Expenses (1)	Capital- related Items (2)	Long-term Debt Transactions (3)	Statement of Activities Totals
<b>Revenues</b>					
General property tax	\$ 18,574,441	\$ 64,355	-	-	\$ 18,638,796
Intergovernmental and departmental revenues	2,886,928	-	-	-	2,886,928
License and permits	895,388	-	-	-	895,388
Fines and penalties	164,064	-	-	-	164,064
Interest on investments	23,428	-	-	-	23,428
Other revenues	586,641	-	-	12,343	598,984
<b>Total revenues</b>	<u>23,130,890</u>	<u>64,355</u>	<u>-</u>	<u>12,343</u>	<u>23,207,588</u>
<b>Expenditures</b>					
Current:					
Legislative, judicial and general administrative	2,202,485	-	-	379,879	2,582,364
Financial administration and tax assessor	320,477	-	-	-	320,477
Public safety	2,215,999	-	334,852	-	2,550,851
Public works	1,632,034	-	418,287	-	2,050,321
Public welfare	5,540	-	-	-	5,540
Public health	259,492	-	-	-	259,492
Tree warden	30,656	-	-	-	30,656
Library	397,776	-	-	-	397,776
Parks & recreation	449,752	-	113,360	-	563,112
Other	1,736,976	-	77,687	-	1,814,663
Education	12,229,698	-	165,475	-	12,395,173
Capital outlay	836,398	-	(836,398)	-	-
<b>Debt service:</b>					
Principal	698,658	-	-	(698,658)	-
Interest	343,259	(7,122)	-	92,350	428,487
<b>Total expenditures</b>	<u>23,359,200</u>	<u>(7,122)</u>	<u>273,263</u>	<u>(226,429)</u>	<u>23,398,912</u>
<b>Other financing uses/changes in net position</b>					
Issuance of debt	2,566,467	-	-	(2,566,467)	-
Payment to refunded bond escrow agent	(1,502,850)	-	-	1,502,850	-
Bond issuance cost	(35,374)	-	-	-	(35,374)
Transfers in/(out)	37,000	-	-	-	37,000
Net change for the year	<u>\$ 836,933</u>	<u>\$ 71,477</u>	<u>\$ (273,263)</u>	<u>\$ (824,845)</u>	<u>\$ (189,698)</u>

**TOWN OF JAMESTOWN**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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

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

Property taxes	\$ 64,355
	<u>\$ 64,355</u>

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

Accrued interest	\$ 7,122
	<u>\$ 7,122</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 assets decrease by the amount of depreciation expense charged for the year.

Capital outlay	\$ 879,662
Depreciation expense	<u>(1,152,925)</u>
Difference	<u>\$ (273,263)</u>

(3) Repayment of bond principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. Cost associated with the refinancing of debt are expensed in the fund financials but are long-term assets and liabilities in the statement of activities

Amortization bond premium	\$ 12,343
Bond premium	<u>(83,292)</u>
Issuance of debt	<u>(2,483,175)</u>
Interest to escrow agent	<u>(92,350)</u>
Payment to escrow agent	<u>1,502,850</u>
Principal payments made	<u>\$ 698,658</u>
	<u>\$ (444,966)</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 compensated absences	\$ (7,324)
Increase in the OPEB obligation	<u>(214,496)</u>
Net increase in the net pension obligation	<u>(158,059)</u>
Change	<u>\$ (379,879)</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 9 – LONG-TERM LIABILITIES**

**A. General obligation Bonds and Notes Payable**

The government issues general obligation bonds and notes payable to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with maturities that range from 15 to 20 years.

The Sewer Department bonds and notes payable presented in the financial statements as direct liabilities of the Sewer Department fund are general obligations of the Town backed ultimately by its taxing power. Because the proceeds of the bonds are used entirely for the benefits of the Sewer Department and the liabilities and the related debt service of these bonds are accounting for in this funds.

The Water Fund bonds and notes payable presented in the financial statements as direct liabilities of the Water Fund are general obligations of the Town backed by the Water Funds ability to assess user fees. Because the proceeds of the bonds and notes are used entirely for the benefits of the Water Fund, the liability and the related debt service of these bonds are accounted for in the Water Fund.

**B. New Debt, Current Refunding and Defeased Debt**

The Town issued \$1,000,000 in general obligation new debt and \$1,570,000 in general obligation refunding debt with an average interest rate of 2.31%. The new debt proceeds were used to fulfill the Town's obligations to provide remediation for the Town's closed landfill and the refunding of \$1,490,500 outstanding general obligation bonds Series 2004. For the refunded bonds the net proceeds of \$1,582,850 (including a \$9,843 in underwriting fees) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. The Series 2004 general obligation bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The Town refunded the Series 2004 of general obligation bonds to reduce its total debt service payments over 8 years and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$75,569.

The trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At June 30, 2014, the escrow balance is \$1,520,950.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 9 – LONG-TERM LIABILITIES (continued)**

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

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

	Balance July 1, 2013	Additions	Retirements	Balance June 30, 2014	Amounts Due within One Year
<b>Governmental Activities</b>					
Bonds & Notes Payable	\$ 8,675,500	\$ 2,483,175	\$ 2,109,158	\$ 9,049,517	\$ 743,925
Total bonds payable	<u>8,675,500</u>	<u>2,483,175</u>	<u>2,109,158</u>	<u>9,049,517</u>	<u>743,925</u>
Other liabilities:					
Accrued compensated absences	756,983	20,460	13,136	764,307	-
Net OPEB Obligation	1,873,712	214,496	-	2,088,208	-
Net Pension Benefit	(819,979)	158,059	-	(661,920)	-
Total other liabilities	<u>1,810,716</u>	<u>393,015</u>	<u>13,136</u>	<u>2,190,595</u>	<u>-</u>
Governmental Activities long-term liabilities	<u>\$ 10,486,216</u>	<u>\$ 2,876,190</u>	<u>\$ 2,122,294</u>	<u>\$ 11,240,112</u>	<u>\$ 743,925</u>
<b>Business-Type Activities</b>					
Water Department bonds payable	\$ 150,000	\$ 55,214	\$ 100,840	\$ 104,374	\$ 50,673
Sewer Department bonds payable	40,000	31,611	35,505	36,106	5,403
Total bonds payable	<u>190,000</u>	<u>86,825</u>	<u>136,345</u>	<u>140,480</u>	<u>56,076</u>
Water Department notes payable	5,024,000	-	259,000	4,765,000	269,000
Sewer Department notes payable	4,519,207	-	386,749	4,132,458	394,047
Total notes payable	<u>9,543,207</u>	<u>-</u>	<u>645,749</u>	<u>8,897,458</u>	<u>663,047</u>
Total enterprise funds	<u>\$ 9,733,207</u>	<u>\$ 86,825</u>	<u>\$ 782,094</u>	<u>\$ 9,037,938</u>	<u>\$ 719,123</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds	2.75% - 5.00%	\$ 9,049,517	2015-2033
Enterprise Funds bonds and notes payable	1.022% - 5.00%	9,037,938	2015-2028
<b>Total All Funds</b>		<u>\$ 18,087,455</u>	

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 9. LONG-TERM LIABILITIES (continued)**

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

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	743,925	386,835	1,130,760
2016	750,926	358,093	1,109,019
2017	759,674	320,687	1,080,361
2018	764,792	282,595	1,047,387
2019	769,900	243,694	1,013,594
2020	760,100	210,504	970,604
2021	755,200	176,022	931,222
2022	520,000	148,520	668,520
2023	520,000	128,846	648,846
Thereafter	2,705,000	455,750	3,160,750
<b>TOTALS</b>	<u>\$ 9,049,517</u>	<u>\$ 2,711,546</u>	<u>\$ 11,761,063</u>

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

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	719,123	238,505	957,628
2016	737,605	219,849	957,454
2017	702,531	201,582	904,113
2018	719,282	184,260	903,542
2019	738,243	166,352	904,595
2020	757,318	147,835	905,153
2021	776,704	128,724	905,428
2022	792,605	109,163	901,768
2023	814,527	89,117	903,644
Thereafter	2,280,000	197,219	2,477,219
<b>TOTALS</b>	<u>\$ 9,037,938</u>	<u>\$ 1,682,606</u>	<u>\$ 10,720,544</u>

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

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

The Town of Jamestown, 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](http://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. 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 contribute 7.00% of their salary per year, and police officers and firefighters contribute 7.00%. 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.

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.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

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

Final Average Compensation (FAC): Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the highest three consecutive annual salaries. Effective July 1, 2012, the average of the member's highest five consecutive annual salaries. 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, 2013 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.

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 member's 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 contributing 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.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

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

**Retirement Benefits**

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 member's monthly FAC for each year of service prior to July 1, 2012.

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 nonservice-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 \$288,580 for MERS was equal to the Town's required and actual contribution.

Fiscal Years Ending	Annual Required Pension Cost	Percentage Contributed	Net Pension Obligation
June 30, 2012	408,707	100%	-
June 30, 2013	295,485	100%	-
June 30, 2014	288,580	100%	-

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

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

**Schedule of Funding Progress**

Actuarial Valuation Date July 1,	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)
2012	10,250,062	12,310,741	2,060,679	83%	3,448,946	60%
2013	10,849,299	12,714,422	1,865,123	85%	3,660,209	51%
2014	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*

\*Unavailable at time of report

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

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

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). 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 Avenue, Warwick, Rhode Island 02886, by calling (401) 462-7600 or by accessing their website at [www.ersri.org](http://www.ersri.org).

Plan Year: A twelve-month period ending 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.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

***B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (continued)***

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, and 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.

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 fiscal 2014, the total employer rate 19.29% (7.88% State share and 11.41% local share). The State share of the employer contribution rate includes the total cost of prior contribution deferrals which was .28% for fiscal 2014.

**Required Contributions:**

Fiscal Years Ending	Annual Required Pension Cost	Percentage Contributed
June 30, 2012	628,589	100%
June 30, 2013	557,758	100%
June 30, 2014	760,205	100%

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**B. EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND (continued)**

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.

***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, 2013
Actuarial cost method	Entry Age Actual Cost Method
Amortization method	Level Percentage of Payroll – Closed 25-year 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	0.00%-12.75%
Cost-of-living adjustments	0.00%-4.00%
Inflation Rate	2.75% Annually

**C. POLICE DEPARTMENT PENSION PLAN**

For the fiscal year ended June 30, 2014 the Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 67 – *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**C. POLICE DEPARTMENT PENSION PLAN**

***Plan Description***

The Town of Jamestown administers a separately maintained Police Pension Plan. The pension plan is considered to be a single-employer defined benefit pension plan. The plan's funding is based on actuarial valuations that result in annual employer/employee contributions that include an amount for the past, present, and future benefit. The last actuarial valuation, reported herein, was as of July 1, 2014. The plan's assets are reported in the Town's annual financial report as a Pension Trust Fund.

The plan provides retirement benefits as well as death and disability benefits. All members of the police department who contribute to the plan are eligible to participate after six months of service. Participants in the plan who were hired prior to March 1, 1986 are eligible to retire at the earliest of their 55th birthday or completion of a specified number of years of service, depending upon date of hire. A participant hired on or after March 1, 1986 shall be eligible to retire at a date equal to the earliest of their 55th birthday or the completion of 25 years of service.

As of July 1, 2014, employee membership data related to this plan was as follows:

Active Members	12
Vested Term	2
Retired Members	<u>12</u>
TOTAL	<u>26</u>

***Plan Description***

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

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

***Valuation of Investments***

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**C. POLICE DEPARTMENT PENSION PLAN** *(continued)*

**Funding Policy**

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

**Annual Pension Costs**

Significant actuarial assumptions included (a) a net investment return of 7 percent annually, (b) projected salary increase of 4 percent annually, (c) mortality RP 2000 M/F Combined Health Mortality Table and (d) a retirement age of 55 and the completion of 25 years of service or the participant's current age, if later.

**Investments**

It is the policy of the Jamestown Police Pension Board to pursue an investment strategy that reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2014.

Asset Class	Target Allocation
Domestic equity	35.00%
International equity	N/A
Fixed income	65.00%
Other	N/A
Total allocation	100.00%

*Rate of return:* For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.90 percent. 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 Town of Jamestown at June 30, 2014, were as follows:

	June 30, 2014
Total pension liability	\$ 8,723,051
Plan fiduciary net position	9,826,616
Town's net pension liability	\$ (1,103,565)
Plan fiduciary net position as a percentage of the total pension liability	112.65%

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**C. POLICE DEPARTMENT PENSION PLAN** *(continued)*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	10.60%
International equity	N/A
Fixed income	6.50%
Other	N/A

*Discount rate:* The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the net pension liability to changes in the discount rate:* The following presents the net pension liability of the Town, calculated using the discount rate of 7.00 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage point higher (8.00 percent) than the current rate: 7.00%

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total pension liability	\$ 9,955,780	\$ 8,723,051	\$ 7,722,853
Fiduciary net position	9,826,616	9,826,616	9,826,616
Net position liability	\$ 129,164	\$ (1,103,565)	\$ (2,103,763)

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**C. POLICE DEPARTMENT PENSION PLAN** *(continued)*

**REQUIRED SUPPLEMENTARY INFORMATION**  
Six-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Benefit
6/30/2009	187,528	92%	(1,180,556)
6/30/2010	285,616	90%	(1,152,450)
6/30/2011	282,712	71%	(1,071,687)
6/30/2012	233,777	60%	(979,240)
6/30/2013	244,059	35%	(819,979)
6/30/2014	299,389	47%	(661,920)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Excess of Assets (Over) Under AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Excess of Assets Over AAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/09	7,162,384	7,137,088	(25,296)	100.4%	764,942	-3.3%
7/1/10	7,917,927	7,975,138	57,211	99.3%	607,806	9.4%
7/1/11	8,822,350	8,051,512	(770,838)	109.6%	648,605	-118.8%
7/1/12	8,678,157	8,037,077	(641,080)	108.0%	677,630	-94.6%
7/1/13	9,074,082	8,737,518	(336,564)	103.9%	828,404	-40.6%
7/1/14	9,826,616	8,723,051	(1,103,565)	112.7%	740,976	-148.9%

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS**

**C. POLICE DEPARTMENT PENSION PLAN** *(continued)*

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

Annual required contribution (ARC)		\$ 240,048
Interest on NPO		(57,399)
Adjustment to annual required contribution		116,740
Annual pension cost		<u>299,389</u>
Contributions made		<u>(141,330)</u>
Increase (decrease) in NPO		<u>158,059</u>
NPO Beginning of Fiscal year		<u>(819,979)</u>
NPO End of Fiscal Year		<u><u>\$ (661,920)</u></u>

**Actuarial Assumptions**

- Investment Return: 7% per annum
- Inflation Rate: The plan assumes a rate of 3.00% - 3.50%.
- Investment Returns: The plan assumes a return rate of 7.00%.
- Amortization Factor: 10.108
- Amortization Period: 16 Year (decreasing)
- Projected Salary Increases: 4% per annum

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014.*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**D. DEFINED CONTRIBUTION PLAN**

**Plan Description**

The Town of Jamestown 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 Plan is effective as of July 1, 2012, and contributions to the Plan will begin on the first full payroll cycle in July, 2012. 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 Avenue, Warwick, Rhode Island 02886, by calling (401) 462-7600 or by accessing their website at [www.ersri.org](http://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 are established by General Laws, which are subject to amendment by the General assembly.

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

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](http://www.tiaa-cref.org/ri) for a current listing of Funding Vehicles and the investments thereunder.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)**

**D. DEFINED CONTRIBUTION PLAN**

**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 5% of his/her compensation and the Town is required to contribute 3%. The plan members and Town contributed \$194,583 and \$39,096 respectively, during the fiscal year ended June 30, 2014

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

**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 5% of his/her compensation and the Town is required to contribute 1%. The plan members and Town contributed \$183,055 and \$36,748 respectively, during the fiscal year ended June 30, 2014.

**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 Jamestown School Department contributed \$13,506, \$13,730 and \$13,730 during the fiscal years 2014, 2013 and 2012 respectively, equal to 100% of the required contributions for those respective years.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 11- FUND EQUITY**

The fund equity balances have been classified to reflect the limitations and restrictions placed on the respective funds as follows:

The following fund balance categories are recorded on the Balance Sheet of Government Funds in the financial statements at June 30, 2014:

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government’s management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

**NOTE 12 –OTHER POST RETIREMENT BENEFITS**

**Plan Description**

In addition to the pension benefits described above, the Town provides a single employer defined benefit postretirement health insurance program in accordance with Town union contracts. These benefits are for continued full family or individual health care for the employee groups as described below.

**Plan Types**

Police Officers

Medical: Blue Cross/Healthmate Coast to Coast

Dental: 100% cost paid by employee

School Employees

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

Dental: Delta Dental

**Eligibility**

Police Officers:

Police officers of the Jamestown Police Department are eligible for retirement under the Defined Benefit health plan after working 10 years of vesting service and after attaining age 55. Normal retirement date is defined as age 55 with 20 years of service.



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 12 –OTHER POST RETIREMENT BENEFITS (Continued)**

**Eligibility**

School Employees:

Retiring union employees from the Jamestown, RI School Department after attaining age 50 and 15 years of service. Administrative employees are eligible at age 50 with 10 years of service and non-exempt employees are not eligible. Teaching assistants and support staff are not eligible for postretirement benefits.

**Benefit Formula**

Police Officers:

Individual or family medical coverage is available to retirees under Blue Cross Healthmate Coast to Coast plan. The Town of Jamestown, Rhode Island (the "Town") covers 100% of the coverage for retired members hired prior to March 1, 1996 (except as described below); the Town also covers 80% of the coverage for retired members hired after March 1, 1996. Retired members are covered for their lifetime or until the time they become eligible for equal or better coverage through a future employer or spouse's employer. Retired members are not paid a subsidy or lump sum payment when opting out of coverage. Effective with future retirees that were hired prior to March 1, 1996, the Town would cover 93% of the coverage in 2011, and 85% of coverage for years beginning in 2012.

**Benefit Formula**

School Employees: Eligible employees hired prior to 8/31/1985 receive either individual or family medical coverage under Blue Cross Blue Shield Classic Plan or Healthmate Coast to Coast until the retiree becomes Medicare eligible. When the retiree becomes eligible for Medicare, he/she, and an eligible spouse, will be covered under the Plan 65. Retirees also receive individual or family Delta Dental coverage. Eligible employees hired prior to 8/31/1985 contribute 5% of their premium. Effective July 1, 2012, all current and future retirees are required to be enrolled in Medicare Part A and Part B to continue post-65 medical coverage under this Plan. Eligible employees hired between 8/31/1985 and 7/1/1997 will receive 2 years of individual medical coverage under Blue Cross Blue Shield Classic Plan or Healthmate Coast to Coast until age 65.

Retirees also receive individual Delta Dental coverage. Eligible employees hired in this period also contribute 5% of their premium. In addition, it is our understanding that eligible employees hired between 7/1/1997 and 8/31/2000 will be treated similarly. Eligible employees hired after 8/31/2000 may continue medical and dental coverage with the entire premium paid by the retiree. Surviving spouses are not eligible to continue receiving benefits.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 12 – OTHER POST RETIREMENT BENEFITS** (continued)

**Funding Policy**

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

**Annual OPEB Funded Status and net OPEB Obligation- Police Plan**

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

**Schedule of Funding Progress**

Actuarial Valuation Date July 1,	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)
2008	-	1,874,075	1,874,075	0%	611,409	307%
2009	-	1,661,060	1,661,060	0%	634,944	262%
2011	-	3,482,971	3,482,971	0%	607,589	573%
2013	-	2,672,493	2,672,493	0%	799,640	334%

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

<b>Police</b>	2014
Annual required contribution	\$ 337,683
Interest on NOO	26,349
Adjustment to annual required contribution	<u>(38,094)</u>
Annual OPEB cost	325,938
Contributions made	(105,262)
Allocations for implicit rate study	<u>(60,902)</u>
Increase (decrease) in NOO	159,774
NOO Beginning of Fiscal year	<u>658,715</u>
NOO End of Fiscal Year	<u><u>\$ 818,489</u></u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 12 –OTHER POST RETIREMENT BENEFITS** (continued)

**Police Department OPEB Trend Information**

Fiscal Year End June 30,	Annual OPEB Cost	Plan Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	211,930	127,130	60.0%	325,650
2012	327,648	169,392	51.7%	483,906
2013	324,826	150,017	46.2%	658,715
2014	325,938	166,164	51.0%	818,489

**Annual OPEB Funded Status and net OPEB Obligation- School Plan**

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

**Schedule of Funding Progress**

Actuarial Valuation Date July 1,	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)
2008	-	13,129,596	13,129,596	0%	3,944,077	333%
2009	-	14,153,205	14,153,205	0%	3,479,423	407%
2011	-	6,496,005	6,496,005	0%	3,882,728	167%
2013	-	5,933,378	5,933,378	0%	3,685,204	161%

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 12 – OTHER POST RETIREMENT BENEFITS** *(continued)*

**Annual OPEB Funded Status and net OPEB Obligation- School Plan**

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

**School**

Annual required contribution	\$ 463,684
Interest on NOO	48,600
Adjustment to annual required contribution	(70,263)
Annual OPEB cost	442,021
Contributions made	(304,142)
Allocations for implicit rate study	(83,157)
Increase (decrease) in NOO	54,722
NOO Beginning of Fiscal year	1,214,997
NOO End of Fiscal Year	\$ 1,269,719

**School Department OPEB Trend Information**

Fiscal Year End June 30,	Annual OPEB Cost	Plan Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	910,245	550,884	60.5%	1,203,125
2012	466,368	564,767	121.1%	1,104,726
2013	468,123	357,852	76.4%	1,214,997
2014	442,021	387,299	87.6%	1,269,719

**Actuarial Methods and Assumptions**

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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**NOTE 12 –OTHER POST RETIREMENT BENEFITS** *(continued)*

**Police Officers Plan**

Valuation Date:	July 1, 2013
Discount Rate	4.00%
Healthy Mortality	RP-2000 Male/Female Combined
Health Care Cost Trend Rate	7.00% per year graded off 0.5% each year to an ultimate rate of 4.5% per year after 5 years
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

**School Employees Plan**

Valuation Date:	July 1, 2013
Discount Rate	4.00%
Healthy Mortality	IRS 2013 P.V. Optional Combined Male/Female
Health Care Cost Trend Rates	8.50% per year graded off 0.5% per year to an ultimate rate of 4.50% per year after 8 years
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

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

**A. Litigation**

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

**NOTE 13 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES** *(continued)*

**B. Federally Assisted Programs - Compliance Audits**

The Town participates in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2014 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditor's reports thereon are presented in the Single Audit Report. Management believes that the amounts, if any, of expenditures, which may be disallowed, will not be material to the financial position of the Town.

**NOTE 14 - RISK MANAGEMENT**

The Town of Jamestown is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a non-profit, public entity risk pool (Rhode Island Inter-local Risk Management Trust, Inc.) that provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement that outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The policy is not retrospectively rated, but rather, premiums are based on the ultimate cost of the groups experience to date. The pool is allowed to make additional assessments for claims that are reasonably possible and estimable.

The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust, retains internally for payment from the pooled contributions of its Members. Under the participation agreement, the Town is insured for a maximum of \$2,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. It is not anticipated that the risks will exceed the trust coverage in the current year. There are no claims incurred for which the insurance pool has denied coverage. Therefore there are no incurred but not recorded liabilities at June 30, 2014.

**NOTE 15 - DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS**

The following individual funds had deficit fund equity balances as of June 30, 2014:

***Governmental Funds***

***Special Revenue Funds***

Jamestown Library Trustee	\$	2,495	*
RIPTIDE		4,068	*
FEMA Storm 2010		51,258	*
School Route Grant		9,981	*
Historic Preservation Fund		2,290	*
Byrne Grant		2,742	*
<b>Total</b>		\$ 72,834	

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
*June 30, 2014*

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***NOTE 16 – SUBSEQUENT EVENTS***

Management has evaluated subsequent events through January 13, 2015 the date the financial statements were available to be issued.

***NOTE 17 – PRIOR PERIOD ADJUSTMENT***

***Government-Wide Financial Statements and Proprietary Funds***

In fiscal year 2014 the Town adopted the requirements of the Government Accounting Standards Board, *GASB 65 - Items Previously Reported as Assets and Liabilities*. The Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The Town has reclassified \$43,288 of prior years' debt issuance cost to expense from prepaid assets which were being amortized over various periods of time in the Government-Wide Financial Statements and \$78,500 of prior years' debt issuance cost in the Town's Water and Sewer funds which are reported in the Proprietary Funds.

## **Required Supplementary Information**



**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - General Fund**  
**Schedule of Revenues and Expenditures (Non-GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2014**

	<b>GENERAL FUND</b>			
	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
<b>REVENUES</b>				
Property tax	\$ 18,349,874	\$ 18,349,874	\$ 18,574,441	\$ 224,567
Intergovernmental and departmental revenue	1,585,127	1,585,127	1,868,947	283,820
License and permits	889,000	889,000	895,388	6,388
Fines and interest on late payments	155,000	155,000	164,064	9,064
Interest on investments	35,000	35,000	23,411	(11,589)
Other revenues	111,884	111,884	138,141	26,257
<b>TOTAL REVENUES</b>	<b>21,125,885</b>	<b>21,125,885</b>	<b>21,664,392</b>	<b>538,507</b>
<b>EXPENDITURES</b>				
Legislative, judicial, and general administrative	2,250,080	2,250,080	2,202,485	47,595
Financial administration and tax assessor	308,126	308,126	320,477	(12,351)
Public safety	2,243,547	2,243,547	2,215,999	27,548
Public works	1,637,793	1,637,793	1,632,034	5,759
Public welfare	5,464	5,464	5,540	(76)
Public health	294,128	294,128	259,492	34,636
Tree Warden	31,400	31,400	30,656	744
Library	382,683	382,683	397,776	(15,093)
Parks & recreation	507,114	507,114	449,752	57,362
Education	11,565,198	11,565,198	11,374,809	190,389
Other	53,500	53,500	73,270	(19,770)
<b>Debt service</b>				
Principal	675,000	675,000	698,658	(23,658)
Payment to refunded bond escrow agent	-	-	1,502,850	(1,502,850)
Bond issuance cost	-	-	35,374	(35,374)
Interest	358,883	358,883	343,259	15,624
<b>TOTAL EXPENDITURES</b>	<b>20,312,916</b>	<b>20,312,916</b>	<b>21,542,431</b>	<b>(1,229,515)</b>
Excess of Revenues Over (Under) Expenditures				
Before Other Financing Sources (Uses)	812,969	812,969	121,961	(691,008)
<b>OTHER FINANCING SOURCES (USES)</b>				
Use of prior year accumulated surplus	362,697	362,697	362,697	-
Transfer in from other funds	150,000	150,000	195,000	45,000
Issuance of refunding bonds	-	-	1,534,107	1,534,107
Transfer to other funds	(73,450)	(73,450)	(59,000)	14,450
Transfer to Capital Improvement Fund	(1,252,216)	(1,252,216)	(1,574,266)	(322,050)
<b>TOTAL OTHER FINANCING USES</b>	<b>(812,969)</b>	<b>(812,969)</b>	<b>458,538</b>	<b>1,271,507</b>
Excess of Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses	\$ -	\$ -	\$ 580,499	\$ 580,499

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Revenues**  
**Budget and Actual (Non-GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2014**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>GENERAL PROPERTY TAXES</b>				
Real estate and personal property taxes	\$ 18,349,874	18,349,874	\$ 18,574,441	\$ 224,567
<b>TOTAL GENERAL PROPERTY TAXES</b>	<u>18,349,874</u>	<u>18,349,874</u>	<u>18,574,441</u>	<u>224,567</u>
<b>INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES</b>				
Library state aid	138,446	138,446	138,527	81
State Education Aid	448,326	448,326	464,393	16,067
FEMA reimbursement	-	-	66,880	66,880
General state aid	-	-	25,703	25,703
Medicaid reimbursement	90,000	90,000	91,208	1,208
Certificate of occupancy	1,000	1,000	1,050	50
State of Rhode Island MV excise	460,751	460,751	537,898	77,147
Ambulance - 3rd party billing	95,000	95,000	150,286	55,286
Meal Tax Reimbursement	85,744	85,744	81,352	(4,392)
Hotel Tax	10,645	10,645	8,202	(2,443)
Tax stamps town share	150,000	150,000	186,078	36,078
RI Trust TOPS Dividend	15,550	15,550	13,356	(2,194)
Radon tax town share	-	-	64	64
Public housing	71,665	71,665	69,326	(2,339)
Finance	10,000	10,000	30,364	20,364
Alarm revenue	8,000	8,000	4,260	(3,740)
<b>TOTAL INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES</b>	<u>1,585,127</u>	<u>1,585,127</u>	<u>1,868,947</u>	<u>283,820</u>
<b>LICENSES AND PERMITS</b>				
Building permits	93,000	93,000	142,088	49,088
Electric permits	25,000	25,000	20,475	(4,525)
Plumbing permits	5,000	5,000	5,081	81
Demolition permits	1,000	1,000	550	(450)
Mechanical permits	20,000	20,000	26,361	6,361
Copies and recording	120,000	120,000	93,408	(26,592)
Licenses and fees	10,000	10,000	10,090	90
Zoning fees	5,000	5,000	2,625	(2,375)
Probate fees	20,000	20,000	12,874	(7,126)
Transfer station stickers	90,000	90,000	100,920	10,920
Animal control	5,000	5,000	4,375	(625)
Parks & recreation	475,000	475,000	454,635	(20,365)
Public works	20,000	20,000	21,906	1,906
<b>TOTAL LICENSES AND PERMITS</b>	<u>889,000</u>	<u>889,000</u>	<u>895,388</u>	<u>6,388</u>
<b>FINES AND INTEREST ON LATE PAYMENTS</b>				
Police department fines	50,000	50,000	49,437	(563)
Library fines	5,000	5,000	7,109	2,109
Interest on late payments	100,000	100,000	107,518	7,518
<b>TOTAL FINES AND INTEREST ON LATE PAYMENTS</b>	<u>155,000</u>	<u>155,000</u>	<u>164,064</u>	<u>9,064</u>
<b>INTEREST ON INVESTMENTS</b>				
	<u>35,000</u>	<u>35,000</u>	<u>23,411</u>	<u>(11,589)</u>
<b>OTHER REVENUES</b>				
Miscellaneous revenue	111,884	111,884	138,141	26,257
<b>TOTAL OTHER REVENUES</b>	<u>111,884</u>	<u>111,884</u>	<u>138,141</u>	<u>26,257</u>
<b>TOTAL REVENUES</b>	<u>21,125,885</u>	<u>21,125,885</u>	<u>21,664,392</u>	<u>538,507</u>
<b>OTHER FINANCING SOURCES</b>				
Use of prior year accumulated surplus	362,697	362,697	362,697	-
Issuance of refunding bonds	-	-	1,534,107	1,534,107
Transfer-in other funds	150,000	150,000	195,000	45,000
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>512,697</u>	<u>512,697</u>	<u>2,091,804</u>	<u>1,579,107</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 21,638,582</u>	<u>\$ 21,638,582</u>	<u>\$ 23,756,196</u>	<u>\$ 2,117,614</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non-GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2014**

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE</b>				
Town Council				
Salaries	\$ 11,300	\$ 11,300	\$ 11,300	\$ -
Fees and supplies	1,500	1,500	156	1,344
Advertising	2,500	2,500	1,207	1,293
Total Town Council	<u>15,300</u>	<u>15,300</u>	<u>12,663</u>	<u>2,637</u>
Town Administration				
Salaries, Administrator, Clerical	161,871	161,871	217,825	(55,954)
Fees, supplies and dues	2,800	2,800	1,948	852
Travel expense	5,500	5,500	6,658	(1,158)
Total Town Administration	<u>170,171</u>	<u>170,171</u>	<u>226,431</u>	<u>(56,260)</u>
Probate Court				
Salaries and wages	4,718	4,718	4,835	(117)
Fees and supplies	2,000	2,000	(99)	2,099
Total Probate Court	<u>6,718</u>	<u>6,718</u>	<u>4,736</u>	<u>1,982</u>
Elections and Town Meetings				
Salaries, Canvassers	8,666	8,666	6,656	2,010
Fees and supplies	3,250	3,250	828	2,422
Advertising and printing	700	700	188	512
Total Elections and Town Meetings	<u>12,616</u>	<u>12,616</u>	<u>7,672</u>	<u>4,944</u>
Other				
Social security tax	284,376	284,376	269,545	14,831
Medical	682,427	682,427	677,229	5,198
Workman's compensation	73,500	73,500	59,566	13,934
Retirement system	289,415	289,415	312,543	(23,128)
Life insurance	10,000	10,000	11,067	(1,067)
General liability insurance	110,000	110,000	113,664	(3,664)
Salary study adjustment	85,000	85,000	-	85,000
Blue cross police retiree	105,383	105,383	105,169	214
Total Other	<u>1,640,101</u>	<u>1,640,101</u>	<u>1,548,783</u>	<u>91,318</u>
Legal				
Professional services - legal	95,000	95,000	93,643	1,357
Total legal	<u>95,000</u>	<u>95,000</u>	<u>93,643</u>	<u>1,357</u>
Clerks and Records				
Salaries and wages	144,959	144,959	150,039	(5,080)
Fees, supplies and dues	33,000	33,000	30,585	2,415
Advertising and printing	3,200	3,200	4,810	(1,610)
Total Clerks and Records	<u>181,159</u>	<u>181,159</u>	<u>185,434</u>	<u>(4,275)</u>
Planning				
Salaries and wages	105,065	105,065	107,641	(2,576)
Planning commission	7,150	7,150	6,900	250
Fees, supplies & dues	5,500	5,500	5,267	233
Advertising	600	600	473	127
Total planning	<u>118,315</u>	<u>118,315</u>	<u>120,281</u>	<u>(1,966)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (NON-GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2014**  
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Zoning				
Salaries and wages	10,000	10,000	2,600	7,400
Fees, supplies and dues	700	700	242	458
Total Zoning	<u>10,700</u>	<u>10,700</u>	<u>2,842</u>	<u>7,858</u>
TOTAL LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE	<u>2,250,080</u>	<u>2,250,080</u>	<u>2,202,485</u>	<u>47,595</u>
FINANCIAL ADMINISTRATION AND TAX ASSESSOR				
Finance and Tax Assessor Office				
Salaries and wages - Finance Office	82,426	82,426	85,581	(3,155)
Salary Deputy Tax Collector	60,372	60,372	64,375	(4,003)
Salaries and wages - Tax Assessor	60,873	60,873	63,065	(2,192)
Professional services	16,000	16,000	15,993	7
Clerical-Tax Assessor	2,000	2,000	230	1,770
Fees, supplies and dues - Tax Assessor	12,155	12,155	12,320	(165)
Fees, supplies and dues - Finance Office	22,000	22,000	17,762	4,238
Salaries and wages- Computer Technician	36,000	36,000	38,601	(2,601)
Advertising and printing - Finance Office	500	500	122	378
Field inspections	1,000	1,000	1,000	-
Advertising and printing - Tax Assessor	1,200	1,200	1,008	192
Total Finance Office	<u>294,526</u>	<u>294,526</u>	<u>300,057</u>	<u>(5,531)</u>
Audit of Accounts				
Professional services	13,600	13,600	20,420	(6,820)
Total Audit of Accounts	<u>13,600</u>	<u>13,600</u>	<u>20,420</u>	<u>(6,820)</u>
TOTAL FINANCIAL ADMINISTRATION AND TAX ASSESSOR	<u>308,126</u>	<u>308,126</u>	<u>320,477</u>	<u>(12,351)</u>
PUBLIC SAFETY				
Police Department				
Salaries and wages - Police Department	1,015,658	1,015,658	1,037,286	(21,628)
Salaries and wages - Animal Control	10,000	10,000	-	10,000
Police benefits	52,000	52,000	57,453	(5,453)
Police overtime and sick leave	165,000	165,000	140,836	24,164
Police retirement	141,332	141,332	141,330	2
Supplies - Police Department	20,400	20,400	22,745	(2,345)
Supplies - Animal Control	-	-	1,378	(1,378)
Advertising and printing	200	200	263	(63)
Computer maintenance	18,500	18,500	18,243	257
Building Maintenance	5,000	5,000	17,884	(12,884)
Vehicle insurance - Police Department	8,197	8,197	8,197	-
Telephone - Police Department	26,500	26,500	17,581	8,919
Equipment, uniforms	8,000	8,000	2,627	5,373
Maintenance of uniforms - Police and Animal Control	32,150	32,150	32,150	-
Ammunition and supplies	4,500	4,500	1,466	3,034
Maintenance of police cars	15,000	15,000	14,706	294
Gas and tires - Police	37,500	37,500	37,103	397
Training of members	22,000	22,000	13,093	8,907
Police incentive program	23,000	23,000	35,459	(12,459)
Maintenance of radio system	16,500	16,500	7,295	9,205
Equipment	5,000	5,000	3,109	1,891
Total Police Department	<u>1,626,437</u>	<u>1,626,437</u>	<u>1,610,204</u>	<u>16,233</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2014**  
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>Fire Department</b>				
Salaries and wages - Fire	129,900	129,900	131,575	(1,675)
Fire incentive program	70,000	70,000	70,000	-
Fees, supplies and dues	4,800	4,800	5,064	(264)
Insurance	50,000	50,000	45,100	4,900
Telephone	7,500	7,500	8,553	(1,053)
Apparatus and truck repair	25,000	25,000	17,759	7,241
Gas, tires and oil	15,000	15,000	11,730	3,270
Training	12,000	12,000	12,850	(850)
Fuel oil	12,000	12,000	15,534	(3,534)
Maintenance	12,000	12,000	13,861	(1,861)
Electricity	8,500	8,500	8,453	47
Alarm and radio	7,200	7,200	3,013	4,187
Oxygen and air pack	5,500	5,500	2,851	2,649
Water	1,500	1,500	1,135	365
Fire equipment	15,000	15,000	14,629	371
Fire extinguisher agents	2,500	2,500	2,165	335
Subscriptions and journals	600	600	393	207
<b>Total Fire Department</b>	<u>379,000</u>	<u>379,000</u>	<u>364,665</u>	<u>14,335</u>
<b>Other Protective Services</b>				
Salaries and wages	108,610	108,610	112,136	(3,526)
Supplies and expenses	4,500	4,500	3,994	506
Hydrant rental	125,000	125,000	125,000	-
<b>Total Other Protective Services</b>	<u>238,110</u>	<u>238,110</u>	<u>241,130</u>	<u>(3,020)</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>2,243,547</u>	<u>2,243,547</u>	<u>2,215,999</u>	<u>27,548</u>
<b>PUBLIC WORKS</b>				
<b>Administration</b>				
Salary - Public Works Director	46,031	46,031	47,087	(1,056)
Supplies and expenses	1,400	1,400	576	824
<b>Total Administration</b>	<u>47,431</u>	<u>47,431</u>	<u>47,663</u>	<u>(232)</u>
<b>Engineering</b>				
Salary - Environmental Scientist	38,929	38,929	31,842	7,087
Salary - Intern	10,000	10,000	9,192	808
Supplies	1,200	1,200	1,087	113
<b>Total Engineering</b>	<u>50,129</u>	<u>50,129</u>	<u>42,121</u>	<u>8,008</u>
<b>Highway</b>				
Salaries and wages	592,513	592,513	575,984	16,529
Vehicles and insurance	12,000	12,000	12,000	-
Upkeep of equipment	60,000	60,000	75,716	(15,716)
Oil and gas	75,000	75,000	71,393	3,607
Sand and gravel	15,000	15,000	13,584	1,416
Cold patch	15,000	15,000	19,881	(4,881)
Other road supplies	15,000	15,000	14,606	394
Equipment rental	3,000	3,000	1,666	1,334
Safety and licensing	6,500	6,500	3,940	2,560
<b>Total Highway</b>	<u>794,013</u>	<u>794,013</u>	<u>788,770</u>	<u>5,243</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2014**

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Snow Removal				
Snow removal	28,000	28,000	20,733	7,267
Equipment and supplies	40,000	40,000	50,994	(10,994)
Total Snow Removal	<u>68,000</u>	<u>68,000</u>	<u>71,727</u>	<u>(3,727)</u>
Waste Removal				
Salary - Operator	58,120	58,120	55,945	2,175
Telephone	500	500	596	(96)
Electricity	1,000	1,000	765	235
Maintenance and testing	45,000	45,000	37,750	7,250
Transfer and trucking	310,000	310,000	296,267	13,733
Hazardous waste	1,000	1,000	-	1,000
Total Waste Removal	<u>415,620</u>	<u>415,620</u>	<u>391,323</u>	<u>24,297</u>
Street Lighting				
Electricity	40,000	40,000	60,210	(20,210)
Total Street Electric	<u>40,000</u>	<u>40,000</u>	<u>60,210</u>	<u>(20,210)</u>
Other Public Works				
Town cemetery and parade	2,100	2,100	2,593	(493)
Total Other Public Works	<u>2,100</u>	<u>2,100</u>	<u>2,593</u>	<u>(493)</u>
Public Buildings				
Contracted services	50,000	50,000	57,861	(7,861)
Supplies	5,000	5,000	4,418	582
Telephone and alarms	20,000	20,000	14,025	5,975
Electric	40,000	40,000	40,561	(561)
Water	8,500	8,500	9,276	(776)
Heating	45,000	45,000	49,709	(4,709)
Repairs and maintenance	40,000	40,000	43,252	(3,252)
Landscape	12,000	12,000	8,525	3,475
Total Public Buildings	<u>220,500</u>	<u>220,500</u>	<u>227,627</u>	<u>(7,127)</u>
TOTAL PUBLIC WORKS	<u>1,637,793</u>	<u>1,637,793</u>	<u>1,632,034</u>	<u>5,759</u>
<b>PUBLIC WELFARE</b>				
Salaries and wages	3,964	3,964	5,540	(1,576)
New Visions, Newport County	1,500	1,500	-	1,500
TOTAL PUBLIC WELFARE	<u>5,464</u>	<u>5,464</u>	<u>5,540</u>	<u>(76)</u>
<b>PUBLIC HEALTH</b>				
Ambulance incentive program	83,900	83,900	80,000	3,900
JFD EMS Director	26,715	26,715	20,262	6,453
Ambulance	81,500	81,500	75,037	6,463
Insurance for ambulance	25,320	25,320	16,500	8,820
Visiting nurse / mental health	20,000	20,000	11,000	9,000
Senior center operations	56,693	56,693	56,693	-
TOTAL PUBLIC HEALTH	<u>294,128</u>	<u>294,128</u>	<u>259,492</u>	<u>34,636</u>
<b>TREE WARDEN</b>				
Consultant	9,600	9,600	11,175	(1,575)
Supplies	1,800	1,800	2,294	(494)
Tree pruning	15,000	15,000	14,548	452
Purchase of Trees	5,000	5,000	2,639	2,361
TOTAL TREE WARDEN	<u>31,400</u>	<u>31,400</u>	<u>30,656</u>	<u>744</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - Schedule of Expenditures**  
**Budget and Actual (Non GAAP Budgetary Basis) - General Fund**  
**For the Fiscal Year Ended June 30, 2014**

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>LIBRARY</b>				
Salaries and wages	191,494	191,494	204,350	(12,856)
Custodian	6,600	6,600	2,954	3,646
Fees, supplies & dues	8,000	8,000	8,857	(857)
Insurance	11,689	11,689	11,689	-
Telephone	2,000	2,000	1,624	376
Equipment	500	500	311	189
Electricity	16,000	16,000	17,538	(1,538)
Heat	16,000	16,000	20,944	(4,944)
Repairs and maintenance	18,000	18,000	18,204	(204)
Computer repairs and maintenance	6,000	6,000	6,767	(767)
Books and periodicals	30,000	30,000	28,852	1,148
Books - State aid	76,400	76,400	75,686	714
<b>TOTAL LIBRARY</b>	<u>382,683</u>	<u>382,683</u>	<u>397,776</u>	<u>(15,093)</u>
<b>PARKS AND RECREATION</b>				
Salaries and wages	384,594	384,594	340,319	44,275
Supplies	5,965	5,965	6,154	(189)
Advertising and printing	3,750	3,750	3,520	230
Insurance	5,882	5,882	5,882	-
Telephone	3,250	3,250	2,372	878
Equipment	4,600	4,600	5,198	(598)
Gas and oil	8,500	8,500	9,553	(1,053)
Electricity and field lighting	22,400	22,400	20,269	2,131
Fort Getty water removal	8,000	8,000	4,848	3,152
Shores beach / sanitary facilities	3,000	3,000	1,070	1,930
Water	13,500	13,500	9,138	4,362
Trash removal	12,000	12,000	9,181	2,819
Repairs, maintenance and improvements	26,648	26,648	27,572	(924)
Summer program	3,825	3,825	3,600	225
Winter program	1,200	1,200	1,076	124
<b>TOTAL PARKS AND RECREATION</b>	<u>507,114</u>	<u>507,114</u>	<u>449,752</u>	<u>57,362</u>
<b>SCHOOL DEPARTMENT</b>				
Education	11,565,198	11,565,198	11,374,809	190,389
<b>TOTAL EDUCATION</b>	<u>11,565,198</u>	<u>11,565,198</u>	<u>11,374,809</u>	<u>190,389</u>
<b>OTHER</b>				
Incidents and emergencies	50,000	50,000	26,255	23,745
Conservation commission	2,200	2,200	2,451	(251)
Eastern RI CO-OP Extension	1,300	1,300	1,300	-
<b>TOTAL OTHER</b>	<u>53,500</u>	<u>53,500</u>	<u>30,006</u>	<u>23,494</u>
<b>CAPITAL EXPENDITURES</b>				
Harbor sea wall	-	-	43,264	(43,264)
<b>TOTAL CAPITAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>43,264</u>	<u>(43,264)</u>
<b>DEBT SERVICE</b>				
Principal payments	675,000	675,000	698,658	(23,658)
Payment to refunded bond escrow agent	-	-	1,502,850	(1,502,850)
Bond issuance cost	-	-	35,374	(35,374)
Interest	358,883	358,883	343,259	15,624
<b>TOTAL DEBT SERVICE</b>	<u>1,033,883</u>	<u>1,033,883</u>	<u>2,580,141</u>	<u>(1,546,258)</u>
<b>TOTAL EXPENDITURES</b>	<u>20,312,916</u>	<u>20,312,916</u>	<u>21,542,431</u>	<u>(1,229,515)</u>
<b>OTHER FINANCING USES</b>				
Transfer to other funds				
Transfer to other funds	73,450	73,450	59,000	14,450
Capital improvement fund	1,252,216	1,252,216	1,574,266	(322,050)
<b>TOTAL OTHER FINANCING USES</b>	<u>1,325,666</u>	<u>1,325,666</u>	<u>1,633,266</u>	<u>(307,600)</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 21,638,582</u>	<u>\$ 21,638,582</u>	<u>\$ 23,175,697</u>	<u>\$ (1,537,115)</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Capital Improvement Fund**  
**Schedule of Revenues and Expenditures (Non GAAP Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2014**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
Other	\$ 20,000	\$ 20,000	\$ 20,756	\$ 756
TOTAL REVENUES	<u>20,000</u>	<u>20,000</u>	<u>20,756</u>	<u>756</u>
EXPENDITURES				
Capital outlay	79,000	79,000	174,842	(95,842)
TOTAL EXPENDITURES	<u>79,000</u>	<u>79,000</u>	<u>174,842</u>	<u>(95,842)</u>
Excess of expenditures over revenues before operating transfers	<u>(59,000)</u>	<u>(59,000)</u>	<u>(154,086)</u>	<u>(95,086)</u>
OTHER FINANCING SOURCES (USES)				
Transfer from School General Fund	59,000	59,000	59,000	-
TOTAL OPERATING TRANSFERS	<u>59,000</u>	<u>59,000</u>	<u>59,000</u>	<u>-</u>
Excess of revenues over expenditures and operating transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95,086)</u>	<u>\$ (95,086)</u>



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2014**

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

	General <u>Fund</u> GAAP Basis	School Capital <u>Improvement</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ 580,499	\$ (95,086)
<i>Adjustments:</i>		
To adjust for use of accumulated surplus	<u>(362,697)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	<u>\$ 217,802</u>	<u>\$ (95,086)</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2014**

**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Jamestown Police Officers Retirement Plan**  
(in 1,000s)

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Total Pension Liability</b>										
Service Cost	\$ 296,623	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	607,393	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Plan Changes	(495,174)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic Gains or Losses	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	12,203	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(435,515)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Total Pension Liability	(14,467)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, beginning	8,737,518									
Total Pension Liability, ending (a)	<u>\$ 8,723,051</u>									
<b>Fiduciary Net Position</b>										
Employer Contributions	\$ 141,330	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Member Contributions	81,061	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment Income Net of Investment Expenses	1,007,662	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Expenses	(435,515)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(42,004)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Fiduciary net Position	752,534	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, beginning	9,074,082									
Fiduciary net Position, ending (b)	<u>\$ 9,826,616</u>									
Net Pension Liability, ending = (a) - (b)	(1,103,565)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position as a % of Total Pension Liability	112.65%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 740,976	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	-148.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2014**

**Schedule of Town Contributions**  
**Last 10 Fiscal Years**  
**Jamestown Police Officers Retirement Plan**

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Actuarially determined contribution Contributions in relation to the actuarially determined contribution	\$ 240,048	\$ 182,023	\$ 173,873	\$ 225,498	\$ 233,257	\$ 139,929	\$ 130,774	\$ 122,028	\$ 98,313	\$ 98,313
Contribution deficiency/(excess)	141,330	84,798	141,330	201,949	257,510	171,928	208,664	173,196	218,535	276,995
Covered payroll per employee	98,718	97,225	32,543	23,549	(24,253)	(31,999)	(77,890)	(51,168)	(120,222)	(178,682)
Contributions as a percentage of covered-employee payroll	828,404	677,630	648,605	607,806	764,942	704,314	**	708,586	**	625,768
	17.06%	12.51%	21.79%	33.23%	33.66%	24.41%	**	24.44%	**	44.26%

\*\* = Information unavailable

**Notes to Schedule:**

Actuarially Determined Contribution:  
 Actuarial Cost Method:  
 Normal Cost

Calculated as the normal cost plus a 15 year amortization of the unfunded actuarial accrued liability.  
 Entry Age Normal Actuarial Cost Method

The normal cost is the sum of the normal costs for all active participants who have not reached the assumed retirement date. For each such participant, the individual normal cost is the participant's normal cost accrual rate multiplied by the participant's current compensation. The normal cost accrual rate equals (a) the actuarial present value of future benefits as of the participant's entry age divided by (b) the actuarial present value of future compensation as of the participant's entry age. For other participants, the normal cost equals zero.

Salary Increase:

Asset valuation method:  
 Investment Rate of Return:

Retirement Age:

Mortality:

Market value of assets  
 7.00%

The later-of (a) the earlier of age 55 and the completion of 25 years of service, or (b) the participant's current age.

IRS Optional Combined Table for males and females (1.430(h)(3)-1). This optional table is a combination of annuitant and non-annuitant mortality tables. Mortality improvements for the annuitant table are projected 7 years beyond the valuation date. Mortality improvements for the non-annuitant table are projected years beyond the valuation date.

**Schedule of Investment Returns**  
**Last 10 Fiscal Years**  
**Jamestown Police Officers Retirement Plan**

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Annual money-weighted rate of return, net of investment expense	10.90%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period.

## **Supplementary Information**

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
Combining Balance Sheet - Non-Major Governmental Funds  
JUNE 30, 2014

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	Capital Projects Fund	Totals
<b>ASSETS</b>					
Cash	\$ 125,474	\$ -	\$ 61,791	\$ 31,215	\$ 218,480
Due from federal and state governments	5,042	118,098	6,845	20,287	150,272
Due from other funds	714,043	285,700	1,721	285,473	1,286,937
<b>Total assets</b>	<b>\$ 844,559</b>	<b>\$ 403,798</b>	<b>\$ 70,357</b>	<b>\$ 336,975</b>	<b>\$ 1,655,689</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 737	\$ 300	\$ 15,796	\$ 29,829	\$ 46,662
Due to other funds	111,624	118,098	-	20,287	250,009
Unearned revenue	-	285,400	-	-	285,400
<b>Total liabilities</b>	<b>112,361</b>	<b>403,798</b>	<b>15,796</b>	<b>50,116</b>	<b>582,071</b>
<b>Fund balances (deficits)</b>					
<i>Restricted for:</i>					
Public safety programs	46,340	-	-	-	46,340
<i>Committed for:</i>					
Public works programs	-	-	-	286,859	286,859
<i>Assigned for:</i>					
Public safety programs	34,072	-	-	-	34,072
Public welfare	35,830	-	54,561	-	90,391
Public works programs	367,312	-	-	-	367,312
Culture and recreation	321,478	-	-	-	321,478
<i>Unassigned</i>	(72,834)	-	-	-	(72,834)
<b>Fund balances (deficits)</b>	<b>732,198</b>	<b>-</b>	<b>54,561</b>	<b>286,859</b>	<b>1,073,618</b>
<b>Total liabilities and fund balances</b>	<b>\$ 844,559</b>	<b>\$ 403,798</b>	<b>\$ 70,357</b>	<b>\$ 336,975</b>	<b>\$ 1,655,689</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Combining Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Non-Major Governmental Funds**  
**For the Fiscal Year Ended June 30, 2014**

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	Capital Projects Fund	Totals
<b>Revenues</b>					
Intergovernmental	\$ 207,508	\$ 404,498	\$ 33,173	\$ 41,043	\$ 686,222
Interest on investments	-	-	-	17	17
Other	315,836	20,363	104,219	31,195	471,613
<b>Total Revenues</b>	<u>523,344</u>	<u>424,861</u>	<u>137,392</u>	<u>72,255</u>	<u>1,157,852</u>
<b>Expenditures</b>					
Education	-	424,861	-	121,382	546,243
Other	1,322,187	-	144,316	-	1,466,503
Capital improvements/restricted programs	-	-	-	73,747	73,747
<b>Total expenditures</b>	<u>1,322,187</u>	<u>424,861</u>	<u>144,316</u>	<u>195,129</u>	<u>2,086,493</u>
<b>Excess of revenues over (under) Expenditures</b>	(798,843)	-	(6,924)	(122,874)	(928,641)
<b>Other Financing Sources (uses)</b>					
Issuance of debt	1,032,360	-	-	-	1,032,360
Operating transfers (to) from	(158,000)	-	-	59,000	(99,000)
<b>Total other financing sources</b>	<u>874,360</u>	<u>-</u>	<u>-</u>	<u>59,000</u>	<u>933,360</u>
Excess of revenues and other sources over (under) expenditures and other uses	75,517	-	(6,924)	(63,874)	4,719
<b>FUND BALANCE - July 1, 2013</b>	<u>656,681</u>	<u>-</u>	<u>61,485</u>	<u>350,733</u>	<u>1,068,899</u>
<b>FUND BALANCE - June 30, 2014</b>	<u>\$ 732,198</u>	<u>\$ -</u>	<u>\$ 54,561</u>	<u>\$ 286,859</u>	<u>\$ 1,073,618</u>

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	JAMESTOWN LIBRARY TRUSTEE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 7,108	\$ 22,737	\$ -	\$ 2,250
Accounts receivable	-	-	-	-	797	-	-
Due from other funds	8,775	81,126	293,730	518	148,671	7,046	-
TOTAL ASSETS	\$ 8,775	\$ 81,126	\$ 293,730	\$ 7,626	\$ 172,205	\$ 7,046	\$ 2,250
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 737	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	4,745
TOTAL LIABILITIES	-	-	-	-	737	-	4,745
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare							
<i>Committed for:</i>							
Public works programs							
<i>Assigned for:</i>							
Public safety programs							
Public welfare							
Public works programs	8,775	81,126	293,730	7,626	171,468	7,046	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>							
TOTAL FUND BALANCE	8,775	81,126	293,730	7,626	171,468	7,046	(2,495)
TOTAL LIABILITIES AND FUND BALANCE	\$ 8,775	\$ 81,126	\$ 293,730	\$ 7,626	\$ 172,205	\$ 7,046	\$ 2,250

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	COMMUNITY DEVELOPMENT BLOCK GRANT	FIRST PLUNGE	RIPTIDE	SUBSTANCE ABUSE FUND	TOWN CLERK	FORT GETTY PAVILLION	FEMA 2010 STORM
<b>ASSETS</b>							
Cash and cash equivalents	\$ 14,202	\$ 5,820	-	\$ -	\$ -	\$ 43,050	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	37,401	24,295	-	-
<b>TOTAL ASSETS</b>	<u>\$ 14,202</u>	<u>\$ 5,820</u>	<u>\$ -</u>	<u>\$ 37,401</u>	<u>\$ 24,295</u>	<u>\$ 43,050</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	5,263	-	4,068	-	-	3,000	51,258
<b>TOTAL LIABILITIES</b>	<u>\$ 5,263</u>	<u>\$ -</u>	<u>\$ 4,068</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 51,258</u>
<b>FUND BALANCE</b>							
<i>Restricted for:</i>							
Public welfare	8,939	-	-	37,401	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-
Public works programs	-	-	-	-	-	40,050	-
Culture and recreation	-	5,820	-	-	24,295	-	-
<i>Unassigned</i>							
	-	-	(4,068)	-	-	-	(51,258)
<b>TOTAL FUND BALANCE</b>	<u>\$ 8,939</u>	<u>\$ 5,820</u>	<u>\$ (4,068)</u>	<u>\$ 37,401</u>	<u>\$ 24,295</u>	<u>\$ 40,050</u>	<u>\$ (51,258)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 14,202</u>	<u>\$ 5,820</u>	<u>\$ -</u>	<u>\$ 37,401</u>	<u>\$ 24,295</u>	<u>\$ 43,050</u>	<u>\$ -</u>

(continued)



SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	POLICE PARKING	SCHOOL ROUTE GRANT	BYRNE GRANT 2011	HISTORIC PRESERVATION PLANNING	BYRNE GRANT 2012	4 GRINELL ST.	MARSH RESTORATION
<b>ASSETS</b>							
Cash and cash equivalents	\$ -	-	\$ -	-	\$ -	-	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	10,075	-	-	-	-	28,724	15,551
<b>TOTAL ASSETS</b>	<b>\$ 10,075</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,724</b>	<b>\$ 15,551</b>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ -	-	\$ -	-	\$ -	-	\$ -
Due to other funds	-	9,981	-	2,290	2,742	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ -</b>	<b>9,981</b>	<b>\$ -</b>	<b>2,290</b>	<b>2,742</b>	<b>-</b>	<b>\$ -</b>
<b>FUND BALANCE</b>							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	10,075	-	-	-	-	-	-
Public welfare	-	-	-	-	-	28,724	-
Public works programs	-	-	-	-	-	-	15,551
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	(9,981)	-	(2,290)	(2,742)	-	-
<b>TOTAL FUND BALANCE</b>	<b>10,075</b>	<b>(9,981)</b>	<b>\$ -</b>	<b>(2,290)</b>	<b>(2,742)</b>	<b>28,724</b>	<b>15,551</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 10,075</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,724</b>	<b>\$ 15,551</b>

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	LANDFILL CLOSURE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	FIRE DEPARTMENT INSPECTIONS	TRAIL GUIDE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	4,245	-	-	-	-	-	-
Due from other funds	2,553	1,387	4,337	7,839	5,076	10,198	885
<b>TOTAL ASSETS</b>	<b>\$ 6,598</b>	<b>\$ 1,387</b>	<b>\$ 4,337</b>	<b>\$ 7,839</b>	<b>\$ 5,076</b>	<b>\$ 10,198</b>	<b>\$ 885</b>
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	1,387	-	-	-	10,198	-
Public welfare	-	-	-	-	5,076	-	-
Public works programs	6,598	-	4,337	-	-	-	885
Culture and recreation	-	-	-	7,839	-	-	-
<i>Unassigned</i>	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCE</b>	<b>6,598</b>	<b>1,387</b>	<b>4,337</b>	<b>7,839</b>	<b>5,076</b>	<b>10,198</b>	<b>885</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 6,598</b>	<b>\$ 1,387</b>	<b>\$ 4,337</b>	<b>\$ 7,839</b>	<b>\$ 5,076</b>	<b>\$ 10,198</b>	<b>\$ 885</b>

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	DOH - FUNDS	JAMESTOWN COMMUNITY THEATRE	KIDS ROCK	EMPG	TOTALS
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	-	\$ 30,307	\$ -	\$ 125,474
Accounts receivable	-	-	-	-	5,042
Due from other funds	12,412	13,644	-	-	714,043
<b>TOTAL ASSETS</b>	<b>\$ 12,412</b>	<b>\$ 13,644</b>	<b>\$ 30,307</b>	<b>\$ -</b>	<b>\$ 844,559</b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	\$ -	-	\$ 737
Due to other funds	-	-	28,277	-	111,624
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>28,277</b>	<b>-</b>	<b>112,361</b>
<b>FUND BALANCE</b>					
<i>Restricted for:</i>					
Public welfare	-	-	-	-	46,340
<i>Assigned for:</i>					
Public safety programs	12,412	-	-	-	34,072
Public welfare	-	-	2,030	-	35,830
Public works programs	-	-	-	-	367,312
Culture and recreation	-	13,644	-	-	321,478
<i>Unassigned</i>	-	-	-	-	(72,834)
<b>TOTAL FUND BALANCE</b>	<b>12,412</b>	<b>13,644</b>	<b>2,030</b>	<b>-</b>	<b>732,198</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 12,412</b>	<b>\$ 13,644</b>	<b>\$ 30,307</b>	<b>\$ -</b>	<b>\$ 844,559</b>

(concluded)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	JAMESTOWN LIBRARY TRUSTEE
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	\$ 24,780	\$ 49,662	\$ 8,782	\$ -	\$ 175,000	\$ -	\$ -
TOTAL REVENUES	24,780	49,662	8,782	-	175,000	1,000	10,000
EXPENDITURES							
Capital							
Other	28,803	25,055	500	-	28,555	2,252	18,706
TOTAL EXPENDITURES	28,803	25,055	500	-	28,555	2,252	18,706
Excess (deficiency) of Revenues Over (Under) Expenditures	(4,023)	24,607	8,282	-	146,445	(1,252)	(8,706)
OTHER FINANCING SOURCES (USES)							
Issuance of debt							
Transfer (to) from other funds	-	-	-	-	(158,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	(158,000)	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,023)	24,607	8,282	-	(11,555)	(1,252)	(8,706)
FUND BALANCE - July 1, 2013	12,798	56,519	285,448	7,626	183,023	8,298	6,211
FUND BALANCE - June 30, 2014	8,775	81,126	293,730	7,626	171,468	7,046	(2,495)

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	COMMUNITY DEVELOPMENT BLOCK GRANT	FIRST PLUNGE	RIPTIDE	SUBSTANCE ABUSE FUND	TOWN CLERK	FORT GETTY PAVILLION	FEMA 2010 STORM
REVENUES							
Intergovernmental revenue and departmental	\$ 98,500	\$ -	\$ -	\$ 14,805	\$ -	\$ -	\$ 68,123
Other revenue	-	13,691	-	-	1,611	-	-
TOTAL REVENUES	98,500	13,691	-	14,805	1,611	-	68,123
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	148,672	13,131	4,068	20,598	510	3,000	13,527
TOTAL EXPENDITURES	148,672	13,131	4,068	20,598	510	3,000	13,527
Excess (deficiency) of Revenues Over (Under) Expenditures	(50,172)	560	(4,068)	(5,793)	1,101	(3,000)	54,596
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	-	-	-	-
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(50,172)	560	(4,068)	(5,793)	1,101	(3,000)	54,596
FUND BALANCE - July 1, 2013	59,111	5,260	-	43,194	23,194	43,050	(105,854)
FUND BALANCE - June 30, 2014	8,939	5,820	(4,068)	37,401	24,295	40,050	(51,258)

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	POLICE PARKING	SCHOOL ROUTE GRANT	BYRNE GRANT 2011	HISTORIC PRESERVATION PLANNING	BYRNE GRANT 2012	4 GRINELL ST.	MARSH RESTORATION
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	\$ 1,390	-	\$ 8,580	-	-	\$ -	-
TOTAL REVENUES	<u>1,390</u>	<u>-</u>	<u>8,580</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,996</u>
EXPENDITURES							
Capital							
Other	1,467	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,467</u>	<u>-</u>	<u>8,094</u>	<u>-</u>	<u>2,742</u>	<u>-</u>	<u>5,200</u>
Excess (deficiency) of Revenues Over (Under)							
Expenditures	(77)	-	486	-	(2,742)	-	796
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	-	-	-	-
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	(77)	-	486	-	(2,742)	-	796
FUND BALANCE - July 1, 2013	10,152	(9,981)	(486)	(2,290)	-	28,724	14,755
FUND BALANCE - June 30, 2014	<u>\$ 10,075</u>	<u>\$ (9,981)</u>	<u>\$ -</u>	<u>\$ (2,290)</u>	<u>\$ (2,742)</u>	<u>\$ 28,724</u>	<u>\$ 15,551</u>

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	LANDFILL CLOSURE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	FIRE DEPARTMENT INSPECTIONS	TRAIL GUIDE
REVENUES							
Intergovernmental revenue and departmental							
Other revenue	\$ -	-	-	\$ -	-	-	\$ -
TOTAL REVENUES				12,259		3,560	338
				12,259		3,560	338
EXPENDITURES							
Capital							
Other	-	-	907,483	-	-	-	-
TOTAL EXPENDITURES			907,483	61,833		746	
			907,483	61,833		746	
Excess (deficiency) of Revenues Over (Under)			(907,483)	(49,574)		2,814	338
Expenditures							
OTHER FINANCING SOURCES (USES)							
Issuance of debt							
Transfer (to) from other funds	-	-	1,032,360	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)			1,032,360				
Excess (Deficiency) of Revenues and Other Financing Sources			124,877	(49,574)		2,814	338
Over (Under) Expenditures and Other Financing Uses			(120,540)	57,413	5,076	7,384	547
FUND BALANCE - July 1, 2013	6,598	1,387					
FUND BALANCE - June 30, 2014	6,598	1,387	4,337	7,839	5,076	10,198	885

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - TOWN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	DOH - FUNDS	JAMESTOWN COMMUNITY THEATRE	KIDS ROCK	EMPG	TOTALS
REVENUES					
Intergovernmental revenue and departmental	-	-	-	17,500	\$ 207,508
Other revenue	4,250	1,517	2,000	-	315,836
TOTAL REVENUES	4,250	1,517	2,000	17,500	523,344
EXPENDITURES					
Capital	-	-	-	-	-
Other	7,149	2,596	-	17,500	1,322,187
TOTAL EXPENDITURES	7,149	2,596	-	17,500	1,322,187
Excess (deficiency) of Revenues Over (Under) Expenditures	(2,899)	(1,079)	2,000	-	(798,843)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	-	-	-	1,032,360
Transfer (to) from other funds	-	-	-	-	(158,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	874,360
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,899)	(1,079)	2,000	-	75,517
FUND BALANCE - July 1, 2013	15,311	14,723	30	-	656,681
FUND BALANCE - June 30, 2014	12,412	13,644	2,030	-	\$ 732,198

(concluded)



SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	EARLY CHILDHOOD	AFTER SCHOOL PROGRAM	LANGUAGE ASSISTANCE	LITERACY SET ASIDE	PROFESSIONAL DEVELOPMENT	STUDENT EQUITY
ASSETS						
Due from federal and state governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	62,322	13,175	-	7,353	50,761	115,829
TOTAL ASSETS	\$ 62,322	\$ 13,175	\$ -	\$ 7,353	\$ 50,761	\$ 115,829
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Unearned revenue	62,322	13,175	-	7,353	50,761	115,829
TOTAL LIABILITIES	62,322	13,175	-	7,353	50,761	115,829
FUND BALANCE						
Restricted for:						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 62,322	\$ 13,175	\$ -	\$ 7,353	\$ 50,761	\$ 115,829

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	TECHNOLOGY	RACE TO THE TOP	ARRA-EARLY LEARNING CHALLENGE	IDEA PART B	IDEA PRESCHOOL	TITLE I
ASSETS						
Due from federal and state governments	\$ -	\$ 4,288	\$ -	\$ 54,573	\$ 4,212	\$ 45,962
Due from other funds	10,746	-	1,660	-	-	-
TOTAL ASSETS	\$ 10,746	\$ 4,288	\$ 1,660	\$ 54,573	\$ 4,212	\$ 45,962
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	4,288	-	54,573	4,212	45,962
Unearned revenue	10,746	-	1,660	-	-	-
TOTAL LIABILITIES	\$ 10,746	\$ 4,288	\$ 1,660	\$ 54,573	\$ 4,212	\$ 45,962
FUND BALANCE						
Restricted for:						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES AND FUND BALANCE	\$ 10,746	\$ 4,288	\$ 1,660	\$ 54,573	\$ 4,212	\$ 45,962

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	TITLE II PROFESSIONAL DEVELOPMENT	ATHLETIC ACTIVITIES	JAMESTOWN EDUCATIONAL FOUNDATION	EXXON GRANT	PLAYGROUND	TECHNOLOGY GRANTS
ASSETS						
Due from federal and state governments	\$ 9,063	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	1,237	1,707	708	37	770
TOTAL ASSETS	\$ 9,063	\$ 1,237	\$ 1,707	\$ 708	\$ 37	\$ 770
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Accrued expenses	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ -
Due to other funds	9,063	-	-	-	-	-
Unearned revenue	-	1,237	1,407	708	37	770
TOTAL LIABILITIES	\$ 9,063	\$ 1,237	\$ 1,707	\$ 708	\$ 37	\$ 770
FUND BALANCE						
Restricted for:						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 9,063	\$ 1,237	\$ 1,707	\$ 708	\$ 37	\$ 770

(continued)

SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	LIBRARY FUND	STUDENT ACTIVITY FUNDS	RILLOCAL INITIATIVE SUPPORT	TOTAL
ASSETS				
Due from federal and state governments	-	-	-	-
Due from other funds	3,143	15,752	500	118,098
	3,143	15,752	500	285,700
TOTAL ASSETS	3,143	15,752	500	403,798
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accrued expenses	-	-	-	300
Due to other funds	-	-	-	118,098
Unearned revenue	3,143	15,752	500	285,400
	3,143	15,752	500	403,798
TOTAL LIABILITIES	3,143	15,752	500	403,798
FUND BALANCE				
Restricted for:				
Education	-	-	-	-
	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	3,143	15,752	500	403,798

(concluded)

SUPPLEMENTARY INFORMATION  
 TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	EARLY CHILDHOOD	AFTER SCHOOL PROGRAM	LANGUAGE ASSISTANCE	LITERACY SET ASIDE	PROFESSIONAL DEVELOPMENT	STUDENT EQUITY
REVENUES						
Intergovernmental revenue and departmental	\$ -	\$ -	\$ 10,365	\$ 6,480	\$ -	\$ -
Other revenue	-	9,184	-	-	-	-
TOTAL REVENUES	-	9,184	10,365	6,480	-	-
EXPENDITURES						
Education	-	9,184	10,365	6,480	-	-
TOTAL EXPENDITURES	-	9,184	10,365	6,480	-	-
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
FUND BALANCE - July 1, 2013	-	-	-	-	-	-
FUND BALANCE - June 30, 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	TECHNOLOGY	RACE TO THE TOP	ARRA-EARLY LEARNING CHALLENGE	IDEA PART B	IDEA PRESCHOOL	TITLE I
REVENUES						
Intergovernmental revenue and departmental	\$ 102	\$ 31,497	\$ 3,087	\$ 186,813	\$ 7,655	\$ 120,232
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	102	31,497	3,087	186,813	7,655	120,232
EXPENDITURES						
Education	102	31,497	3,087	186,813	7,655	120,232
TOTAL EXPENDITURES	102	31,497	3,087	186,813	7,655	120,232
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
FUND BALANCE - July 1, 2013	-	-	-	-	-	-
FUND BALANCE - June 30, 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

SUPPLEMENTARY INFORMATION  
 TOWN OF JAMESTOWN, RHODE ISLAND  
 SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	TITLE II PROFESSIONAL DEVELOPMENT	ATHLETIC ACTIVITIES	JAMESTOWN EDUCATIONAL FOUNDATION	EXXON GRANT	PLAYGROUND	TECHNOLOGY GRANTS
REVENUES						
Intergovernmental revenue and departmental	\$ 38,267	-	\$ -	-	\$ -	-
Other revenue	-	341	7,412	792	2,334	-
TOTAL REVENUES	38,267	341	7,412	792	2,334	-
EXPENDITURES						
Education	38,267	341	7,412	792	2,334	-
TOTAL EXPENDITURES	38,267	341	7,412	792	2,334	-
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
FUND BALANCE - July 1, 2013	-	-	-	-	-	-
FUND BALANCE - June 30, 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	LIBRARY FUND	STUDENT ACTIVITY FUNDS	RILLOCAL INITIATIVE SUPPORT	TOTAL
REVENUES				
Intergovernmental revenue and departmental	-	-	-	-
Other revenue	300	-	-	404,498
	300	-	-	20,363
TOTAL REVENUES	300	-	-	424,861
EXPENDITURES				
Education	300	-	-	424,861
TOTAL EXPENDITURES	300	-	-	424,861
Excess (deficiency) of Revenues Over (Under)	-	-	-	-
Expenditures	-	-	-	-
FUND BALANCE - July 1, 2013	-	-	-	-
FUND BALANCE - June 30, 2014	-	-	-	-

(concluded)



**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NON-MAJOR CAPITAL PROJECT FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2014**

	SCHOOL CAPITAL IMPROVEMENT FUND	WIRELESS CLASSROOM INITIATIVE	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	TOTAL
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 31,215	\$ 31,215
Due from federal and state governments	-	20,287	-	-	20,287
Due from other funds	268,610	-	16,863	-	285,473
<b>TOTAL ASSETS</b>	<u>\$ 268,610</u>	<u>\$ 20,287</u>	<u>\$ 16,863</u>	<u>\$ 31,215</u>	<u>\$ 336,975</u>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Due to other funds	-	20,287	-	-	20,287
Accounts payable	29,829	-	-	-	29,829
<b>TOTAL LIABILITIES</b>	<u>29,829</u>	<u>20,287</u>	<u>-</u>	<u>-</u>	<u>50,116</u>
<b>FUND BALANCE</b>					
<i>Committed for:</i>					
Public works programs	238,781	-	16,863	31,215	286,859
<b>TOTAL FUND BALANCE</b>	<u>238,781</u>	<u>-</u>	<u>16,863</u>	<u>31,215</u>	<u>286,859</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 268,610</u>	<u>\$ 20,287</u>	<u>\$ 16,863</u>	<u>\$ 31,215</u>	<u>\$ 336,975</u>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NON-MAJOR CAPITAL PROJECT FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
 For the Fiscal Year Ended June 30, 2014

	SCHOOL CAPITAL IMPROVEMENT FUND	WIRELESS CLASSROOM INITIATIVE	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	TOTAL
REVENUES					
Intergovernmental and departmental	\$ 20,756	\$ 20,287	-	-	\$ 41,043
Interest from investments	-	-	-	17	17
Other	-	-	-	31,195	31,195
TOTAL REVENUES	<u>20,756</u>	<u>20,287</u>	<u>-</u>	<u>31,212</u>	<u>72,255</u>
EXPENDITURES					
Capital outlay	73,747	-	-	-	73,747
Non-capital	101,095	20,287	-	-	121,382
TOTAL EXPENDITURES	<u>174,842</u>	<u>20,287</u>	<u>-</u>	<u>-</u>	<u>195,129</u>
Excess (deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>(154,086)</u>	<u>-</u>	<u>-</u>	<u>31,212</u>	<u>(122,874)</u>
OTHER FINANCING SOURCES (USES)					
Transfer in from other funds	59,000	-	-	-	59,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>59,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,000</u>
Net change in fund balances	<u>(95,086)</u>	<u>-</u>	<u>-</u>	<u>31,212</u>	<u>(63,874)</u>
FUND BALANCE - July 1, 2013	333,867	-	16,863	3	350,733
FUND BALANCE - June 30, 2014	<u>\$ 238,781</u>	<u>\$ -</u>	<u>\$ 16,863</u>	<u>\$ 31,215</u>	<u>\$ 286,859</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES AND EXPENDITURES -**  
**BUDGETARY BASIS (NON-GAAP)**  
**For the Fiscal Year Ended June 30, 2014**

	HARBOR MANAGEMENT FUND			WATER FUND	
	Budget	Actual	Variance	Budget	Actual
<b>OPERATING REVENUE</b>					
Assessments and user fees	\$ 309,000	\$ 309,815	\$ 815	\$ 918,610	\$ 887,823
Other operating revenues	-	-	-	188,876	190,215
<b>TOTAL OPERATING REVENUE</b>	<b>309,000</b>	<b>309,815</b>	<b>815</b>	<b>1,107,486</b>	<b>1,078,038</b>
<b>OPERATING EXPENSES</b>					
Salaries and benefits	108,458	94,913	13,545	400,368	401,386
Material, supplies and maintenance	142,542	85,422	57,120	238,535	326,706
Depreciation and amortization	-	11,813	(11,813)	-	200,275
Capital improvements	13,000	-	13,000	50,000	13,252
<b>TOTAL OPERATING EXPENSES</b>	<b>264,000</b>	<b>192,148</b>	<b>71,852</b>	<b>688,903</b>	<b>941,619</b>
Operating Income (Loss)	45,000	117,667	72,667	418,583	136,419
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Issuance of debt	-	-	-	-	55,214
Use of Net Position	-	-	-	68,233	(68,233)
Transfer-in/(out)	(45,000)	(45,000)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(50,000)
Interest income	-	-	-	3,500	300
Interest expense	-	-	-	(5,000)	(171,928)
Principal payments	-	-	-	(485,316)	485,316
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(45,000)</b>	<b>(45,000)</b>	<b>-</b>	<b>(418,583)</b>	<b>250,669</b>
<b>Net Income</b>	<b>\$ -</b>	<b>\$ 72,667</b>	<b>\$ 72,667</b>	<b>\$ -</b>	<b>\$ (31,495)</b>

TOWN OF JAMESTOWN, RHODE ISLAND  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES AND EXPENSES-  
BUDGETARY BASIS (NON-GAAP)  
For the Fiscal Year Ended June 30, 2014

	SEWER FUND			ON-SITE WASTEWATER			TOTALS		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
<b>OPERATING REVENUE</b>									
Assessments and user fees	\$ 595,727	\$ 1,046,186	\$ 450,459	\$ 36,060	\$ 36,060	\$ -	\$ 1,859,397	\$ 2,279,884	\$ 420,487
Other operating revenues	-	1,046,186	450,459	-	36,060	-	188,876	190,215	1,339
<b>TOTAL OPERATING REVENUE</b>	<b>595,727</b>	<b>2,092,372</b>	<b>1,541,918</b>	<b>36,060</b>	<b>72,120</b>	<b>-</b>	<b>2,048,273</b>	<b>2,470,099</b>	<b>421,826</b>
<b>OPERATING EXPENSES</b>									
Salaries and benefits	378,627	382,988	(4,361)	30,000	27,664	2,336	917,453	906,951	10,502
Material, supplies and maintenance	225,100	211,807	13,293	6,060	4,197	1,863	612,237	628,132	(15,895)
Depreciation and amortization	-	450,302	(450,302)	-	-	-	-	662,390	(662,390)
Capital improvements	-	-	-	-	-	-	63,000	13,252	49,748
<b>TOTAL OPERATING EXPENSES</b>	<b>603,727</b>	<b>1,045,097</b>	<b>(441,370)</b>	<b>36,060</b>	<b>31,861</b>	<b>4,199</b>	<b>1,592,690</b>	<b>2,210,725</b>	<b>(618,035)</b>
Operating Income (Loss)	(8,000)	1,089	9,089	-	4,199	4,199	455,583	259,374	(196,209)
<b>NON-OPERATING REVENUES (EXPENSES)</b>									
Issuance of debt	-	31,611	31,611	-	-	-	-	86,825	86,825
Transfer-in/(out)	8,000	8,000	-	-	-	-	(37,000)	(37,000)	(68,233)
Payment to refunded bond escrow agent	-	(30,000)	(30,000)	-	-	-	-	(80,000)	(80,000)
Interest income	-	-	-	-	-	-	3,500	3,800	300
Interest expense	-	(71,609)	(71,609)	-	-	-	(5,000)	(248,537)	(243,537)
Principal payments	-	(392,254)	(392,254)	-	-	-	(485,316)	(392,254)	93,062
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>8,000</b>	<b>(454,254)</b>	<b>(462,252)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(523,816)</b>	<b>(667,166)</b>	<b>(211,583)</b>
<b>Net Income</b>	<b>\$ -</b>	<b>\$ (453,163)</b>	<b>\$ (453,163)</b>	<b>\$ -</b>	<b>\$ 4,199</b>	<b>\$ 4,199</b>	<b>\$ (68,233)</b>	<b>\$ (407,792)</b>	<b>\$ (407,792)</b>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**COMBINING STATEMENT OF NET ASSETS**  
**PRIVATE PURPOSE TRUST FUNDS**  
**JUNE 30, 2014**

	ANNA J. AMBRUST FUND	FREEBODY FUND	ELIZABETH STONE SCHOLARSHIP FUND	TOTAL
<b>ASSETS</b>				
Cash & equivalents	\$ 1,229	\$ 1,194	\$ 137,422	\$ 139,845
<b>Total assets</b>	\$ 1,229	\$ 1,194	\$ 137,422	\$ 139,845
<b>NET ASSETS</b>				
Held in trust for other purposes	1,229	1,194	137,422	139,845
<b>Total net assets</b>	\$ 1,229	\$ 1,194	\$ 137,422	\$ 139,845

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**COMBINING STATEMENT OF CHANGES IN NET ASSETS**  
**PRIVATE PURPOSE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	ANNA J. AMBRUST FUND	FREEBODY FUND	ELIZABETH STONE SCHOLARSHIP FUND	TOTAL
<b>ADDITIONS</b>				
Interest and dividends	\$ 1	\$ -	\$ 355	\$ 356
<b>Total additions</b>	<u>1</u>	<u>-</u>	<u>355</u>	<u>356</u>
<b>DEDUCTIONS</b>				
Scholarship awards	-	-	4,050	4,050
<b>Total deductions</b>	<u>-</u>	<u>-</u>	<u>4,050</u>	<u>4,050</u>
<b>Change in net assets</b>	1	-	(3,695)	(3,694)
<b>Net assets - beginning of year</b>	<u>1,228</u>	<u>1,194</u>	<u>141,117</u>	<u>143,539</u>
<b>Net assets - end of year</b>	<u>\$ 1,229</u>	<u>\$ 1,194</u>	<u>\$ 137,422</u>	<u>\$ 139,845</u>

**GENERAL FUND &  
SCHOOL DEPARTMENT OPERATIONS**

**SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND**

**Balance Sheet  
Town and School Operations  
June 30, 2014**

	<u>General Fund</u>	<u>School Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,378,125	\$ 3,003	\$ 9,381,128
<b>Accounts receivable:</b>			
Accounts receivable net	285,925	-	285,925
Other receivables	119,466	3,943	123,409
Internal balances	1,666,240	4,276,660	5,942,900
Other Assets - net	82,449	-	82,449
<b>TOTAL ASSETS</b>	<u>\$ 11,532,205</u>	<u>\$ 4,283,606</u>	<u>\$ 15,815,811</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 414,513	\$ 124,494	\$ 539,007
Accrued expenses	155,687	562,446	718,133
Internal balances	6,358,885	417,646	6,776,531
Unearned revenue	123,309	-	123,309
<b>Total liabilities</b>	<u>7,052,394</u>	<u>1,104,586</u>	<u>8,156,980</u>
 <b>Fund balances:</b>			
<i>Nonspendable:</i>			
Inventories	18,449	-	18,449
Prepays	64,000	-	64,000
<i>Restricted for:</i>			
Educational programs	-	847,318	847,318
<i>Committed for:</i>			
2015 budgeted operations	150,000	297,513	447,513
Capital programs	-	100,000	100,000
Post employment healthcare	-	1,650,000	1,650,000
Compensated absences	480,117	284,189	764,306
<i>Unassigned:</i>	3,767,245	-	3,767,245
<b>Total fund balances</b>	<u>4,479,811</u>	<u>3,179,020</u>	<u>7,658,831</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 11,532,205</u>	<u>\$ 4,283,606</u>	<u>\$ 15,815,811</u>



**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Town and School Operations**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Town Operations</u>	<u>School Operations</u>	<u>Total</u>
<b>Revenues</b>			
Property tax	\$ 18,574,441	\$ -	\$ 18,574,441
Intergovernmental and departmental revenue	1,313,346	887,360	2,200,706
License and permits	895,388	-	895,388
Fines and interest on late payments	164,064	-	164,064
Interest on investments	23,411	-	23,411
Other revenues	115,028	-	115,028
<b>Total revenues</b>	<u>21,085,678</u>	<u>887,360</u>	<u>21,973,038</u>
<b>Expenditures</b>			
Legislative, judicial and general administrative	2,202,485	-	2,202,485
Financial administration and tax assessor	320,477	-	320,477
Public safety	2,215,999	-	2,215,999
Public works	1,632,034	-	1,632,034
Public welfare	5,540	-	5,540
Public health	259,492	-	259,492
Tree warden	30,656	-	30,656
Library	397,776	-	397,776
Parks & recreation	449,752	-	449,752
Other	73,270	-	73,270
Education	-	11,683,455	11,683,455
<b>Debt service:</b>			
Principal	698,658	-	698,658
Interest	343,259	-	343,259
<b>Total expenditures</b>	<u>8,629,398</u>	<u>11,683,455</u>	<u>20,312,853</u>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<u>12,456,280</u>	<u>(10,796,095)</u>	<u>1,660,185</u>
<b>Other financing sources (uses)</b>			
Issuance of refunding bonds	1,534,107	-	1,534,107
Payment to refunded bond escrow agent	(1,502,850)	-	(1,502,850)
Bond issuance cost	(35,374)	-	(35,374)
Transfers from other funds	195,000	11,080,987	11,275,987
Transfers to other funds	(12,655,253)	(59,000)	(12,714,253)
<b>Total other financing sources (uses)</b>	<u>(12,464,370)</u>	<u>11,021,987</u>	<u>(1,442,383)</u>
<b>Excess of revenues and other sources over(under) expenditures and other uses</b>	<u>(8,090)</u>	<u>225,892</u>	<u>217,802</u>
<b>Fund balances - beginning</b>	<u>4,487,901</u>	<u>2,953,128</u>	<u>7,441,029</u>
<b>Fund balances - ending</b>	<u>\$ 4,479,811</u>	<u>\$ 3,179,020</u>	<u>\$ 7,658,831</u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2014**

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

	<u>General</u> <u>Fund</u> GAAP Basis	<u>School</u> <u>Department</u> GAAP Basis	<u>Combined</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ 354,607	\$ 225,892	\$ 580,499
<i>Adjustments:</i>			
Use of accumulated fund balance surplus	<u>(362,697)</u>	<u>-</u>	<u>(362,697)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	<u>\$ (8,090)</u>	<u>\$ 225,892</u>	<u>\$ 217,802</u>

**SUPPLEMENTARY INFORMATION  
TOWN OF JAMESTOWN, RHODE ISLAND  
School Department Operations  
Schedule of Revenues and Expenditures  
For the Fiscal Year Ended June 30, 2014**

	<b>ACTUAL</b>
<b>REVENUES</b>	
Intergovernmental and departmental revenue	\$ 578,714
Intergovernmental On-behalf payments	308,646
<b>TOTAL REVENUES</b>	<b>887,360</b>
<b>EXPENDITURES</b>	
Personnel Services - Compensation	5,257,917
Personnel Services - Benefits	2,576,377
Professional Services	275,450
Purchased Property Services	109,689
Other Purchased Services	2,886,959
Supplies and materials	449,222
Capital Outlay - Equipment	103,868
Dues and Fees	23,973
<b>TOTAL EXPENDITURES</b>	<b>11,683,455</b>
Excess (deficiency) of Revenues Over (Under) Expenditures	
Before Operating Transfers	<b>(10,796,095)</b>
<b>OPERATING TRANSFERS</b>	
Town appropriation	11,080,987
Transfers out	(59,000)
<b>TOTAL OPERATING TRANSFERS</b>	<b>11,021,987</b>
Excess of Revenues and Operating Transfers	
Over (Under) Expenditures	225,892
Operational Reserves - beginning	2,953,128
Operational Reserves - ending	\$ 3,179,020

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Department Operations**  
**Schedule of Revenues and Expenditures**  
**For the Fiscal Year Ended June 30, 2014**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
<b>REVENUES</b>				
Intergovernmental and departmental revenue	\$ 557,661	\$ 557,661	\$ 578,714	\$ 21,053
<b>TOTAL REVENUES</b>	<u>557,661</u>	<u>557,661</u>	<u>578,714</u>	<u>21,053</u>
<b>EXPENDITURES</b>				
Education	11,565,198	11,565,198	11,374,809	190,389
<b>TOTAL EXPENDITURES</b>	<u>11,565,198</u>	<u>11,565,198</u>	<u>11,374,809</u>	<u>190,389</u>
Excess (deficiency) of Revenues Over (Under) Expenditures Before Operating Transfers	<u>(11,007,537)</u>	<u>(11,007,537)</u>	<u>(10,796,095)</u>	<u>211,442</u>
<b>OPERATING TRANSFERS</b>				
Town appropriation	11,080,987	11,080,987	11,080,987	-
Transfer out to capital	<u>(73,450)</u>	<u>(73,450)</u>	<u>(59,000)</u>	<u>(14,450)</u>
<b>TOTAL OPERATING TRANSFERS</b>	<u>11,007,537</u>	<u>11,007,537</u>	<u>11,021,987</u>	<u>(14,450)</u>
Excess of Revenues and Operating Transfers Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,892</u>	<u>\$ 196,992</u>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Department Operations**  
**Budget and Actual Schedule of Revenues**  
**For the Fiscal Year Ended June 30, 2014**

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
State Aid	\$ 408,326	\$ 408,326	\$ 424,108	\$ 15,782
Preschool tuition	40,000	40,000	40,285	285
Medicaid reimbursement	90,000	90,000	91,208	1,208
Miscellaneous	19,335	19,335	23,113	3,778
<b>TOTAL REVENUES</b>	<u>557,661</u>	<u>557,661</u>	<u>578,714</u>	<u>21,053</u>
OTHER FINANCING SOURCES				
Town appropriation	11,080,987	11,080,987	11,080,987	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>11,080,987</u>	<u>11,080,987</u>	<u>11,080,987</u>	<u>-</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 11,638,648</u>	<u>\$ 11,638,648</u>	<u>\$ 11,659,701</u>	<u>\$ 21,053</u>

**SUPPLEMENTARY INFORMATION**  
**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Budgetary Comparison Schedule - School Department Operations**  
**Budget and Actual Schedule of Expenditures**  
**For the Fiscal Year Ended June 30, 2014**

	<b>ORIGINAL BUDGET</b>	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
Personnel Services - Compensation	\$ 5,433,658	\$ 5,433,658	\$ 5,257,917	\$ 175,741
Personnel Services - Benefits	2,360,655	2,360,655	2,267,731	92,924
Professional Services	262,841	262,841	275,450	(12,609)
Purchased Property Services	100,837	100,837	109,689	(8,852)
Other Purchased Services	2,926,872	2,926,872	2,886,959	39,913
Supplies and materials	398,050	398,050	449,222	(51,172)
Capital Outlay - Equipment	51,655	51,655	103,868	(52,213)
Dues and Fees	30,630	30,630	23,973	6,657
<b>Total Expenditures</b>	<b>11,565,198</b>	<b>11,565,198</b>	<b>11,374,809</b>	<b>190,389</b>
Transfer out capital	73,450	73,450	59,000	14,450
<b>Total Expenditures and other financing uses</b>	<b>\$ 11,638,648</b>	<b>\$ 11,638,648</b>	<b>\$ 11,433,809</b>	<b>\$ 204,839</b>

## ***STATISTICAL SECTION***

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**SCHEDULE OF TAX COLLECTIONS**  
**For the Fiscal Year Ended June 30, 2014**

FISCAL YEAR END	BALANCE July 1, 2013	CURRENT YEAR ASSESSMENT	REFUNDS	ADDITIONS AND ADJUSTMENTS	ABATEMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	BALANCE June 30, 2014
2014	\$ -	\$ 19,275,587	\$ 21,454	\$ 369,053	\$ 563,826	\$ 19,102,268	\$ 18,938,286	163,982
2013	242,672	-	2,012	172,808	845	416,647	407,060	9,587
2012	14,734	-	-	102	102	14,734	1,413	13,321
2011	10,712	-	11	1	89	10,635	756	9,879
2010	7,024	-	-	46	-	7,070	138	6,932
2009	5,441	-	-	-	-	5,441	15	5,426
2008	3,975	-	-	395	-	4,370	139	4,231
2007	2,733	-	-	-	-	2,733	-	2,733
2006	3,728	-	-	-	5	3,723	25	3,698
2005	2,832	-	-	-	-	2,832	-	2,832
2004	1,730	-	-	-	-	1,730	64	1,666
2003	2,035	-	-	-	-	2,035	205	1,830
2002 & Prior	60,201	-	-	-	239	59,962	154	59,808
	<u>\$ 357,817</u>	<u>\$ 19,275,587</u>	<u>\$ 23,477</u>	<u>\$ 542,405</u>	<u>\$ 565,106</u>	<u>\$ 19,634,180</u>	<u>\$ 19,348,255</u>	<u>\$ 285,925</u>

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

DESCRIPTION OF PROPERTY	VALUATIONS	LEVY
Real property	\$ 2,127,607,800	\$ 18,616,568
Motor vehicles	69,583,187	1,003,390
Tangible personal	11,231,871	98,279
TOTAL	<u>2,208,422,858</u>	<u>19,718,237</u>
Less exemptions	<u>43,082,020</u>	<u>(442,650)</u>
NET ASSESSED VALUE	<u>\$ 2,165,340,838</u>	<u>\$ 19,275,587</u>

**RECONCILIATION OF CURRENT YEAR PROPERTY TAX REVENUE**

Current year collections	\$ 19,348,255
Less: Refunds, adjustments	(99,769)
Reserve collected within 60 days subsequent to fiscal year ending June 30, 2014	162,716
Prior year revenue received in current year	(298,863)
CURRENT YEAR REAL ESTATE PROPERTY TAX & EXCISE TAX REVENUE	<u>\$ 19,112,339</u>



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**SCHEDULE OF LONG-TERM DEBT - GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended June 30, 2014

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING July 1, 2013	ADDITIONS	MATURITIES DURING YEAR	ISSUES REFUNDED	OUTSTANDING June 30, 2014	Interest Paid
<b>GENERAL OBLIGATION BONDS PAYABLE</b>										
General Obligation Bond	6/15/2008	4.15-4.25%	6/15/2033	\$ 4,900,000	\$ 4,495,000	\$ -	\$ 255,000	\$ -	\$ 4,240,000	194,942
Town Hall Bond	4/1/2007	3.89%	4/1/2027	3,300,000	2,510,000	-	165,000	-	2,145,000	91,987
Landfill Closure Bonds	8/15/2013	2.00-2.50%	12/1/2023	1,000,000	-	1,000,000	-	-	1,000,000	-
Refunding Bonds	8/15/2013	2.00-2.50%	12/1/2023	1,483,175	-	1,483,175	23,658	-	1,459,517	24,361
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	5,321,500	1,870,500	-	255,000	1,410,500	205,000	76,954
<b>TOTAL GENERAL OBLIGATION BONDS PAYABLE</b>				<b>16,004,675</b>	<b>8,675,500</b>	<b>2,483,175</b>	<b>698,658</b>	<b>1,410,500</b>	<b>9,049,517</b>	<b>388,244</b>
<b>TOTAL BONDS PAYABLE - GOVERNMENTAL ACTIVITIES</b>				<b>\$ 16,004,675</b>	<b>\$ 8,675,500</b>	<b>\$ 2,483,175</b>	<b>\$ 698,658</b>	<b>\$ 1,410,500</b>	<b>\$ 9,049,517</b>	<b>\$ -</b>
<b>OTHER LONG-TERM LIABILITIES</b>										
Net Pension Benefit					(819,979)	158,059	-	-	(661,920)	
Net OPEB Obligation					1,873,712	214,496	-	-	2,088,208	
Accrued Compensated Absences					756,983	20,460	13,136	-	764,307	
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>					<b>1,810,716</b>	<b>393,015</b>	<b>13,136</b>	<b>-</b>	<b>2,190,595</b>	
<b>TOTAL LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES</b>					<b>\$ 10,486,216</b>	<b>\$ 2,876,190</b>	<b>\$ 711,794</b>	<b>\$ 1,410,500</b>	<b>\$ 11,240,112</b>	

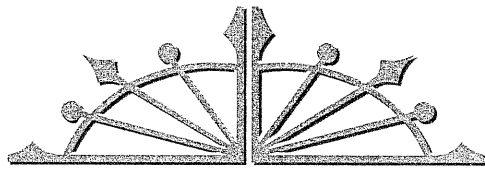
TOWN OF JAMESTOWN, RHODE ISLAND  
 SCHEDULE OF LONG-TERM DEBT - ENTERPRISE FUNDS  
 For the Fiscal Year Ended June 30, 2014

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING July 1, 2013	NEW ISSUES	MATURITIES DURING YEAR	ISSUES REFUNDED	OUTSTANDING June 30, 2014
<b>WATER FUND</b>									
Clean Water Refunding Bonds	3/7/2007	3.05%	9/1/2027	\$ 6,200,000	\$ 5,024,000	\$ -	\$ 259,000	\$ -	\$ 4,765,000
Refunding Bonds	8/15/2013	2.00-2.50%	12/1/2023	55,214	-	55,214	840	-	54,374
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	470,000	150,000	-	50,000	50,000	50,000
<b>TOTAL WATER FUND OBLIGATION</b>				<b>\$ 6,725,214</b>	<b>\$ 5,174,000</b>	<b>\$ 55,214</b>	<b>\$ 309,840</b>	<b>\$ 50,000</b>	<b>\$ 4,869,374</b>
<b>SEWER FUND</b>									
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	\$ 73,500	\$ 40,000	\$ -	\$ 5,000	\$ 30,000	\$ 5,000
Refunding Bonds	8/15/2013	2.00-2.50%	12/1/2023	31,611	-	31,611	505	-	31,106
Sewer Plant Rehabilitation-CW	12/15/2005	1.371%	9/1/2025	2,000,000	1,300,000	-	100,000	-	1,200,000
Sewer Plant Rehabilitation-CW	10/24/2002	1.022%	9/1/2022	5,500,000	3,219,207	-	286,749	-	2,932,458
<b>TOTAL SEWER FUND OBLIGATION</b>				<b>\$ 7,605,111</b>	<b>\$ 4,559,207</b>	<b>\$ 31,611</b>	<b>\$ 392,254</b>	<b>\$ 30,000</b>	<b>\$ 4,168,564</b>
<b>TOTAL ENTERPRISE FUNDS</b>				<b>\$ 14,330,325</b>	<b>\$ 9,733,207</b>	<b>\$ 86,825</b>	<b>\$ 702,094</b>	<b>\$ 80,000</b>	<b>\$ 9,037,938</b>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Computation of Legal Debt Margin**  
**June 30, 2014**

Grossed assessed value	\$ 2,208,422,858
Less: exemptions and adjustments	43,082,020
<b>Total taxable assessed value</b>	<u><u>\$ 2,165,340,838</u></u>
Debt Limit - 3 percent of total assessed value	\$ 64,960,225
Amount of debt applicable to debt limit:	
Total bonded debt	9,049,517
<b>Legal debt margin</b>	<u><u>\$ 55,910,708</u></u>

***TOWN OF JAMESTOWN, RHODE ISLAND  
SINGLE AUDIT  
FOR THE YEAR ENDED JUNE 30, 2014***



## BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

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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 Jamestown, 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, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Jamestown, Rhode Island as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town of Jamestown's basic financial statements, and have issued our report thereon dated January 13, 2015.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Town of Jamestown'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 Jamestown's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Jamestown'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.

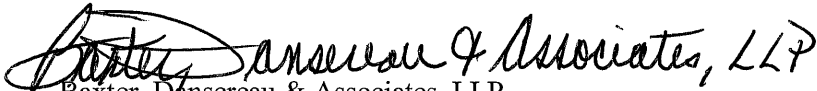
#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Town of Jamestown'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**

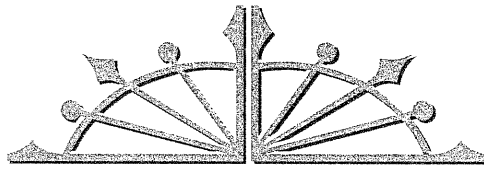
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in 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

Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

January 13, 2015



## BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

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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 Jamestown, Rhode Island

#### **Report on Compliance for the Major Federal Program**

We have audited the Town of Jamestown'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 Jamestown, Rhode Island's major federal programs for the year ended June 30, 2014. The Town of Jamestown'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 Jamestown'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 Jamestown'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 Jamestown's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, Town of Jamestown, 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 June 30, 2014.

## **Report on Internal Control Over Compliance**

Management of Town of Jamestown 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 Jamestown'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 Jamestown'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  
January 13, 2015



**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Schedule of Expenditures of Federal Awards**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>			
<b>Passed through the State of Rhode Island Department of Education</b>			
<i>Child Nutrition Cluster:</i>			
National School Breakfast Program	10.553	N/A	\$ 1,844
National School Lunch Program	10.555	N/A	31,329
Non-Cash Assistance Food Commodities (Note 4)	10.555	N/A	5,733
<b>Total U.S. Department of Agriculture</b>			<u>\$ 38,906</u>
<b>U.S. Department of Housing and Urban Development</b>			
<b>Passed through the State of Rhode Island Office of Housing and Community Development</b>			
Community Development Block Grant/States Program	14.228	N/A	\$ 148,672
<b>Total U.S. Department of Housing and Urban Development</b>			<u>\$ 148,672</u>
<b>U.S. Department of Justice</b>			
<b>Passed through the State of Rhode Island Department of Mental Health</b>			
Enforcing Underage Drinking Laws Program	16.727	N/A	\$ 20,598
<b>Passed through the State of Rhode Island Department of Public Safety</b>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	10,835
<b>Total U.S. Department of Justice</b>			<u>\$ 31,433</u>
<b>U.S. Department of Transportation</b>			
<b>Passed-through the State of Rhode Island Department of Transportation</b>			
State and Community Highway Safety	20.600	N/A	\$ 4,068
<b>Total U.S. Department of Transportation</b>			<u>\$ 4,068</u>
<b>U.S. Department of Energy</b>			
<b>Passed-through the State of Rhode Island Office of Energy Resources</b>			
ARRA-Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	N/A	\$ -
<b>Total U.S. Department of Energy</b>			<u>\$ -</u>
<b>U.S. Department of Education</b>			
<b>Passed-through the State of Rhode Island Department of Education</b>			
Title I Grants to Local Education Agencies	84.010	2725-11702-401	\$ 120,232
<i>Special Education Cluster:</i>			
Special Education - Grants to States	84.027	2725-13202-401	186,813
Special Education - Preschool Grants	84.173	2725-13502-401	7,655
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top	84.395	Various	34,584
Improving Teacher Quality State Grants	84.367	2725-16402-401	38,267
<b>Total U.S. Department of Education</b>			<u>\$ 387,551</u>
<b>U.S. Department of Homeland Security</b>			
<b>Passed-through the State of Rhode Island Department of Administration</b>			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	\$ 13,527
Emergency Management Performance Grants	97.042	N/A	17,500
<b>Total U.S. Department of Homeland Security</b>			<u>\$ 31,027</u>
<b>Total Federal Expenditures</b>			<u><u>\$ 641,657</u></u>

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Year Ended June 30, 2014**

**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>Special Education Cluster</i>
84.027	Special Education – Grants to States
84.173	Special Education – Preschool Grants

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

Auditee qualified as low risk auditee?   X   yes      no

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

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

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Schedule of Findings and Questioned Costs**  
**For The Year Ended June 30, 2014**  
*(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 JAMESTOWN, RHODE ISLAND*  
*Schedule of Prior Year Findings and Questioned Costs*  
*For the Year Ended June 30, 2014*

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

**A. Findings**

None Reported

**B. Questioned Costs**

None Reported

**TOWN OF JAMESTOWN, RHODE ISLAND**  
**Notes to Schedule of Expenditures of Federal Awards**  
**June 30, 2014**

1. **General** - The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal programs of the Town of Jamestown, Rhode Island.
2. **Basis of Accounting** - The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.
3. **Determination of Type A, Type B and Major Programs** - The determination of Type A and Type B federal programs was based upon the expenditures for all federal programs for the Town of Jamestown, Rhode Island. As such, the threshold for determining Type A vs. Type B programs is determined at the entity level. For the fiscal year-ended June 30, 2014, grants with expenditures exceeding \$300,000 were determined to be Type A programs and all other grants were considered Type B programs. The following programs were considered major programs:

<u>CFDA</u>	<u>Program Name</u>
84.027	Special Education – Grants to States
84.173	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 \$5,733 represents the market value of such commodities used during the period.