

**TOWN OF NORTH KINGSTOWN,
RHODE ISLAND**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

YEAR ENDED JUNE 30, 2012



TOWN OF NORTH KINGSTOWN, RHODE ISLAND

YEAR ENDED JUNE 30, 2012

CONTENTS

| | Page |
|--|---------|
| Introductory Section: | |
| Letter of Transmittal | i-xxxii |
| Organizational Chart | xxxiii |
| List of Elected and Appointed Officials | xxxiv |
| GFOA Certificate of Achievement | xxxv |
| Financial Section: | |
| Independent Auditors' Report | 1-2 |
| Management's Discussion and Analysis | 3-12 |
| Basic financial statements: | |
| Government-wide financial statements: | |
| Statement of net assets | 13 |
| Statement of activities | 14 |
| Fund financial statements: | |
| Balance sheet – governmental funds | 15 |
| Reconciliation of the governmental funds balance sheet to the statement of net assets | 16 |
| Statement of revenues, expenditures and changes in fund balances – governmental funds | 17 |
| Reconciliation of the governmental funds statement of revenues, expenditures and changes in fund balances to the statement of activities | 18 |
| Statement of net assets – proprietary funds | 19 |
| Statement of revenues, expenses and changes in net assets – proprietary funds | 20 |
| Statement of cash flows – proprietary funds | 21 |
| Statement of net assets – fiduciary funds | 22 |
| Statement of changes in net assets – fiduciary funds | 23 |
| Notes to basic financial statements | 24-62 |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

YEAR ENDED JUNE 30, 2012

CONTENTS (CONTINUED)

| | Page |
|---|---------|
| Financial Section (continued): | |
| Required supplementary information to basic financial statements: | |
| Introduction to required supplementary information | 63 |
| Schedule of funding progress | 64 |
| Notes to required supplementary information | 65-66 |
| Budgetary comparison schedules | 67-70 |
| Other supplementary information: | |
| Nonmajor governmental funds: | |
| Notes to nonmajor governmental funds schedules | 71-78 |
| Combining balance sheet – nonmajor governmental funds | 79-87 |
| Combining statement of revenues, expenditures, and changes in fund balances – nonmajor governmental funds | 88-96 |
| Combining balance sheet – School Department | 97-102 |
| Combining statement of revenues, expenditures, and changes in fund balance – School Department | 103-108 |
| Nonmajor enterprise funds: | |
| Notes to nonmajor enterprise funds | 109 |
| Combining statement of net assets | 110 |
| Combining statement of revenues, expenses and changes in net assets | 111 |
| Combining statement of cash flows | 112 |
| Private purpose trust funds: | |
| Notes to private purpose trust funds | 113 |
| Combining statement of net assets | 114-117 |
| Combining statement of changes in net assets | 118-121 |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

YEAR ENDED JUNE 30, 2012

CONTENTS (CONTINUED)

| | Page |
|---|---------|
| Financial Section (continued): | |
| Other supplementary information (continued): | |
| Agency funds: | |
| Notes to Agency funds | 122 |
| Combining statement of changes in assets and liabilities | 123-124 |
| Statistical Section: | |
| Primary government net assets by component | 125 |
| Governmental activities changes in net assets | 126-127 |
| Governmental fund balances | 128 |
| Governmental changes to fund balances | 129 |
| Tax revenue by source | 130 |
| Assessed values and actual values of taxable property | 131 |
| Direct property tax rates | 132 |
| Assessed values and actual values of taxable property calculation of total direct tax | 133 |
| Principal property taxpayers | 134 |
| Property tax levies and collections | 135 |
| Water sold by type of service | 136 |
| Water tax rates | 137 |
| Ratios of outstanding debt by type | 138 |
| Ratios of general bonded debt outstanding | 139 |
| Legal debt margin information | 140 |
| Pledged revenue coverage | 141 |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

YEAR ENDED JUNE 30, 2012

CONTENTS (CONTINUED)

| | Page |
|--|------|
| Statistical Section (Continued): | |
| Demographic and economic statistics | 142 |
| Principal employers | 143 |
| Full-time equivalent city government employees by function | 144 |
| Operating indicators by function | 145 |
| Capital assets statistics by function | 146 |
| School building information | 147 |
| Operating statistics | 148 |

INTRODUCTORY SECTION

This section contains the following subsections:

LETTER OF TRANSMITTAL

ORGANIZATIONAL CHART

LIST OF ELECTED AND APPOINTED OFFICIALS



Town of North Kingstown, Rhode Island

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January 31, 2013

To the Honorable Members of the Town Council and
Citizens of the Town of North Kingstown, Rhode Island

Rhode Island State Statute requires that all municipal entities publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of North Kingstown (Town) for the fiscal year ended June 30, 2012.

This report consists of management's representations concerning the finances of the Town of North Kingstown. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of North Kingstown has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of North Kingstown's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of North Kingstown's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of North Kingstown's financial statements have been audited by LGC&D, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of North Kingstown for the fiscal year ended June 30, 2012 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of North Kingstown's financial statements for the fiscal year ended June 30, 2012 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of North Kingstown's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

North Kingstown, settled in 1641 and incorporated as a Town in 1674, covers an area of 54 square miles and is primarily a residential suburb approximately 22 miles south of Providence, but is also emerging as an important employment center because of the location of the Quonset Business Park. Based on the 2010 U.S. Census, the Town's population is approximately 26,486 residents.

Governing Body:

The Town operates under a home rule charter adopted in 1954, and subsequently amended, providing for a council/town manager form of government with a five-member Town Council headed by a Council President. All legislative powers of the Town are vested in the Town Council by the Charter, including the adoption of the Town budget, the ordering of any tax, making of appropriations and transacting any other business pertaining to the financial affairs of the Town.

Members of the Town Council are elected on a partisan basis at large for a term of two years. The Charter grants to the Town Council all powers to enact, amend, or repeal ordinances relating to the Town's property, affairs and government, including the power to create offices, departments or agencies of the Town, to preserve the public peace, health and safety, to establish personnel policies, to authorize the issuance of Bonds (with the approval of the voters) and to provide for an annual audit of the Town's accounts.

The Town Manager is appointed by a majority vote of the Town Council and serves for no definite term, but at the pleasure of the Council. The manager is chosen by the council solely on the basis of his/her executive and administrative qualifications with special reference to his/her actual experience in, or his/her knowledge of, accepted practice in respect to the duties of his/her office. The Town Manager is the chief executive officer and head of the administrative branch of government. The Charter grants to the Town Manager the authority to appoint or remove all officers or employees of the Town except the Town Solicitor and School Department employees, to prepare and submit to the Town Council the annual budget and annual report of the Town, to recommend to the Town Council pay schedules for Town employees and to recommend to the Town Council the adoption of such measures as he or she may deem necessary for the health, safety or welfare of the Town.

Reporting Entity and Its Services:

The Town of North Kingstown provides a full range of services, including education, public safety, the construction and maintenance of highways, streets, storm and sanitary sewers and infrastructure, social services, parks and recreational activities, and general administration. In addition, the Town operates the Municipal Court, Water and Quonset/Davisville Recreation enterprise funds. Approximately 249 full-time municipal employees provide services to a community of 22 square miles and 26,486 residents.

This report includes all the funds and account groups of the Town and the funds of the North Kingstown School Department.

Budgetary Process:

The annual budget serves as the foundation for the Town of North Kingstown's financial planning and control. In accordance with the North Kingstown Home Rule Charter, the Town has established budgetary control for its General Fund, Library Fund, three Enterprise Funds, School Unrestricted Fund, which is a Special Revenue Fund, School Capital Reserve Fund and Debt Service Fund. Based on the charter, the final action by the council shall take place on or before the first Wednesday in May. Accordingly, the manager shall submit to the council on or before the fiftieth day preceding said first Wednesday in May, a proposed budget of receipts and expenditures and an explanatory budget message. The Town departments are required to submit requests for appropriation to the Town Manager on or before the 2nd Friday in December. Two weeks prior to the date on which the manager is required to submit the town budget to the council (first Wednesday in May) the school committee and the library board of trustees shall submit budget estimates to the manager in the same manner as other departments, for inclusion in that budget. The council shall consider appropriations for the school committee and for the library board in total only, and the allocation of moneys appropriated for the school and library purposes shall be determined by the school committee and the library board of trustees, respectively. All annual operating budgets' appropriation amounts are supported by revenue estimates and takes into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. Appropriations which are not expended or encumbered lapse at year-end unless a program has not been completed before the end of the fiscal year (as is the case with the Enterprise Funds).

Following preliminary approval of the budget, the council shall schedule and hold two public hearings, one on the school portion of the budget at which the school committee shall be represented, and the other on the remainder of the budget. These hearings shall be scheduled to begin approximately three weeks following preliminary approval of the budget and be completed on or before the thirteenth day preceding the first Wednesday in May. The appropriated budget is prepared by fund and function (e.g., public works).

Expenditure Control:

The Town maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Council. Under the Town Council's budget cap, total expenditures cannot exceed the final appropriation within each budgeted fund, once the budget is adopted. Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer. The Town Manager has authority to make such transfers within departments. Any other transfers made outside the departmental level during the fiscal year require Town Council approval. The level at which all budgeted funds may not legally exceed appropriations is at the department level.

At the direction of the Town Manager, all Department Directors are expected to follow strict guidelines for expenditure control within the approved budget appropriation. The Town Manager reserves the right to set "administrative spending authority" limits when justified to maintain the fiscal integrity of the budget. The Finance Department also monitors expenditures to budget through the general ledger/accounting system.

The Town maintains an encumbrance accounting system as another method of maintaining budgetary control. All purchases require a purchase requisition and a purchase order unless deemed otherwise, as in an emergency situation. The Town's Purchasing Policy requires formal competitive bidding for expenditures over \$5,000. Funds are recorded as encumbered when the purchase order is issued and expenditures are recorded when the Town incurs a liability.

ECONOMIC DEVELOPMENT AND OUTLOOK

Over the past two decades, North Kingstown's economy has emerged as a dominant employment center for the region. Employment has grown in industrial, commercial and office uses.

Industrial Development:

About one third of North Kingstown employment is associated with manufacturing and industry. The majority of new manufacturing employment in the Town has been the result of migration of firms into North Kingstown. Seven major employers account for most of the manufacturing employment: Electric Boat Corporation; Toray Plastics of America; Ocean State Jobbers; SENESCO shipbuilding; Fuji Film (formerly Arch Chemicals); NORAD; and Illumination Concepts and Engineering, Inc.

Other significant employers include: 143rd Air Wing, Rhode Island Air National Guard; Wal-Mart; Scalabrini Villa; Seafreeze Limited; New England Stone; Maro Display; Dominion Diagnostics; Goldline Controls; Emissive Energy; South County Nursing Center; Hope Valley Industries; Stop and Shop Supermarkets; Dave's Supermarkets; Kohl's; and Home Depot.

Quonset Business Park:

The centerpiece of industrial development in North Kingstown is the Quonset Business Park, which is operated by the Quonset Development Corporation (QDC). The industrial and commerce park complex contains approximately 3,200 acres of land; approximately 300 acres remain available for project development. Currently one of out every 50 jobs in Rhode Island is located at Quonset. Overall, the park area is served by an airport, rail, and deep-water piers and is thus suitable for a wide diversity of manufacturing and port activities. With more than 165 companies, 8,800 full-time and part-time jobs, and the Port of Davisville now the 7th largest auto-port in North America, both sea and rail shipping at Quonset Business Park continue to show gains. The complex also includes an 18-hole golf course and marina owned and operated by the Town of North Kingstown.

The vision for the Quonset Business Park calls for mixed industrial, commercial, limited service/retail and waterfront uses. The QDC has completed improvements to the freight rail system, internal roadways, a bike path and a limited access highway from Route 4.

Several major facilities have been proposed, have recently expanded or are under construction at Quonset Point/Davisville. Keifer Park, the technology center of Quonset Point Davisville, exemplifies the mixed industrial development that has characterized the growth of the Quonset Business Park. Another area of the park boasting significant current and anticipated growth is Commerce Park, located at the heart of Quonset Point. Here, existing park tenants and new arrivals continue to prosper. The Executive Park area, under development by a private investment firm, the New Boston Group, is developing the "Quonset Gateway" into a mixed-use office and service area to serve existing and future residents of the business park. The Gateway complex currently houses a Kohl's department store, a new Home Goods store, and a Dave's Marketplace, as well as several smaller tenants such as Subway, Verizon Wireless, and Sally's Nail Salon. A 110-room Marriot Extended Stay was completed in May 2011. In addition, the Wide World of Indoor Sports (WWIS)

indoor recreation facility recently opened a 90,800 square foot structure in this area. WWIS is a state of the art sports training facility for all age groups. Most recently, the Gateway Offices at the Quonset Business Park have been planned and are under construction. After all of the phases have been completed, this complex will provide over 70,000 square feet of office space. North Davisville and West Davisville are the final areas of the park slated for industrial development. In 2010, the Town and the QDC entered into a Memorandum of Agreement to create a unified development process for all future developments at the Business Park. Nearly a year into the agreement, the review process for projects inside the park has become more streamlined, allowing for a quicker turnaround time for potential tenants. Quonset has also partnered with the Rhode Island Department of Environmental Management and Coastal Resources Management Council to pre-permit all of the vacant properties at the business park from for all environmental permitting.

Commercial Development:

Post Road (U.S. 1) and the intersection of Routes 4/102 are the primary areas where the larger-scale commercial and shopping plaza uses have located in North Kingstown. Post Road has a mix of retail stores, offices, restaurants and services one would expect in a typical commercial corridor. The Town has zoning and design regulations specific to Post Road that implement a number of recommendations of the Post Road corridor plan and the recommendations in the Town Comprehensive Community Plan. These innovative zoning techniques won two Rhode Island American Planning Association Awards in 2008 and 2009. The Town worked with consultants to update and amend the zoning regulations for the Post Road corridor as well as a study of the feasibility and cost of allowing sewer service to the Post Road Corridor to foster additional commercial and residential development. The Town approved a \$10 million bond referendum for the first phase of the Post Road sewer project in November 2009 and an additional \$9.2 million bond referendum in November 2010 for a total approval of \$19.2 million. The Wastewater Facilities Plan is in the final stages of completion. Construction of the first phase of the sewer system is expected to be completed by the spring of 2013. The second phase of construction is expected to begin during the fall of 2013.

With sewers planned for the corridor, the Town envisions the Post Road area as having a more high density, village scale development pattern. With the sewers and zoning tools in place, this corridor will mature into a “growth center” with a focus towards pedestrian scale design and architectural improvements. The zoning regulations in place will encourage mixed use development, less reliance on the automobile and increased use of alternative transportation methods such as bicycle, walking and public transportation through the expansion of existing bus services to the area in conjunction with the commuter rail station at Wickford Junction. It is the continued intent of the Town to encourage redevelopment of the Post Road Corridor through the use of residential and commercial density allowances and other zoning incentives as allowed by the Post Road zoning. With a diminishing amount of commercially zoned land, it is anticipated that development will continue to focus on redevelopment of sites along Post Road. The Town has already received a subdivision application for a large parcel of land in the corridor to capitalize on the Post Road zoning and planned wastewater facilities. The proposed development is for 574 mixed residential units and approximately 20,000 square feet of commercial space.

The Town expects that the commercial sector will continue to grow, particularly in response to development at the Quonset Business Park. Wickford Junction, a commercial project of nearly 300,000 square feet, includes a commuter rail station near the village of Lafayette that was completed in the spring of 2012. The commuter rail station now connects North Kingstown to points in Providence and Boston via rail. During 2013, the Town will begin planning for new development opportunities around the Wickford Junction commuter station to capitalize on the

construction of the rail station and associated 1100 car parking garage. Tarbox Toyota has completed the construction of a new larger car dealership on 8 acres of commercial land on Quaker Lane/Route 2. The new facility will be seeking a LEED certified “green” building. Wal-Mart recently completed construction of a 20,000 square foot addition to their commercial building located on Ten Rod Road.

The Town also recently completed a planning effort for the western intersection of Routes 2 and 102. This planning effort will capitalize on increased traffic counts at this intersection, which is known as the gateway to South County. The planning that was completed creates a unified zoning district for approximately 150 acres of land that will be developed as a mixed use residential and commercial center, while preserving over 100 acres of the land area which currently is, and will remain, a 9-hole golf course.

Business Tax Exemptions and Economic Development Tax Incentive:

The Town Council adopted an ordinance in April of 1997 allowing a phase-in over a period of six years of the assessment on property located at the Quonset Point Davisville Port and Commerce Park. The phase-in applies to any new buildings, new structures or new additions to existing buildings used essentially for offices, manufacturing or commercial enterprises. The phase-in is intended to help any commercial concern that is willing to locate at the Quonset Point Davisville Industrial Park. This incentive program has played an important role in encouraging new businesses to locate their facilities at the Quonset Point Davisville Industrial Park. In 2008 the ordinance was amended to allow for the phase-in over a period of six years the assessment for any manufacturing or commercial property located in town.

Tax Roll Assessment Value Increases by 0.45%:

The taxable total of \$3,862,369,046 is up slightly by 0.45% from the previous year. **Real Estate** increased by approximately 0.17%, from \$3.538 billion to \$3.544 billion, an increase of \$6,213,855. The **net personal property** assessed values rose about 3.8%, from \$118.75 million to \$123.2 million. The **motor vehicles** portion of the assessed values increased from \$188.7 million to \$195.3 million, approximately a 3.52% increase.

| Variable | Assessment | Increases | Assessment |
|--------------------------------|-------------------------|----------------------|-------------------------|
| | 12/31/2009 | | 12/31/2010 |
| Residential Real Estate | \$ 3,537,673,000 | \$ 6,213,855 | \$ 3,543,886,855 |
| Personal Property | 118,659,950 | 4,522,380 | 123,182,330 |
| Variable Total | 3,656,332,950 | 10,736,235 | 3,667,069,185 |
| Fixed | | | |
| Motor Vehicles | 188,656,289 | 6,643,527 | 195,299,861 |
| Grand Total | \$ 3,844,989,239 | \$ 17,379,807 | \$ 3,862,369,046 |
| Assessed Value Increase | | | 0.45% |

Long-Term Financial Planning/Relevant Financial Policies:

The unassigned fund balance in the general fund (9.89% of the total budgeted expenditures of all Town Funds) is below the Town Council's Debt Policy and Management/Fiscal Practices that was amended and adopted on April 7, 2008, as well as the Policy for Accumulation and Utilization of Fund Balance which was adopted on July 23, 2007. The policies state that the unassigned fund balance shall be maintained at a minimum of 10% of the current period's total budgeted expenditures for all Town Funds. For all intents and purposes, this equates to 10% of \$95,607,963, or \$9,560,796. The Town currently has an unassigned fund balance of \$9,456,219, slightly below the policy.

As part of the annual budget process, the Town Manager, in conjunction with the Asset Management Commission and Public Works Director, prepares and presents a six-year capital improvement plan (CIP). This plan identifies costs and financing methods for those capital projects that the Town anticipates funding over the next six years. The 2012-2013 fiscal year CIP projects needs through fiscal year 2018. The plan provides for the needs of the general government and addresses such issues as infrastructure, major equipment replacement, school facilities, public safety, public works, recreation and open space purchases.

The 2013 project plan document cost over the six-year period is approximately \$64,345,004. It is anticipated that \$19,527,225 will be funded by Unauthorized Bonds, \$26,638,946 will be funded by Grants, \$11,013,573 will be funded by Authorized Bonds, \$4,880,260 will be funded on a "pay as you go" basis and the remaining \$2,285,000 will be funded from the Enterprise Funds.

Major projects to be bonded in the plan include: Fire Department, Open Space purchases, Post Road Sewers, Landfill Closure remediation, Recreation Facility, and school Bonds. The Post Road Sewer project will be financed through GO Bonds totaling \$12,240,000.

Additionally, the Town Council's Debt Policy and Management/Fiscal Practices provides for the Town Manager to recommend to the Town Council an alternative plan for financing of proposed capital projects if the alternative plan is in the best interest of the Town of North Kingstown. (This allows Tax Incentive Financing (TIF) or revenue pledges).

Debt Administration:

The Town issued a General Obligation Bond in January 2009 for \$9,790,000. Bonds in the amount of \$4M were authorized by the voters in November 2006 to finance the construction, renovations, additions, improvements and/or related equipment at the North Kingstown Senior Center complex, Beechwood House, Community Center and Town Beach. Bonds in the amount of \$4.5M were authorized by the voters in November 2006 to finance land acquisition, construction, renovations, additional improvements and/or related equipment and vehicles for public safety facilities. The remaining balance of \$1.29M was authorized by the voters in November 1992 to finance improvements to public facilities.

In April 2008, the Town Council adopted a "Debt Policy & Management/Fiscal Practices" policy which establishes criteria for debt issuance as well as sets benchmarks for evaluating the Town's level of debt. Some of the specifics of the language request the following limits while considering the issuance of debt and maintaining a healthy reserve to indicate the Town's financial strength and flexibility:

- The Town's legal debt limit as set forth by RIGL 45-12-2 is limited to three (3%) percent of total assessed value,
- The Town's direct debt burden should be maintained at less than two (2%) percent of full assessed valuation,
- The Unreserved/Undesignated General Fund balance shall be maintained at 10% of the current period's total budgeted expenditures for all Town Funds,
- The enterprise funds should maintain an unrestricted net asset balance adequate to meet unanticipated expenditures to remain self-supported and,
- The Town Council shall have as a goal to appropriate a \$100,000 contingency each year in the General Fund Operating Budget.

MUNICIPAL SERVICES

Planning Department:

The North Kingstown Department of Planning and Development (Planning Department) is responsible for providing technical services to boards and commissions, the Town Manager, and the Town Council. The Planning Department reviews and prepares staff reports for commercial, industrial, and subdivision development and serves as staff to advisory committees, as appropriate. The Department works with the Planning Commission in updating and implementing the North Kingstown Comprehensive Plan. The Planning Department assists the Town Manager and Finance Department in the preparation of the Capital Improvement Plan.

The Planning Department is responsible for chairing the Town Technical Review Committee and coordinating the review of all subdivision, commercial, and industrial plans among Committee members. The Technical Review Committee also reviews proposed state highway projects and reports its recommendations to the Town Manager, Town Council or other Town boards as appropriate.

Additionally, the Planning Department serves as a resource to residents and property owners needing information regarding subdivision and land development regulations, zoning regulations, flood zones and other general land use issues. Frequently, when homeowners seek minor variances from the Zoning Board of Review and/or the Historic District Commission, the Planning Department staff is available to help the homeowner through the application and abutter notification process.

Information Services Department:

The Department of Information Services (IS) consists of two full-time employees (GIS Manager and Technology Support Technician). This department provides technology and telecommunications services to all municipal departments at twenty facilities including Assessors, Code Enforcement, Finance, Fire, North Kingstown Free Library, North Kingstown Golf Course, Police, Planning, Public Works, Recreation Town Clerk, Senior Center, Town Manager, and Water Departments, as well as the School Administration Offices. These services include but are not limited to PC and peripheral installation, repair, maintenance, network infrastructure administration/development, database administration/development, administration and maintenance of Internet Protocol (IP) Telephony systems, and technical support/upgrades of all software applications. The IS Department is responsible for maintaining the Town's network infrastructure which consists of twenty-one servers, thirty-one networking devices, two hundred and seventy five workstations, five fiber optic connected sites (Annex Building, Police, Fire, North Kingstown Free Library, and the North Kingstown School Administration offices), nine Virtual Area Network

(VAN) connections, North Kingstown Municipal Golf Course, three remote Fire stations, Wilson Park Facility, Water Pump Station, North Kingstown Transfer Station, DPW facility, and the North Kingstown Senior Center. This department is also responsible for maintaining and developing the Town's web site, video archive (Town) and Geographic Information System (GIS).

The Department Information Services has also become the Information Technology support entity for the neighboring town of Exeter as well, creating Rhode Island's first inter-municipal regional technology support agreement. The Department of Information Services supports Exeter's nine departments in three facilities including Town Clerk, Finance, Tax Assessor, Tax Collector, Public Works, Animal Control, Town Sheriff, Planning and Building. Exeter's Technology infrastructure consists of two servers, fourteen workstations, three networking devices, ten printers and three CBI internet connections.

Library:

The North Kingstown Free Library has been a municipal service of the Town of North Kingstown since 1897. Fulfilling its role as the "symbolic center of the community," the library serves every age group; every neighborhood; every income level; and every educational level. The North Kingstown Free Library is the one integrated municipal service that our citizens can come to for information, education, culture, and recreation.

Guided by a seven-member Board of Trustees, appointed by the Town Council to staggered, three-year terms, the library strives to be a vital town resource that serves as a place for the exchange of information and ideas, as a gateway to resources and services which are available to assist the citizens in living and enriching their daily lives, as a repository of the Town's collective culture and history, and as an embodiment of the democratic ideals that have shaped society: freedom, equality, and plurality.

Public Works:

The Administrative Division of public works is made up of the Department Director, Facilities Project Manager, Public Works Programs Coordinator and a (part-time) Secretary. This division is responsible for the overall operation of the department, including policy and personnel decisions, purchasing, budgeting, research, supervision, record keeping, resident inquiries, and general overall department operations. In addition, the Facilities Project Manager is responsible for the preparation, implementation and completion of major school and town capital projects. The Public Works Programs Coordinator manages the Town's solid waste and curbside recycling programs, while offering administrative support for all divisions. The Director and Facilities Project Manager offer staff support to the Asset Management Commission.

The Highway Division is responsible for maintaining and improving the Town's infrastructure (roads, dams, drainage and bridges), responding to resident inquiries, street sweeping, snow plowing, tree trimming and brush cutting, catch basin cleaning, sign making, and other responsibilities which involve heavy and light equipment. This division is comprised of 14 employees.

The Town Engineer heads the Engineering Division. The major responsibilities of this division are subdivision review, highway and drainage improvement design, resident responses, plat map updates, ACAD and GIS computer mapping, subdivision inspections, bid specification preparation and project management, deed and title research, compliance with State storm water permit requirements, and staff support to the Department Director. Other Division responsibilities include working with consulting engineers on the design of collector and secondary roads, updating the Highway Pavement Management Program, preparation of bid specifications for road resurfacing and bridge inspections. The Town Engineer provides staff support to the Planning Commission and oversees, with the help of two Engineering Inspectors, construction of all new subdivisions and associated public improvements.

The Transfer Station Division is responsible for the daily operation of the Town's solid waste transfer station and recycling facility. As of July 1, 2009, the facility is open three days per week: Tuesday, Friday and Saturday. Approximately half of the residents of North Kingstown use this facility. The transfer station will accept household garbage in plastic bags, metals, brush, demolition material, appliances, empty propane tanks, mattresses and box springs, waste oil, batteries, tires, blue and green stream recyclables, used books, electronic waste and leaf and yard waste. Fees are established by ordinance.

The Facilities and Grounds Division is responsible for the maintenance of and improvements to all Town buildings, grounds, athletic facilities and parks. The employees of this division assist with snow plowing operations during the winter. This Division is also involved with town festivals and tournaments. Additional responsibilities include custodial coverage for the Town Hall, Town Hall Annex, Beechwood and the Community Center. This division is comprised of five employees assigned to maintaining facilities and grounds and two full-time custodians.

Recreation and Leisure Services Activities:

The Department oversees the administration, personnel, budgeting, policy implementation and supervision of the Quonset/Davisville Enterprise Fund. The Fund is supported by the operation of the Municipal Golf Course and the Allen Harbor Marina. Both facilities were acquired from the Navy through the Department of the Interior Federal Land Disposal Program for the purpose of providing recreational opportunities for the Town. The Golf Course, originally built as a 9-hole course in the 1940s and expanded to 18 holes in the 1960s, has a classic layout and is one of the most popular in the state with over 42,000 rounds played there each year. The Marina consists of a public boat ramp and 180 slips and moorings. The department also serves as the liaison for the North Kingstown Arts Council. Calf Pasture Point, 215 acres of property surrounding Allen Harbor acquired from the Department of Interior, is being developed as a passive recreation area and bike path.

Senior and Human Services:

North Kingstown Department of Senior and Human Services is approaching its third anniversary at Beechwood, A Center for Life Enrichment. The Capital Campaign, launched by the North Kingstown Senior Association to raise additional funds needed to complete the beach campus and senior center project, will end in 2014.

The Senior Center is open five days a week, Monday through Friday 8:30 am to 4:30 pm, and several evenings per month. The Department of Senior and Human Services serves as a "community focal point" for senior programs and services which includes coordinating the following: nutrition and transportation programs, social and recreational activities, health and

wellness education and screenings, case management, advisory groups, volunteer services, educational programming and information and referral services. It also provides welfare services, referrals, and information to individuals and families in North Kingstown.

There are ten employees, three full-time and seven part-time. Full-time staff includes the Director, Assistant Director and Secretary. The Social Services Department has two part-time staff, a licensed social worker and social service specialist. They assist elders and others, regardless of age. A dining room manager and kitchen supervisor oversee the hot meals served at the senior center Monday through Friday and Meals on Wheels delivered to homebound elders by volunteers in the community. There are three part-time bus drivers and two operating buses to transport seniors to and from the senior center, to doctor appointments, hairdressers, food shopping, recreational trips and other quality of life excursions.

Tax Assessment:

The Tax Assessor's Office maintains records pertaining to ownership and assessments of real property (taxable and exempt), motor vehicles, and tangible business property. In addition, the tax assessor's office maintains state and local exemption forms. This information is used to generate the Town's annual tax roll. The Tax Assessor's Office assists taxpayers with the filing of exemption applications, tangible business property returns, farm forest and open space applications, and tax appeal applications. The office answers inquiries on real property including ownership information, sales information, assessments, land and building size, and construction details. All information pertaining to real property is maintained on the Town's CAMA system, which is available to the public on computers in the assessor's office and on the Vision Appraisal website.

Code Enforcement:

The Code Enforcement Department is staffed by a Building Official and an Assistant Building Official, one full-time clerk and one part-time clerical employee. There are three contracted, licensed inspectors to provide mechanical, plumbing and electrical inspection services. The Department reviews plans and specifications for all construction relative to new and existing structures in the Town. In addition, it issues building permits, conducts inspections of permitted projects, and responds to complaints. This department is responsible for compliance and enforcement of the State Building Code, the State Property Maintenance Code and various local ordinances. It conducts inspections with regard to compliance for licensing of mobile home parks, public and private schools, day care facilities, laundries, purveyors of alcoholic beverages, bed & breakfasts, hotels, motels, rooming houses and second-hand furniture dealers. The staff also provides assistance and information to the public concerning permit applications, inspection requirements, appeals, and the interpretation of flood maps, codes, regulations and ordinances.

Fire Department:

The Fire Department has 4 manned Fire Stations which provide Fire Suppression, Fire Prevention and Emergency Medical Service to 58.3 sq. miles of the Town, including the Quonset Point/Davisville Industrial Park. The Department was budgeted for 76 full-time employees including the 5 Staff positions of Chief of Department, Fire Marshal, the Department Mechanic, Assistant Mechanic and the Department Secretary; the remaining 71 Line Officers and Firefighters were distributed over 4 Platoons. The current budget for this year has funding for 63 positions on the Line, 8 positions less than previous years, which are now distributed over 3 platoons. The 63 Officers and Firefighters provide staffing for 5 Engine Companies, 2 ALS Transport Rescue Companies, and 1 Command Vehicle. In addition, these Companies cross-staff 2 Brush Trucks, a Ladder Truck, a Special Hazards Vehicle, a Regional Decontamination Trailer and 1 Fire Boat.

Their responsibilities include Fire Suppression, Hazardous Material Response, Confined Space Rescue, Rope Rescue, State Wide Decontamination Response, Marine Fire Suppression/Rescue and Emergency Medical Services, including Advanced and Basic Life Support service and transport. In addition, the Fire Department operates its own Dispatch Office staffed by sworn uniformed firefighters. The Fire Marshal's office is responsible for fire cause and origin investigations, residential and commercial plan review, smoke detector and carbon monoxide detector inspections and fire alarm radio box assignment and repair. The Department is responsible for maintaining a municipal fire alarm system for both the Town and the Quonset Point/Davisville Industrial Park. The Department Mechanics are responsible for the preventative maintenance and repair of the Department's 34 pieces of Fire Apparatus, one marine unit and all associated equipment.

North Kingstown School Department:

The North Kingstown School Department is a state-mandated agency of the Town, governed by a school committee that is elected to four-year terms every two years. The school department serves nearly 4,500 students in eight schools – one high school, two middle schools, and five elementary schools (Davisville Elementary, a sixth elementary school, was closed in June 2010). 370 professionally certified personnel supported by over 200 non-certified staff provide these services. The mission of the North Kingstown School Department is “to educate our students to become intellectually active adults, to inspire them to reach individual excellence, and to challenge them to become responsible members of society.” Its 2012-2015 strategic plan is based on the seven core functions as presented in the Basic Education Plan (BEP) of the Rhode Island Department of Education (G-12-4.2). The district and each school, together, develop yearly improvement plans to maximize student achievement in conjunction with these core principles.

Water Department:

The Department of Water Supply provides domestic water service and fire protection to the majority of residents and businesses in North Kingstown. North Kingstown Water owns and operates 11 gravel packed wells located throughout three aquifers, the Hunt, Annaquaticket and Pettaquamscutt, which underlie the Town. Currently there are 9,355 active (metered) accounts with an average demand of 2.6 MGD (million gallons per day). Summer peak demand has been as high as 8 MGD. The distribution system consists of 177 miles of water pipe, 1,043 fire hydrants, two standpipes, two elevated storage tanks and one storage reservoir.

Police Department:

The Police Department continues with its mission to ensure that police services are delivered in an effective and efficient manner – providing a quality of life for all residents and visitors free from the threat or fear of crime impacting their lives. Our goal is to accomplish this mission by employing contemporary methods and techniques, while remaining ever vigilant of the need to operate with the utmost regard for customer service.

The North Kingstown Police Department is staffed by 44 sworn personnel, including the Chief of Police and police officers of various ranks. The patrol ranks (32) are divided into four squads of six patrol officers and two supervisors, consisting of a Lieutenant and a Sergeant. The Uniform Patrol Officers work one of two 12-hour shifts, which start at 7AM or 7PM, providing for 24 hour coverage seven days a week. In addition, one patrol officer is assigned as a School Resource Officer to the North Kingstown High School; another is assigned as a DARE Officer to the Town's elementary schools, and a third to radio communications and IT support. The remaining police personnel are assigned to Administrative positions; Detective Division, consisting of five detectives including the Detective Lieutenant Commander; or the Prosecution office – staffed by a Detective

Sergeant and an administrative secretary. All police personnel not assigned to the Uniform Division work an administrative schedule of five days on with two days off.

The civilian support staff includes three full-time dispatchers, three part-time dispatchers (16 hours each week for weekend coverage), three administrative secretaries, one full-time records clerk, one custodian and one mechanic.

Included within the operations of the Police Department are the services of the Harbormaster and Animal Control. Personnel include one Animal Control Warden, one Assistant Animal Control Warden, a part-time Harbormaster, a part-time Assistant Harbor Master (seasonal) and a Harbor Clerk (maximum of 75 days a year).

- Office of the Harbormaster and Harbor Clerk is located within the Public Safety Building. A patrol boat is berthed at the Town Wharf, located at the end of Main Street. The Harbor Clerk works in cooperation with the Harbormaster and the Assistant in handling routine phone calls, correspondence, and keeping of records and as a liaison to Harbor Commission; duties do not include the day to day operations on the water.
- The Animal Control Division is under the supervision of the Operations Commander of the Police Department. Business is primarily conducted from the animal shelter located at 395 Hamilton Allenton Road. The North Kingstown Animal Shelter provides service to the residents of North Kingstown and is a temporary shelter for cats and dogs found in the community. The shelter does not provide boarding to owned animals, nor is it equipped to shelter animals such as birds, reptiles or other exotic animals; therefore such animals are not normally accepted.

The Police Department provides police services to approximately 26,000 residents, covering an area of about 45 square miles. To accomplish this task, a fleet of 23 police vehicles is maintained, which includes marked and unmarked cars. Two of these vehicles are four-wheel drive utility vehicles, one utilized for commercial vehicle enforcement, the other assigned to the Detective Division. Both utility vehicles are used to supplement special needs and services, in addition to being used for times of inclement weather. All patrol vehicles are equipped with moving RADAR, mobile data terminals with a printer; providing the Town's police officers with freedom of movement in what is truly a mobile office.

MUNICIPAL INITIATIVES FOR THE YEAR

Planning Department:

The Planning Department will continue to work with the Wickford Plan Committee and other Town offices to implement the Wickford Village Plan. To protect farmland from development, the Department is continuing to assess the costs of delivering services to different land use categories; information from studies indicates that residential land uses consume more tax dollars than are generated and that, conversely, farmland generates more tax dollars than are used to deliver services to agricultural uses. The Department is continuing its development rights acquisition efforts for farms using agriculture monies, state open space funds, the Town open space fund, and the funds authorized by the North Kingstown electorate.

The Planning Department will continue the work with the QDC to coordinate the joint review of services and facilitate business development and to assure the full implementation of the Base Re-

use Plan adopted for the Quonset Business Park. The Quonset Master Plan and Post Road Corridor Plan have been adopted as part of the Town's comprehensive plan and the Town and the QDC are in the process of implementing those Plans and will continue to do so in the future.

Regional efforts will continue to be a component of the work of the North Kingstown Planning Department. With the Washington County Regional Planning Council, the Town will be working on an assessment of potential for a transfer of development rights program in all of Washington County.

Over the next year, the Planning Department will focus on completing the implementation strategies associated with a number of special projects: the implementation of the TDR and Village Study, the Healthy Places By Design report, the Davisville Neighborhood Revitalization Plan and the various phases of the Allen Harbor Master Plan, the Calf Pasture Point Master Plan, implementing the recommendations of the Post Road Corridor Plan, Post Road sewer extension study, the design of the Post Road Sewer project, and construction of phase two of the Yorktown Park Master Plan. The Planning Department and the Town Manager have been working extensively with the QDC to accommodate the sewer needs of the Town by utilizing the Quonset sewage treatment facility and the successful implementation of the sewer district for the Post Road Corridor.

Information Services Department:

In fiscal year 2012, the IS department continued its mission to bring technological advances and innovations to automate citizen facing processes, and empower North Kingstown employees and constituency to create a collaborative and open government.

During fiscal year 2012, the water department began the first Phase of connectivity into the municipal VAN (Virtual Area Network) for its remote sites. In this Phase, Pump station 10 and Well 10 received new networking equipment to provide a more modern infrastructure and high speed connectivity for its SCADA system to run. This has allowed for mobile and remote access to the system and more efficient management and monitoring of the critical water department resources.

A new public facing portal has been made available via our website, for Senior Center Social Services requests and applications for our constituents. Examples of requests that are currently available are Holiday Giving recipients and Donor applications. The IS department will continue to work with the Senior Center staff to develop a portfolio of forms, to ensure more reliable and efficient communications with the public.

In collaboration with the Department of Public Works the IS Department successfully updates the transfer station scale and point of sales system. The Transfer Station now has a more up-to-date, highly available, reliable and efficient system for billing, tracking, and reporting Transfer Station transactions.

As the need for a mobile workforce continues, use of smart phones and tablet computers will become more prevalent in North Kingstown. iPads have been implemented in the Code Enforcement Departments for more robust and efficient field work.

The Municipal ERP (Enterprise Resource Management) system MUNIS has placed the version that we are currently on into an "End of Support" status, requiring an upgrade to the latest revision of the software.

An even more collaborative and shared service environment was promoted in the IS Department in fiscal 2012. IS worked with other municipalities to enhance or create new technological initiatives while creating economies of scale, in turn saving taxpayer dollars. The IS department is in discussions with the Towns of Exeter and Richmond to grow the Inter-municipal technology service offerings. We are also working with Washington County Regional Planning Council to adopt county-wide applications and services for Washington County. Fiber optic projects and Interoperability/Collaboration systems are being discussed with the RI Higher Ed Consortium OSHEAN.

The Town's Geographical Information Systems (GIS) continued to build its data warehouse in fiscal year 2012 by working with departments to create new layers such as water and public works infrastructure. GPS technology was used in conjunction with the Engineering department to locate and map this infrastructure.

Library:

The library records library usage, which illustrates how vital the library was to the citizens of North Kingstown in FY 11-12.

187,133 people came to the library in FY 2011-12:

- They borrowed 348,010 books, movies, audio books, and other library materials to learn, to grow, and to be entertained.
- They used the library's 38 public Internet computers 31,032 times to get information, do research, send and receive e-mail, and otherwise conduct the business of their daily lives in our technology-based society.
- They connected their own laptop computers to the library's wi-fi network to take advantage of the library's high-speed connection.
- They got answers to 21,827 reference questions, which they asked the library staff in person, over the phone, or via e-mail. Librarians are still a vital link in the information chain, helping people find the best path for the answers to their questions and teaching them how to use the library's many resources.
- They visited the library's web page 83,127 times (up 4.3% from the previous year) to access many of the library's services 24/7 and to search, either from home or in the library, the 38 online databases to which the library provides access.
- 10,658 children, adults, and teens attended 425 programs, activities, and events at the library, which brought the community together to enjoy the arts, culture, be entertained, and learn about their world and the unique historical heritage of the town.

In FY 2011-12, the library did the following to serve our users:

- Maintained our place as the sixth busiest public library in the state, behind only the four major urban libraries and the Barrington Public Library.
- Maintained the library's consistent and convenient 62-hour-a-week, year-round business schedule including four nights and every Saturday.
- Expanded our downloadable audiobook and e-book collection by 122 new titles. North Kingstown library card holders downloaded 8,355 —a 110% increase over the previous year.
- Shared our resources with the other 49 public library systems in Rhode Island, borrowing more than 44,000 books and other materials from other RI public libraries for pick-up here

by North Kingstown library users and loaning more than 36,000 items in our collections to cardholders of other RI libraries.

- Purchased three computers, two barcode scanners, two thermal receipt printers and one APC back-up with funding from The Champlin Foundations.

Public Works:

The Public Works department continues its commitment to maintaining the Town's road infrastructure. A town-wide road inventory and inspection report is currently being completed by an independent consultant. This information will be used to prioritize road projects and justify future road repair budget requests. This department will again bid on a road-paving project in the spring.

The Public Works department continues to work with ATC Lincoln Associates toward the implementation of an approved RIDEM Landfill Closure Work Plan for the former Hamilton Allenton and Oak Hill Landfills. The installation of additional soil gas monitoring wells was completed last year, with another year of monitoring remaining. This office has also begun survey and soils work necessary for the stream rerouting at the Hamilton Allenton Landfill. These site investigation and landfill closure requirements fall under Section 5.0 of the RIDEM Closure Policy for Inactive or Abandoned Solid Waste Landfills.

The Engineering Division is currently overseeing design for the restoration of the Featherbed Road Dam. GZA Environmental was selected last year to complete this design work and a construction project is anticipated in the spring of 2013. This division also continues to implement the Town's Storm Water Management Plan, with inspections of over 100 storm water control ponds and structures throughout Town. They are also currently designing several drainage improvement projects in flood prone neighborhoods that will be completed by next year, and continue to work with the IT Department in its implementation of GIS/Mapping systems. This division also manages requests for the removal/maintenance of street trees and acts as a liaison between residents and the Town Tree Warden during this process.

Public Works began the first phase of the Town's Sewer Project this past summer. The second phase, scheduled for a spring of 2013 construction, will complete sewers from Route 403 south to Richard Smith Road. Future phases are being discussed, including constructing sewers in Wickford, but will need voter approval to finance.

The Highway Division continues its mosquito abatement efforts, treating Town maintained catch basins and detention/retention ponds seasonally with an environmentally safe larvicide provided by RIDEM Mosquito Abatement office.

The Facilities Division continues to successfully manage and maintain an increasing number of town parks, playgrounds and newly constructed facilities. Many organizations, including the Wickford Little League, North Kingstown Youth Football and various School athletic teams utilize the fields at Wilson Park, McGinn Park and Ryan Park.

The pay-as-you-throw program at the Transfer Station on Devils Foot Road continues to be successful in reducing the amount of solid waste generated in town. Over 30% of waste generated in town is recycled, either through the Town's curbside recycling program or at the Transfer Station where containers are available for the disposal of acceptable recyclables, at no cost. Recent changes to State law require cities and towns to reach a minimum recycling rate of over 35%. The Transfer

Station's composting operation continues to produce a high quality product, offered to residents at no cost, which is in demand throughout the year. This leaf and yard waste program diverts many tons of yard waste from the State's Central Landfill.

Public Works is also managing a \$6 million school improvement project, affecting five schools, scheduled for the summer of 2013. These projects will improve life safety, handicap accessibility and code compliance at these facilities.

Leisure Activities Department:

This year the Department continues to plan and implement improvements to the Golf Course.

The implementation of the Calf Pasture Point Master Plan to convert the park into a passive recreation complex continued with the completion of parking facilities and some trails. The new bike path that leads down to the park is completed.

The Arts Council has developed another variety of outstanding programs including events and concert series for the enjoyment of Town residents. Take an Arts Break Classes for both the spring and fall offer a variety of programs to adults. The Tuesday concerts and Thursday Family concerts were well attended. The council also provided support to local historical sites such as Smith's castle and The Gilbert Stuart Birthplace .The Programming was enhanced by donations and sponsorships.

Recreation:

As always, North Kingstown Recreation made every effort to reach as many of its very diverse population as possible in the past year. Again, the instructors and leaders were the most important influence to the success of the department.

The Saturday Art Program for pre-school through second grade was extremely popular with about 250 participants. Our latest offerings of Advanced Art Classes for third through fifth grade students and a Little Chef's Cooking class for 6 – 9 year olds are off to a great start. One of the older programs to continue a high level of success was the Girls Field Hockey League, which attracted about 80 third to eighth graders. Some of these also had the opportunity to play games at other towns, moving the level of competition up a notch. Almost 160 first through eighth grade girls stretched, vaulted and cart-wheeled their way through our winter gymnastics program located at the High School.

Perhaps our most popular new adventure in many years, Flag Football, has tripled in size over the past four seasons. This fall over 300 boys and girls, ages 8 to 14, will enjoy their Friday Night Games under the lights at Ryan Park.

This was our seventeenth season to offer our little actors a chance to audition for a play directed by the Missoula Children's Theatre Performance. The instructors did a wonderful job of leading the 60 boys and girls of all ages in "Tortoise vs Hare". It is always exciting and heart-warming to witness the growth of these actors in a week's time. The children were confident and professional in (almost) every way and never missed a cue as they sang and danced their way across the stage.

The Basketball Program for children ages 5 to 13 continues to be very popular and successful with over 600 participants.

The Summer Playground Program, an eight-week program designed for 6 through 13 year olds was enjoyed by 300 children with activities such as field day, T-Shirt Tie-dye day, as well as field trips to Six Flags, Seekonk Grand Prix, Yawgoo Water Slides and this year a new offering of Mystic Aquarium. For a second year the children's Tennis Program was well received, and drew 100 participants. The "Busy Bodies" Program is continuing to gain momentum. 250 of our 18 month to 5 year olds are learning coordination and social skills in the Cold Spring Community Center.

Yoga was offered to adults and an adult exercise program was also available. Basketball and Volleyball are also enjoyed by many of our adult citizens, including some 50 to 70 year olds.

Senior and Human Services:

The Department of Senior and Human Services provides programs and services to older adults 55 and over, both at Beechwood and in the community. The senior center coordinates the following senior programs and services: nutrition (Seabreeze Dining, Beechwood Café and Meals on Wheels), transportation programs, social and recreational activities, health wellness education and screenings, social services and case management, human services (basic human needs), advisory groups, volunteer services, and educational programming, as well as information and referral services.

The senior center accommodates the needs of current older adults in North Kingstown as well as the anticipated growth expected in the coming decades as the Baby Boomers reach 55+. The Senior and Human Services Department received for a fourth year the Title IIIB Supportive Grant for \$40,000 from the Rhode Island Department of Elderly Affairs. This funding is used for additional activity/programming staff, senior center programs and services, and provides an opportunity for Beechwood to introduce **new** programs and services.

The unduplicated number of individuals who utilized services in all divisions in 2011-2012 is 2,383. In 1997-1998 1,367 individuals received services, illustrating a significant growth in participation. Growth has continued throughout 2011-2012 with an additional 696 new participants enrolling in programs. Over 44,000 units representing the 2,383 unduplicated individuals participated in programs, which includes recreational, health wellness, social services, dining, transportation, and fitness.

General Programs:

Community Connections:

We continued our collaboration with the Feinstein Center for Hunger Free America assisting seniors and families to access Food Stamps, VNS Home Health Care for Flu clinics, Health Fairs, and Health clinics. AARP provides Tax Aide services and safe driving programs through-out the year. URI, Blue Cross/Blue Shield, and the YMCA continue to provide speakers for educational and fitness programs. A center knitting project provided lap robes and afghans to Hospice, and Farmers' market vouchers are distributed to low-income elderly. New community partnerships continue with URI's Master Gardener Program and the Wild Plant Society to provide an ongoing gardening series at Beechwood. This community group has completed a garden that has enhanced the senior center's appearance and provides a walkway close to the parking lot which will connect with the campus walkway. The North Kingstown Arts Council offers 'Take an Arts Break' Programs at Beechwood. North Kingstown Senior Association funds many programs and hosts special events on site and in the community. Many community groups utilize Beechwood's conference room and other space for meetings and programs when space is available.

Programs:

Programming at the senior center is divided into health wellness and general programming. These programs include recreational, trips, fitness, health education, health clinics and fairs, and special holiday events. Evening programs such as Nite Owls continue to be popular, as are special events, dinners, ice cream socials, etc. Please refer to the monthly newsletter for a complete listing of all programs offered at the senior center. Over the past year 1,955 individuals participated in programs at the Senior Center, representing an increase of 4%.

Exercise Programs:

Exercise programs offered through our department this year were: Tai Chi, Mix It Up, Fun Fitness, Fun Flex, Jazz Bar & Tone, Yoga, Strength and Stretch, Lo-Impact Aerobics, Zumba, Beginner Line Dancing and Line Dancing. URI Department of Kinesiology provided a 16 week Tai Chi Exercise Program to study the effects of Tai Chi for older adult women.

Fitness Room:

The Fitness Room creates opportunities for older adults to use fitness equipment in a safe and supportive environment. Monitors trained by the YMCA oversee the program; they all have received their CPR certification. The Fitness Room is open daily by appointment. Utilization of the Fitness Room was comprised of 155 individuals servicing 3,178 units. Many requests have been made for an additional seated elliptical to accommodate individuals being turned away due to limited availability.

Health Programs and Services:

Health Wellness programming continues to expand with use of our Health Room for nursing and other health services. South County Hospital, Rhode Island College Student Nursing Program and Visiting Nurse Services each offer health clinics including individual health counseling, blood pressure checks, and cholesterol and glucose screenings. Health Programs offered in conjunction with collaborating agencies include URI Kinesiology Department (exercise and nutrition), URI Pharmacy programs, VNS Health Fairs, Blue Cross/Blue Shield (exercise challenge and body composition) ten Lunch and Learn programs by Westbay YMCA and The Wellness Company who offered shingles shots. Participants may use the 'Telemedicine' machine to monitor their vital signs and manage their weight which can lead to improved health and wellness and quality of life. This equipment makes it possible for participants to self-monitor blood pressure, weight, pulse, and respirations. Our Flu Clinic held in October immunized 194 people. Volunteers pre-registered every individual to minimize wait times.

A Podiatrist and Chiropractor offered services in our health room. Special health services are also provided on site by other agencies such as educational programs on Alzheimer's disease, support groups for caregivers, and Insight - a support group for older adults coping with visual impairments. Alternative wellness opportunities are also offered such as Reflexology, Massage Therapy, and Balance and Function (cranial-sacral therapy).

Trips:

Trips organized through the senior center during this time period consisted of: multiple performances at Theatre by the Sea, Newport Playhouse, Isles of Shoals, JFK Museum, Norman Rockwell Museum, South County Tours, Block Island, Lighthouse Tour, Isabella Stuart Museum, Covered Bridges and Foliage Tour, Audubon Society, The Boston Symphony, and the Flower Show.

Volunteerism:

The senior center also offers extensive volunteer opportunities, both at the senior center and in the community, through collaboration with Southern Rhode Island Volunteers (SHO). At our Volunteer Recognition Program held last April we recognized 218 volunteers who contributed over 10,860 hours of volunteer service. Katherine Alexander, Shirley Burnham, and Geri Fitzpatrick were named Volunteers of the Year. Each individual recognized has dedicated over 20 years of volunteer service to the senior center.

Intergenerational Programs:

The senior center has ongoing intergenerational programs involving youth and older adults. The Special Friends Program involves students from Wickford Middle School who volunteer at the senior center and socialize with seniors through games and volunteer activities. We also invite students of all ages to perform musical and related programs throughout the year. In addition, we developed a cooperative relationship with LINKS, Laymen in North Kingstown Schools, offering opportunities for seniors to volunteer in the North Kingstown school system.

Transportation:

Transportation services made 10,708 calls, assisting 116 seniors. We provide transportation to three older adults in wheelchairs. RIDE, RIPTA's state transportation for seniors and people with disabilities, provided 55 older adults transportation to the senior center. In addition, RIDE currently provides North Kingstown residents transportation to adult day care and out of town medical appointments. Volunteer organizations such as FISH and Southern Rhode Island Volunteers (SHO) supplement the state services for out of town medical needs whenever necessary. Shopping trips to local supermarkets and plazas increased and continue to be an essential service that makes it possible for elders to maintain their independence in a community setting. In addition, we provide transportation to banks, the library, post office, hairdressers and pharmacies.

Nutrition Program:

A total of 16,243 meals were served through our federal meals program. Meals on site at our Sea Breeze Dining room served 9,612 meals to a total of 446 individuals. Meals on Wheels are delivered Monday through Friday by over 40 volunteers and served 40 homebound seniors with 6,631 meals. The Beechwood Café, in collaboration with the North Kingstown School Dining Program, offers a flexible alternative of sandwiches, soups, salads etc. between 11:00 am and 1:30 pm. Blackstone Health, Inc. has been our new caterer for the hot noon meal for the past two years. This change has resulted in high praise from previous participants for the improvements in the quality of the meals as well as an increase in new participation.

Social and Human Services:

We maintain separate statistics for our senior clients and the population we serve under the age of 55. The Social Service office served 708 seniors including 170 SHIP (Senior Health Insurance Program) appointments. This represents a 13% increase in SHIP services. Our Social workers also make home visits to homebound elders as needed. Health issues, financial difficulties, and the increasing cost of living generated the most contacts.

There were 116 families under the age of 55 provided financial assistance from the Town for issues such as utility shut offs, funding to prevent eviction, or emergency heating needs. This represents a 19% increase for 2011/2012 from the previous year. Other agencies, particularly the Salvation Army Unit in North Kingstown, also support families in crisis in North Kingstown. Although not funded by the Town, nor operated by this office, the NK Food Pantry served 1,204 families this past year. Thanksgiving dinner was provided to 248 families.

St. Paul's Episcopal Church began the Community Faith Fund this year in which they provided funding from their discretionary account to assist individuals in need within the Town. The criteria for funding these monies from the church fund was processed through our Social Services Department. An additional 9 families were served in the community for financial assistance.

Christmas again was a combination of agencies and donors working together to provide food and gifts for those in need residing in North Kingstown. The Holiday Giving Program was organized and managed by the social service staff and volunteers. Families in need applied and gifts were provided for children of 220 families. An additional 58 families received food gift certificates for the holidays. St. Paul's Church provided food baskets with a week's worth of food to 100 persons. Gift certificates were made available by private donations, and the NK Food Pantry assisted where needed.

We continue working with families in crisis as well as referring them to other agencies and services so that assistance is never duplicated and plans can be put into place to prevent future crises. We are always developing new resources to assist residents in an emergency situation with town funds provided in the Human Services/Public Assistance budget.

The primary focus for this year has been establishing operations and programs for the new senior center and continuing the North Kingstown Senior Association (NKSA) Capital Campaign, supplementing the four million dollar municipal bond for the new senior center project. New programs introduced in 2011/2012 include RIPTA Bus Passes, Voter ID Picture Registration, Grandparents Bingo (Intergenerational), Music Appreciation, Ballroom Dancing, Weight-loss coaching, as well as various Health/Wellness programs.

Code Enforcement:

This year the Code Enforcement Department will continue to work on achieving code compliance for all construction projects and buildings in the town of North Kingstown including, but not limited to, mobile home parks, public and private schools, day care facilities, laundries, purveyors of alcoholic beverages, bed & breakfasts, hotels, motels, rooming houses and second hand furniture dealers. We will also continue to create a history of all past permits and correspondence and integrate same into a digital format.

North Kingstown School Department:

The North Kingstown School department is a high performing school district. The district has a standards-based curriculum and a comprehensive assessment system that will enable the educators in the district to advance school improvement and student achievement. Curricula review and development is a continuous process that aligns our curriculum to state and national standards. All curricula areas across the grade span are examined for consistency, content scope and sequence, assessments, and resources. Curriculum work is supported by professional development. Additionally, educators engage in continuous review of data to make decisions in instruction and interventions that support student needs.

Systems to improve parent and community involvement continued in this fiscal year. These systems provide for the continuation of school organizations at each of the schools in the district and the continuation of the Parents as Teachers program for preschool parents. Parent development and volunteer programs have been implemented through the local Parent Teacher Organizations, LINKS and the COZ. Our Parents as Teachers program begins working with parents when their children are born. PTOs have been very active in addressing district-wide issues in the areas of growth management, technology, grading systems and necessary school improvements, both physical construction and academic support.

Over the past eleven years, the technological capability of the school system has been expanded and modernized. All classrooms have computers and high speed internet access in support of instruction. All teachers have e-mail accounts. Technology has become a common and integral part of our instructional program. North Kingstown students are becoming increasingly comfortable and sophisticated in their use of technology in support of their learning. A student information system, X2 Aspen, is being fully implemented. This system is a part of a statewide technology initiative to establish a common integrated data system for all school functions.

Our high school students are receiving their educational programs in a state of the art building and utilizing a top-notch athletic facility to participate in interscholastic competitions. Parking lots, curbing, fire alarm systems, lighting improvement, networking systems, HVAC, roof and numerous other improvements have been completed in all of our schools over the past ten years with a recent bond issuance in 2011 to be completed over the next year. The facilities' needs of all of our schools have been reviewed and a long-term plan developed to address these needs. While there is still more to do, these improvements of our infrastructure have resulted in a district with buildings and facilities that are among the best in the state. Parents and students take an active role in school beautification programs.

The North Kingstown School Department will continue with the development of the systems it has in place. Greater emphasis will be placed on the development of higher expectations and higher achievement for students with special needs. A program of modernization and upgrading of all facilities will be implemented as funding allows.

Water Department:

Providing high quality and adequate quantity of drinking water and maintaining critical water system infrastructure is the paramount goal of the North Kingstown Department of Water Supply. Our water storage tank improvement projects, which included the replacement of the Juniper Hill Standpipe and rehabilitation of the Forge Road and the Saunderstown Standpipes, should be completed over the upcoming year. The construction of a new Pressure Reducing Valve/booster pump vault is underway so that treated water can be moved in either direction between the Slocum High Service Area and the Low Service Area. This station will provide additional flexibility and redundancy in meeting water supply demands and enhance the reliability of the water system. In addition, developing a more comprehensive leak detection program to reduce non-account water and improving our staff training program is on the agenda for the upcoming year.

Police Department:

The Police Department continues with several projects designed to maintain the professionalism of our personnel and to provide them with improved equipment in their service to the community.

It remains our commitment to ensure that police services are delivered in an effective and efficient manner. The Police Department will strive to maintain an aggressive training schedule for our police personnel. The areas of training include; annual firearms qualifications, use of force techniques and procedures, emergency motor vehicle operation, as well as other annual recertifications.

As the community and societal expectations for police services change, we remain cognizant of this responsibility and the need for an ongoing review of policy and procedures to best meet the changes.

FOR THE FUTURE

Planning Department:

The Planning Department will continue to work with the Wickford Plan Committee and other Town offices to implement the Wickford Village Plan. To protect farmland from development, the Department is continuing to assess the costs of delivering services to different land use categories; information from studies indicates that residential land uses consume more tax dollars than are generated and that conversely farmland generates more tax dollars than are used to deliver services

to agricultural uses. The Department is continuing its development rights acquisition efforts for farms using agriculture monies, state open space funds, the Town open space fund, and the funds authorized by the North Kingstown electorate.

The Planning Department will continue the work with the QDC to coordinate the joint review of services and facilitate business development and to assure the full implementation of the Base Reuse Plan adopted for the Quonset Business Park. The Quonset Master Plan and Post Road Corridor Plan have been adopted as part of the Town's comprehensive plan and the Town and the QDC are in the process of implementing those Plans and will continue to do so in the future.

Regional efforts will continue to be a component of the work of the North Kingstown Planning Department. With the Washington County Regional Planning Council, the Town will be working on an assessment of potential for a transfer of development rights program in all of Washington County.

Over the next year, the Planning Department will focus on completing the implementation strategies associated with a number of special projects: the implementation of the TDR and Village Study, the Healthy Places By Design report, the Davisville Neighborhood Revitalization Plan and the various phases of the Allen Harbor Master Plan, the Calf Pasture Point Master Plan, implementing the recommendations of the Post Road Corridor Plan, Post Road sewer extension study, the design of the Post Road Sewer project, and construction of phase two of the Yorktown Park Master Plan. The Planning Department and the Town Manager have been working extensively with the QDC to accommodate the sewer needs of the Town by utilizing the Quonset sewage treatment facility and the successful implementation of the sewer district for the Post Road Corridor.

Information Services Department:

In fiscal year 2013 the IS department will continue its mission to bring to the table technological advances and innovations to automate citizen facing processes, empower North Kingstown employees and constituency to create a collaborative and open government.

In fiscal year 2013 our lifecycle replacement program will replace workstations, networking equipment and systems that have reached end of life/support status. The "end of life" networking equipment at DPW, Senior Center, Fire, Town Hall and Town Hall Annex will be replaced. The aging municipal Internet Mapping Server, depending on funding, will be scheduled for an upgrade in fiscal year 2013 as part of the IS lifecycle program.

In fiscal year 2013 the Fire Department has been reviewing new dispatch and reporting systems. Fire realizes how antiquated the existing system is, and its limitations. The Fire Department has asked IT to sit on a selection committee for this project.

In fiscal year 2013 the Town of North Kingstown will be upgrading the voicemail services as they have been deemed End of Life by the Vendor and will no longer be supported.

In fiscal year 2013 the North Kingstown Municipal Golf Course will be transitioning onto the Town's Network. By doing so, it will provide a more secure network, utilization of the Town's Phone system and other cost saving measures.

The Municipal ERP (Enterprise Resource Management) system MUNIS has placed the version that we are currently on into an “End of Support” status, requiring to upgrade to the latest revision of the software.

The Town’s Geographical Information Systems (GIS) will continue to build its data warehouse in fiscal year 2013 by working with departments to create new layers such as water and public works infrastructure. GPS technology will be used in conjunction with the Engineering and Water departments to locate and map this infrastructure. The aging municipal Internet Mapping Server will also be upgraded in fiscal year 2013 as part of the IS lifecycle program. The IS Department will also assist the Town of Exeter with implementing GIS in their organization.

Public Works:

Public Works continues to successfully oversee and inspect subdivisions under construction and related public improvements resulting from the Town’s growth. The Facilities division continues to manage and maintain an increasing number of parks and playground facilities in Town, as well as Town owned buildings, with 5 full-time employees.

This department has several on-going projects, including infrastructure and landscape improvements to the Beach Campus, Post Road Sewers, HVAC upgrades to the town library, and ESCO facilities improvements. Public Works will also continue to make improvements within the Calf Pasture recreational area, including improved bike paths and access.

Public Works recently installed new software for its transfer station scale in an effort to improve facility efficiency and commodity tracking. Public Works continues to strive to promote maximum recycling and reduce the amount of solid waste generated in North Kingstown to achieve the State’s target diversion rate. To that end, the Town of North Kingstown recently awarded a curbside recycling bid that is designed to increase our recycling tonnage and improve our recycling rate. The program takes advantage of the single stream program recently implemented by RIRRC by going to a bi-weekly, fully automated curbside program. This program will save the town money and allowed us to keep a curbside program funded. Large 96 gallon totters will be distributed to residents this year, and both recycling streams will be collected in this single container. The Town also participates in a state funded electronic waste collection program with containers at its Transfer Station for residential.

Recreation and Leisure Services Activities:

The development of a long-range plan to schedule improvements to the Municipal Golf Course will continue by focusing on numerous small projects that will be required to enhance the conditions of the Golf Course. Many of these projects have had initial evaluations and include additional cart paths, rebuilding of tees and greens as needed, rain shelters and replacement of drainage pipes.

Dredging the channel at Allen Harbor will be starting within the year.

The Calf Pasture Master Plan will be updated to define the future phases of the Project.

The Arts Council continues to add more programs to their schedule. They continue to explore ways to raise additional funds for Arts programming such as sponsorships.

Senior and Human Services Department:

Beechwood, A Center for Life Enrichment is completed and is fully operational. The North Kingstown Senior Association (NKSA) Capital Campaign for one million dollars will continue through 2014.

NKSA continues to subsidize the majority of our ongoing programs as well as provide generous support for the new facility. New recreational and health wellness programs will continue to be introduced. Funding from the town and the Department of Elderly Affairs make it possible for social workers to reach out to isolated elders, assist in the resolution of issues that affect the well-being of the most vulnerable of North Kingstown residents, including older adults and their families.

We continue to expect many requests for aid from families and elders in North Kingstown to continue as unemployment remains high. The high cost of heating fuel, gasoline, electricity and food also create an increased demand for assistance.

Programs, services and attendance continue to increase. Baby Boomers have begun participating in programs and trips offered at Beechwood, creating the necessity of many waiting lists. A review of programs and services will be a priority for the next fiscal year.

Tax Assessment:

The Tax Assessor's Office continues to maintain sales information by sending out sales verification letters and monitoring sales information to accurately reflect market trends. This information will be used for any future revaluation. The goal of the state mandated triennial revaluations is to promote uniform assessments for all real property. The town's CAMA information will continue to be available on the web to allow the public easier access to all real property information.

The Tax Assessor's Office is in the process of adding the common open space lots from cluster and compound developments to the CAMA system to be used with the Town's GIS system. In addition, the land associated with any condo developments is also being added to the CAMA system to be used with the town's GIS system.

The Tax Assessor's Office continues to notify taxpayers of exemptions by newspaper advertisements and mailings to taxpayers.

Code Enforcement:

The Code Enforcement Department will continue to provide the best service possible to the public. In order to make the process easier we have implemented software that allows on-line permitting. This has provided homeowners and contractors a quick way to get the application started. We are working on an upgrade to our website that will be user friendly with more information. The department is working with the State Building Commissioner to provide a state-wide permit program that would provide greater access to the public.

Fire Department:

The Department will continue to identify all areas of the ISO report for improvements by conducting additional training, pre-fire planning and inspections. Planning for a new fire station for the Quonset Davisville Commerce Park area of town will continue and is in the discussion phase with the QDC.

The Department will continue to upgrade the Computer Aided Dispatch system and Records Management program to provide information more quickly and accurately. Through the procurement of \$641,000 in federal grant monies, the department is in the process of upgrading its communication system to 800 MHZ and will soon be transmitting on the Rhode Island Interoperable Radio System. The timing of the infrastructural upgrade will also enable the Department to comply with the FCC mandated narrow banding guidelines slated for January 2013. The Department is currently in the application phase of approximately \$900,000 worth of federal grants.

Water Department:

Discussions over the past few years regarding potential State regulations including streamflow standards, water allocation and water conservation will likely have an impact on the Water Department's future initiatives. This focus on reducing water demand and the associated environmental impacts, as well as coordinating community planning with the availability of water supplies is an important Department initiative. In addition, we continue to upgrade water meters, resulting in more efficient and accurate meter reading, as well as enhanced leak detection capability. All of these efforts must be balanced with maintaining adequate funding for technology updates and distribution system infrastructure maintenance and replacement.

ACCOMPLISHMENTS

Planning and Development:

The Planning Department prepared multiple successful grant applications over the past few years. Statewide Planning Challenge Grants amounted to \$59,000, \$15,000, and \$70,000 for the updating of the zoning for the Post Road Corridor, the creation of a Transfer of Development Rights Ordinance, and a project to study and revitalize our existing villages in Town. Over the past year, the Planning Department assisted the Planning Commission and the Town Council in the review and approval of a Transfer of Development Rights ordinance, as well as the new Post Road Corridor zoning regulations changes, and the changes to the Subdivision and Land Development Regulations to improve the development process. The Department was also recently awarded a \$200,000 grant from the United States Environmental Protection agency and the Rhode Island Department of Environmental Management for the implementation of storm water improvements in the Saw Mill Pond watershed. The Town was also awarded a \$225,000 grant from the Department of Health to incorporate healthy design aspects into the community comprehensive plan. As noted above, in the spring of 2012, the Town was awarded an RIDEM recreation grant to extend the existing bike path in the Quonset Business Park into the town-owned property at Calf Pasture Point. This bike path has already been constructed and now connects the commercial corridor of Post Road to Narragansett Bay. The next component of the project will be to add signage and fitness stations at key locations along the path.

The Planning Department has and will continue to prepare grant applications every year to the State Community Development Block grant program requesting \$400,000 for use in the community this upcoming year. In recent years, funds were secured for use in the Davisville neighborhood for housing affordability protection; community services; improving linkages between residential and commercial areas, and making aesthetic improvements to commercial areas.

Information Services Department:

The IS Department was the proud recipient of national and statewide industry awards and recognitions this fiscal year. North Kingstown municipal technology was nationally recognized with a Public Technology Institute awards and in the State of RI by RI Tech Collective. Tech Collective is the technology industry association of Rhode Island. The Director of Information Technology also received the **Public Technology Institute's National Technology Solutions Award**.

In fiscal year 2012, the IS department continued its mission to bring technological advances and innovations to automate citizen facing processes, empower North Kingstown employees and constituency to create a collaborative and open government.

During fiscal year 2012, the water department began the first Phase of connectivity into the municipal VAN (Virtual Area Network) for its remote sites. In this Phase, Pump stations 10 and Well 10 received new networking equipment to provide a more modern infrastructure and high speed connectivity for its SCADA system to run. This has allowed for mobile and remote access to the system and more efficient management and monitoring of the critical water department resources.

A new public facing portal has been implemented via our website for Senior Center Social Services requests and applications for our constituents. Examples of requests that are currently available are Holiday Giving recipients and Donor applications. The IS department will continue to work with the Senior Center staff to develop a portfolio of forms to ensure more reliable and efficient communications with the public.

In collaboration with the Department of Public Works, the IS Department successfully updated the transfer station scale and point of sales system. The Transfer Station now has a more up to date, highly available, reliable and efficient system for billing, tracking, and reporting Transfer Station transactions.

As the need for a mobile workforce continues, more use of smart phones and tablet computers will become more prevalent in North Kingstown. iPads have been implemented in the Code Enforcement Departments for more robust and efficient field work.

The Municipal ERP (Enterprise Resource Management) system MUNIS has placed the version that we are currently on into an “End of Support” status, requiring to upgrade to the latest revision of the software.

An even more collaborative and shared service environment was promoted in the IS Department in fiscal 2012. IS worked with other municipalities to enhance or create new technological initiative while creating economies of scale, in turn saving taxpayer dollars. The IS department is in discussions with the Towns of Exeter and Richmond to grow the Inter-municipal technology service offerings. It is also working with Washington County Regional Planning Council to adopt county wide applications and services for Washington County. Fiber optic projects and Interoperability/Collaboration systems are being discussed with the RI Higher Ed Consortium OSHEAN.

The Town’s Geographical Information Systems (GIS) continued to build its data warehouse in fiscal year 2012 by working with departments to create new layers such as water and public works

infrastructure. GPS technology was used in conjunction with the Engineering department to locate and map this infrastructure.

Public Works:

Public Works remains successful in its oversight and inspection of subdivisions under construction and related public improvements required by development and town growth. The Facilities division continues to manage and maintain parks, grounds, playgrounds and Town-owned buildings.

Fire Station 5 in Slocum was opened in 2009 and the addition/improvements to the Public Safety Complex were completed in late 2010. Construction of the new senior center (Beechwood) was also completed in 2010, as well as the installation of two innovative septic systems to accept effluent from Beechwood, the Community Center and the Beach Restrooms. A new bandstand, located at the Town Beach, was completed in the spring of 2012.

This department recently completed over \$1.5 million in road improvement projects. A majority of this project was state and federally funded. Two significant recreation/leisure services projects were also completed within the last few years. The first was the replacement of the town golf course irrigation system with water now being supplied by a newly constructed irrigation pond and refurbished well. This has allowed the town to almost entirely eliminate its dependence on potable water from the stressed Hunt River aquifer. The other project was the reconstruction of a large section of marina bulkhead. The failing bulkhead was installed by the Navy over 50 years ago and its condition was threatening the use of many docks and slips.

This department completed improvements in the Calf Pasture Point recreational area this year, including the paving of a bike path, and the replacement of more appropriate fencing and gates along the Mount View neighborhood. Calf Pasture Point was previously owned by the Federal government, and had many failed roads and barbed wire fencing. One of these roads was turned into a bike path.

Working with the School Department, this office managed the completion of a \$1.5 million membrane roof system this past summer on the Davisville Middle School.

Leisure Activities Department:

The North Kingstown Municipal Golf Course completed another successful season. Also, a survey was sent out to 3000 clients, 85% of whom rated the golf course good to very good.

Recreation:

The shelter at Yorktown Park has been completed.

Code Enforcement:

The Department has made improvements in its ability to track and respond to our customers (homeowners and contractors). We have implemented new software, designed standardized forms, adjusted inter-office policies, and become more efficient in our overall operation. These changes have helped to increase productivity and accountability; however, to maintain this level we have had to adjust our hours of operation. While we are still here between 8:30 am and 4:30 pm the doors are only opened between 8:30 -12:30 and 1:30 pm to 3:30pm. The period of time our doors are locked are used for data entry, returning phone calls and the usual administrative procedures that are associated with code enforcement.

Fire Department:

The Fire Department's Slocum Fire Station (Station # 5) and Engine Company # 5 completed its third year in service on January 23rd, 2012. Engine Company # 5 responded to 1057 Alarms from 1/01/11 to 12/31/11. The addition and renovations to the Public Safety Building on Post Road (Station # 1) have been completed and the Fire Department Administrative Offices and Fire and Rescue Companies are back in Station # 1. The Fire Department was notified on October 14th, 2009 by the Insurance Services Office (ISO) that they had completed their analysis of the structural fire suppression delivery system provided in North Kingstown. The resulting Public Protection Classification is 4; the prior Public Protection Classification was 4/9. The Fire Department will endeavor to make improvements in the ISO rating in the future. There has been no change to the rating to date.

The Fire Department responded to 4,761 calls for service last year. This was achieved through a total of 10,818 Fire Apparatus Responses.

Water Department:

Remediation of lead-contaminated soil on properties surrounding three of the water system storage tanks will be completed over the next month. The construction of an elevated storage tank to replace the system's oldest tank has been completed. In addition, an emergency generator has been installed to provide emergency power to three wells and the Department's SCADA control system at the Oak Hill Well field.

The North Kingstown Water Department has continued to provide information to customers on maintaining landscapes for clean water and encouraging water conservation practices and compliance with our revised lawn and ornamental landscape irrigation ordinance. The Department, in coordination with the Groundwater Committee, has been developing education programs to keep customers informed about water issues. The Department continues to work with the Planning Department and other state agencies on programs for water use efficiency and initiatives for land acquisition to protect water quality.

Police Department:

The North Kingstown Police Department continues to work to maintain a good relationship within the community. To accomplish this we search and employ those programs that will best assist in helping us fulfill this commitment. Examples include Neighborhood Watch Groups, Commercial Enforcement Program, T.E.A.R. – Traffic Education and Accident Reduction, Traffic Calming, and the Juvenile Hearing Board.

In addition, the Police Department continues programs to maintain a relationship with young adults:

- A School Resource Officer – North Kingstown High School. A full-time police officer is assigned to the North Kingstown High School to assist in facilitating a safe environment for students, but also to build on the understanding of police and community relations. This position is maintained from one of the police officers assigned to daily patrols from the 7:00AM to 7:00PM shift.
- The DARE program continues as a part of the elementary school program for all 5th graders; its success can be attributed to the cooperative effort of the North Kingstown Rotary Club and North Kingstown Police Department.

Working Together for Wellness Taskforce continues to partnership with the Police Department to address underage drinking and substance abuse in North Kingstown. Together we are committed to reducing and deterring substance abuse by underage persons in North Kingstown. The program is made possible through a grant known as Strategic Prevention Framework-State Incentive Grant (SPF-SIG) Program.

AWARDS AND ACKNOWLEDGEMENTS:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of North Kingstown for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only and is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment for a government unit and its management. The Town of North Kingstown has received a Certificate of Achievement for the last twelve consecutive years (FY 2000 through FY 2011). We believe that this report continues to conform to the Certificate of Achievement program requirement and we are submitting it to GFOA to determine its eligibility for another certification.

A special thanks to the Town Manager, Department Directors and Division Supervisors for their assistance and contributions to this report. I especially commend the members of the Finance Department, particularly, for their responsible competence and diligence in the continuation of the progressive financial activities of the Town. The preparation of this report on a timely basis was made possible by the efficient and dedicated service of Jeanna Krukowski, Controller.

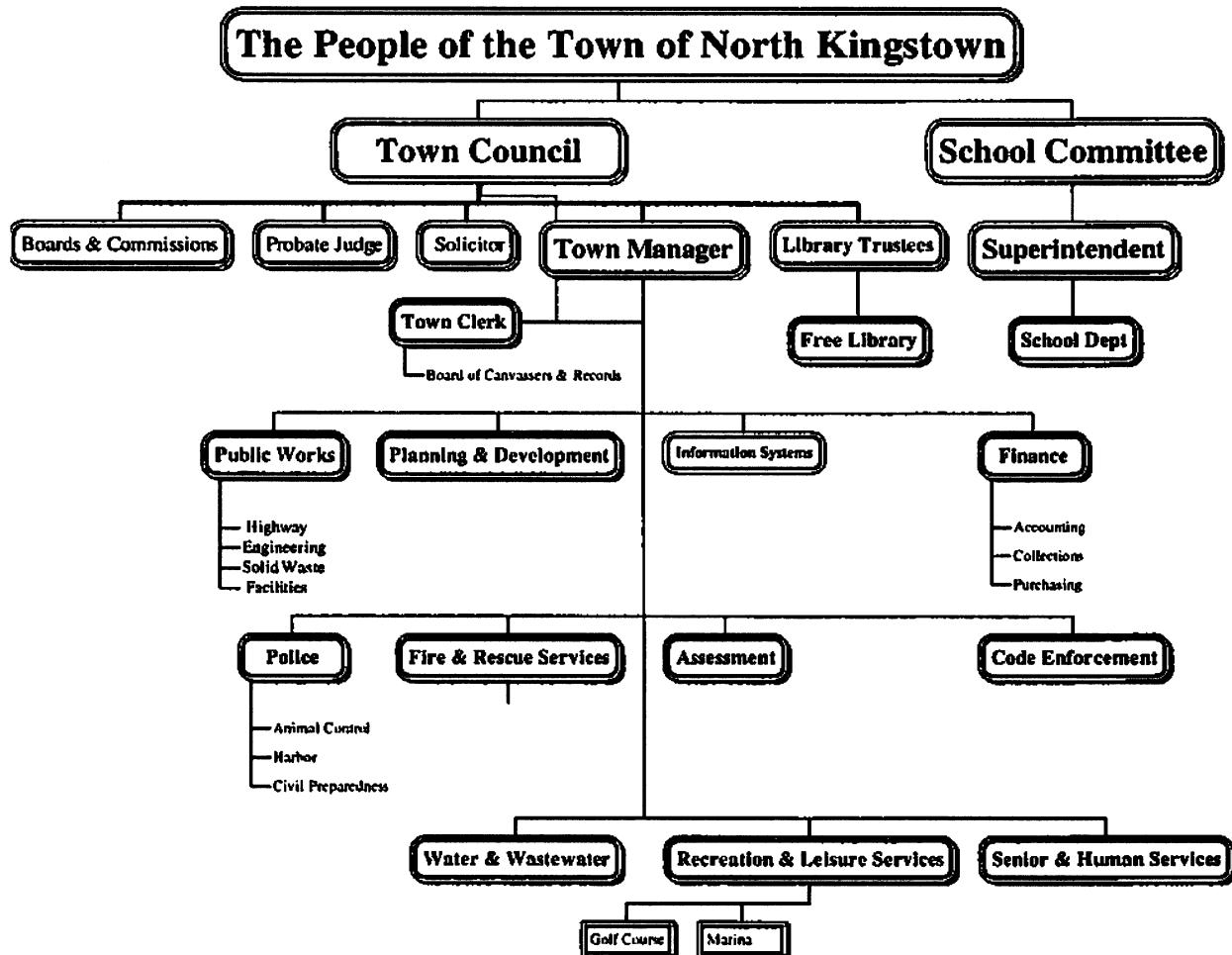
Appreciation is also expressed to the Town Council and all Town employees for their cooperation and assistance throughout the year in matters pertaining to the financial affairs of the Town.

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia Sunderland".

Patricia A. Sunderland
Finance Director

Organizational Chart



TOWN OF NORTH KINGSTOWN, RHODE ISLAND

LIST OF ELECTED AND APPOINTED OFFICIALS

JUNE 30, 2012

TOWN COUNCIL

ELIZABETH S. DOLAN – PRESIDENT
MICHAEL S. BESTWICK
CHARLES E. BRENNAN, JR
CAROL H. HUESTON
CHARLES H. STAMM

SCHOOL COMMITTEE

KIMBERLY ANN PAGE - CHAIRPERSON
LYNDA AVANZATO
MELVOID J. BENSON
LARRY D. CERESI
WILLIAM MUDGE
JOSEPH THOMPSON
RICHARD WALSH

| | |
|-----------------------------------|------------------------|
| TOWN MANAGER | MICHAEL E. EMBURY |
| TOWN SOLICITOR | JAMES H. REILLY |
| TOWN CLERK | JEANNETTE ALYWARD |
| DEPUTY TOWN CLERK | SUSAN MURRAY |
| ASSESSOR | LINDA CWIEK |
| DIRECTOR OF FINANCE | PATRICIA A. SUNDERLAND |
| CONTROLLER | JEANNA KRUKOWSKI |
| DIRECTOR OF PUBLIC WORKS | PHILIPPE BERGERON |
| TOWN ENGINEER | KIM WIEGAND |
| DIRECTOR OF RECREATION | ALLEN SOUTHWICK |
| DIRECTOR OF PLANNING | JONATHAN J. REINER |
| POLICE CHIEF | THOMAS MULLIGAN |
| FIRE CHIEF | FENWICK GARDINER, JR |
| BUILDING OFFICIAL | GARY TEDESCHI |
| DIRECTOR OF WATER SUPPLY | SUSAN LICARDI |
| HIGHWAY SUPERINTENDENT | ROBERT VARGAS |
| DIRECTOR OF SENIOR/HUMAN SERVICES | MARIE MARCOTTE |
| TOWN SERGEANT | BRUCE RENNER |
| LIBRARY DIRECTOR | CYNDI DESROCHER |
| GIS MANAGER | MICHAEL FORLINGIERI |
| SCHOOL SUPERINTENDENT | PHILIP AUGER |
| SCHOOL DIRECTOR OF ADMIN. | MARY KING |
| SCHOOL CONTROLLER | STEVEN JANELLE |

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of North Kingstown
Rhode Island

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

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



Linda C. Danison

President

Jeffrey P. Emer

Executive Director

FINANCIAL SECTION

This section contains the following:

INDEPENDENT AUDITORS' REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

OTHER SUPPLEMENTARY INFORMATION

Independent Auditors' Report

Members of the Town Council
Town of North Kingstown, Rhode Island
North Kingstown, Rhode Island

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of North Kingstown, Rhode Island (the Town) as of and for the year ended June 30, 2012, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

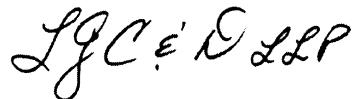
In accordance with Government Auditing Standards, we have also issued our report dated January 31, 2013 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Independent Auditors' Report (Continued)

Members of the Town Council
Town of North Kingstown, Rhode Island

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis presented on pages 3 through 12, and budgetary comparison schedules and historical pension and other postemployment benefit information on pages 63 through 70 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 appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Town. Such information and the introductory and statistical sections are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The other supplementary 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is 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 express no opinion on them.



January 31, 2013

TOWN OF NORTH KINGSTOWN, RHODE ISLAND MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction:

Management's Discussion and Analysis provides a narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2012 with comparison to the prior year, where appropriate. The information complements the data presented in the basic financial statements. Its purpose, along with the material in the Letter of Transmittal, is to enhance the reader's understanding of the Town's financial performance.

Financial Highlights:

- Statement of Net Assets (Government-wide exhibits) is presented on a full accrual basis similar to a private business, in comparison to a consolidated financial report of a \$100 million dollar company.
- The assets (net worth) of the Town of North Kingstown exceeded its liabilities at the close of the most recent fiscal year by \$78.7 million (net assets). Of this amount, \$19.5 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors. The total net assets is broken down into three captions: 1) Invested in Capital Assets, net of related debt (Capital Assets section) which is essentially the net worth of the infrastructure the Town owns; 2) Restricted for endowments in terms of Trust agreements which is not spendable by the Town; and 3) Unrestricted is unassigned.
- The government's total net assets increased by \$357,062.
- As of the close of the current fiscal year, the Town of North Kingstown's total governmental funds reported combined ending fund balances of \$18.5 million. Approximately 51.2% of this total, \$9.5 million, is available for spending at the government's discretion (unassigned).
- At the end of the current fiscal year, the total fund balance of the General Fund was \$13.36 million. Of this amount the unassigned fund balance for the General Fund was \$9.46 million which is available for spending at the government's discretion within the General Fund. The remaining balance consisted of \$742,730 non-spendable to help finance the golf course's irrigation project, \$825,480 assigned for encumbrances and \$2.33 million assigned to fund retiree obligations.
- The remaining fund balance of \$5.1 million is classified as follows: \$1.92 million – School Department, principally restricted for education, but also committed for retirements, assigned for encumbrances, and non-spendable for a certain health insurance deposit; \$209,753 – Other Governmental Funds, including assigned for Town Capital Reserve funds; \$741,314 – Debt Service Fund restricted; and \$2.23 – Other Governmental Funds, principally grant-restricted, but also Capital Projects such as GO Bonds, Open Space/Farmland), and Non-Spendable \$97,552 – Permanent Funds.
- The Town's governmental fund total liabilities, both long-term and short-term, (including general obligation bonds, capital leases, notes payable, compensated absences, pollution remediation obligations and OPEB liabilities) decreased by \$3,344,285 (5.4%) during the current fiscal year. The key factors in this decrease were the retirement of \$3.5 million in general obligation bonds netted by an increase of \$1,703,877 in the net OPEB obligation.

Overview of the Financial Statements:

This discussion and analysis are intended to serve as an introduction to the Town of North Kingstown's basic financial statements. The Town's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information and a statistical section. The statistical section provides comparisons of selected information beginning with FYE 2003 and running through the current fiscal year.

Government-Wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Town of North Kingstown's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as 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 future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements outline both the functions of the Town that are principally supported by property taxes and intergovernmental revenues (governmental activities) and the business-type activities that are supported by user fees and charges. The governmental activities of the Town include public safety, public works, education, recreation, library, senior services, and general government. The business-type activities of the Town include a water fund, recreation fund, school cafeteria fund, municipal court and capital reserve funds. The recreation fund is comprised of the North Kingstown Municipal Golf Course and the Allen Harbor Marina Facility.

The government-wide financial statements (statement of net assets and statement of activities) can be found on pages 13-14 of this report and include only the activities of the Town of North Kingstown.

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

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

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

The Town of North Kingstown maintains over 100 individual non-major 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, School Department, Debt Service Fund, and Other Governmental Funds, all of which are considered to be major funds. Forty-six special revenue funds, forty-five School Department funds, a Debt Service Fund, Capital Projects Funds and several Permanent Funds are combined into aggregate funds in this presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 15-18.

Proprietary Funds: The Town of North Kingstown maintains two proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The Town of North Kingstown uses enterprise funds to account for its water fund, recreation fund, and non-major enterprise funds (i.e. nutrition fund, school sports camps, gate receipts, summer school, etc). Internal service funds are an accounting device used to accumulate costs internally among the Town's various functions. The Town uses internal service funds to account for its worker's compensation and self insurance property damage funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 19-21 of this report.

Fiduciary Funds: Fiduciary Funds are used to account for resources held for the parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of North Kingstown's own programs. The Town maintains two private purpose funds: Police Pension Trust and Probate Trust Funds, of which the Town holds 21 separate accounts. The basic fiduciary fund financial statements can be found on pages 22-23 of this report.

Notes to the Financial Statements: The Notes to the Financial Statements 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 can be found on Pages 24-62 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of North Kingstown's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 63-70 of this report. The Combining Statements referred to earlier in connection with non-major Governmental Funds are presented following the Notes to the Financial Statements. Combining and Individual Fund Statements can be found starting on page 79 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. Town of North Kingstown's governmental activity assets exceeded liabilities by \$63,971,431 on June 30, 2012.

Table 1 – Net Assets

| | Governmental Activities | | Business-Type Activities | | Total | | Total % Change |
|---|-------------------------|-----------------------|--------------------------|----------------------|-----------------------|-----------------------|----------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | |
| Current and other assets | \$ 26,516,435 | \$ 27,950,716 | \$ 9,070,892 | \$ 9,428,245 | \$ 35,587,327 | \$ 37,378,961 | |
| Capital assets | 95,530,060 | 98,599,515 | 11,102,799 | 10,901,804 | 106,632,859 | 109,501,319 | |
| Total assets | <u>\$ 122,046,495</u> | <u>\$ 126,550,231</u> | <u>\$ 20,173,691</u> | <u>\$ 20,330,049</u> | <u>\$ 142,220,186</u> | <u>\$ 146,880,280</u> | <u>-3.17%</u> |
| Current liabilities | \$ 7,895,448 | \$ 9,390,789 | \$ 1,715,173 | \$ 2,970,967 | \$ 9,610,621 | \$ 12,361,756 | |
| Long-term liabilities | 50,179,616 | 52,028,560 | 3,726,341 | 4,280,948 | 53,905,957 | 56,309,508 | |
| Total liabilities | <u>\$ 58,075,064</u> | <u>\$ 61,419,349</u> | <u>\$ 5,441,514</u> | <u>\$ 7,251,915</u> | <u>\$ 63,516,578</u> | <u>\$ 68,671,264</u> | <u>-7.51%</u> |
| Net assets, invested in capital assets, net of related debt | \$ 51,077,216 | \$ 49,135,116 | \$ 7,998,348 | \$ 7,106,317 | \$ 59,075,564 | \$ 56,241,433 | |
| Net assets-restricted | 97,552 | 240,910 | - | - | 97,552 | 240,910 | |
| Net assets- unrestricted | <u>\$ 12,796,663</u> | <u>\$ 15,754,856</u> | <u>\$ 6,733,829</u> | <u>\$ 5,971,817</u> | <u>\$ 19,530,492</u> | <u>\$ 21,726,673</u> | |
| Total net assets | <u>\$ 63,971,431</u> | <u>\$ 65,130,882</u> | <u>\$ 14,732,177</u> | <u>\$ 13,078,134</u> | <u>\$ 78,703,608</u> | <u>\$ 78,209,016</u> | <u>0.63%</u> |

The largest portion of the Town's net assets (75.1%) reflects its investment in capital assets (e.g., land, building, infrastructure, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Since the capital assets themselves cannot be used to liquidate these liabilities, the resources needed to repay this debt must be provided from other sources and, therefore, the Town of North Kingstown's investment in its capital assets is reported net of related debt.

The unrestricted net assets of \$19.5 may be used to meet the government's ongoing obligations to citizens and creditors. However, the restricted net assets of \$97,552 are subject to external restrictions on how they may be used.

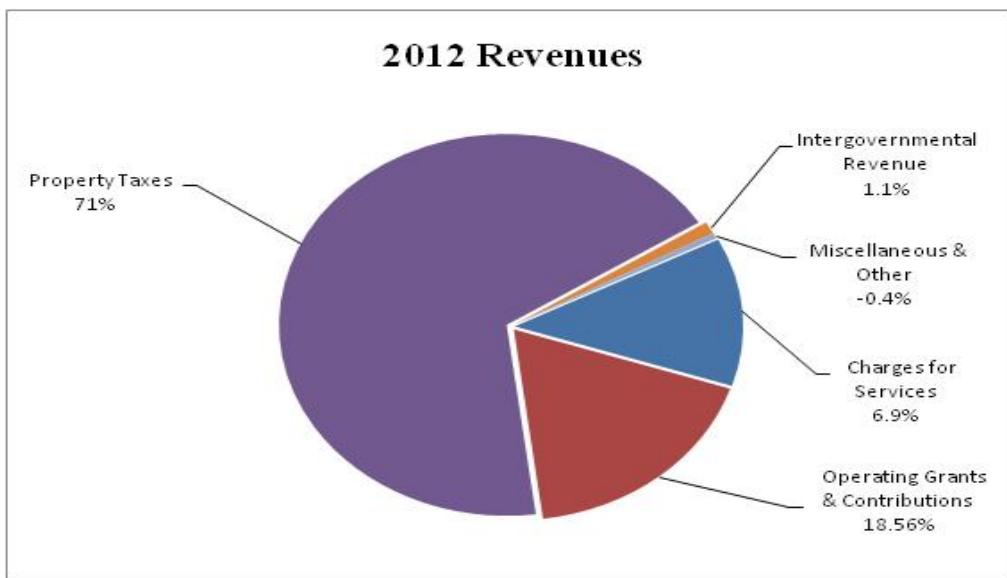
The Town of North Kingstown, at the end of the fiscal year, is able to report positive balances in all three categories of net assets: Assets/Liabilities/Net Assets, in both the governmental and business-type activities. However, the Nutrition Fund, a business-type activity, continues to require a transfer from the School Unrestricted Fund to avoid a year-end deficit. For this fiscal year, the transfer in was \$208,119, an increase of \$48,076 from the prior year.

Net assets trend remains stable.

Governmental Activities. Property taxes are the largest revenue source for governmental activities accounting for approximately 71% of total revenues. Operating grants and Contributions contributed to 19% of the revenues followed by 7% from program revenues such as charges for services, fees, and licenses and the remaining 3% is unrestricted revenues (i.e., intergovernmental and investment earnings).

Table 2
Changes in Net Assets (in millions)

| | Governmental Activities | | Business-Type Activities | | Total | | Total Percentage Change |
|---------------------------------------|-------------------------|----------------|--------------------------|--------------|--------------|----------------|-------------------------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | |
| Revenues | | | | | | | |
| Program Revenues | \$ 6,907,110 | \$ 6,054,260 | \$ 6,324,390 | \$ 6,145,478 | \$13,231,500 | \$12,199,738 | 8% |
| Operating Grants and Contributions | 18,510,107 | 18,355,271 | 445,432 | 437,736 | 18,955,539 | 18,793,007 | 1% |
| General Revenues | 72,831,105 | 70,246,306 | (128,996) | (67,602) | 72,702,109 | 70,178,704 | 4% |
| Transfers | (400,999) | (348,101) | 400,999 | 348,101 | - | - | |
| Total Revenues and Transfers | 97,847,323 | 94,307,736 | 7,041,825 | 6,863,713 | 104,889,148 | 101,171,449 | 4% |
| Program Expenses and Transfers | | | | | | | |
| Program Expenses | 98,615,523 | 97,861,138 | 5,916,563 | 5,659,515 | 104,532,086 | 103,520,653 | 1% |
| Transfers | | | | | | | |
| Total Expenses and Transfers | 98,615,523 | 97,861,138 | 5,916,563 | 5,659,515 | 104,532,086 | 103,520,653 | 1% |
| Increase (Decrease) in Net Asset: | \$ (768,200) | \$ (3,553,402) | \$ 1,125,262 | \$ 1,204,198 | \$ 357,062 | \$ (2,349,204) | -115% |



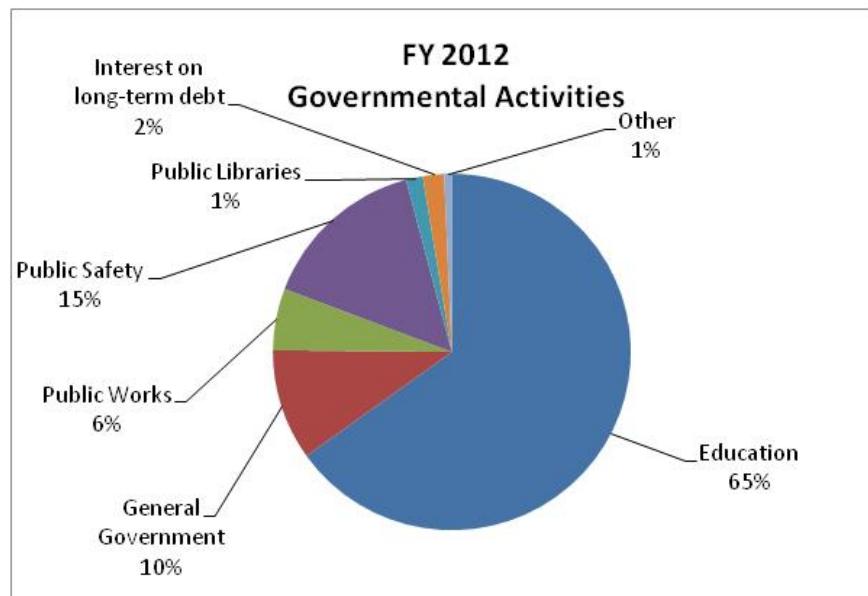
Major revenue factors over the prior year included:

- Property taxes are the largest revenue source for governmental activities accounting for approximately 71 percent of total revenues. Operating Grants & Contributions, Charges for Services/Fees/License provide for 26% and 3% of the total revenues respectively.
- Property taxes being levied resulted in an increase of \$1,730,692, or 2.5% for fiscal year 2012. The Town's taxable property increased by \$17,379,806 from \$3,844,989,239 to \$3,862,369,045. This represents a 0.45% increase in taxable property. Due to a stable housing market, the property tax rate increased slightly from \$16.85 to \$17.26 per thousand dollars of assessed value to provide the same level of services the taxpayers have come to appreciate.
- Charges for services increased by approximately \$900,000 over the prior year. Several revenue sources directly related to this increase was Non-Civic Detail Admin fees, Public Works recycling program (i.e., tipping fees, transfer station bag tags), Public Works Subdivision Inspections, Building Permits for a new wind tower and the Wal-mart Super Center and subdivision review and zoning fees. However, offsetting the above increases in charges for services were slight reductions in subdivision review and zoning fees, EMS billing charges, and cell tower rentals.

- Operating grants and contributions remained stable at \$18.0M. This category includes unrestricted state aid for the School Department which reported an increase of \$1M from the previous year. However, the Town General Fund recognized a decrease of \$2.2M of unrestricted motor vehicle excise tax. The loss in intergovernmental revenue in the General Fund was supplanted by a larger share of the tax dollar appropriation in 2012.
- Investment earnings continue to decline from \$76,275 in the prior fiscal year to \$38,513 in the current fiscal year, 2012. The significant decline in the market is a direct impact on investment earnings. The average interest rate earned in 2012 was less than 0.25% whereas the average interest rate earned in 2011 was approximately 0.3%.

Table 3
Cost of Services (in millions)

| | Total Cost of Services | | | Net Cost of Services | | |
|----------------------------|------------------------|---------|----------|----------------------|--------|----------|
| | 2012 | 2011 | % Change | 2012 | 2011 | % Change |
| Education | 64.2 | 63.8 | 1% | \$ 46.0 | \$45.6 | 1% |
| General Government | 9.9 | 9.0 | 10% | 4.9 | 5.6 | -13% |
| Public Works | 5.5 | 5.8 | -5% | 4.8 | 5.1 | -6% |
| Public Safety | 14.9 | 15.1 | -1% | 13.7 | 13.5 | 1% |
| Public Libraries | 1.5 | 1.5 | 0% | 1.2 | 1.2 | 0% |
| Interest on long-term debt | 1.9 | 2.0 | -5% | 1.9 | 2.0 | -5% |
| Other | 0.7 | 0.7 | -2% | 0.7 | 0.4 | 71% |
| Total Expenses | \$ 98.6 | \$ 97.9 | 1% | \$ 73.2 | \$73.4 | 0% |



Education expenses account for approximately 65% of the total expenses within the governmental funds of the Town. Public safety and public works expenses account for 15% and 6%, respectively, general government makes up 9% and the remainder relates to public libraries, interest on long-term debt, pension contribution commitments and other areas. The net cost of services remained stable.

Cost of Services in Table 3, above, shows the total cost and the net cost of services. The net cost identifies the cost of these services supported by tax revenue and unrestricted state aid after deducting for departmental revenues. Spending for General Government, Public Works and Interest on long-term debt decreased while spending for other governmental activities such as Education, Senior Services and Public Safety increased.

Major expenditure factors over the prior year included:

- GASB No. 45 – Recognizes the accrual of net OPEB obligations in the governmental wide-statement of net assets. This accrual is recognized within general government expenditures (Note: 10, page 56). This liability has increased from \$4,536,412 to \$6,357,898, or \$1,821,486.
- GASB No. 49 – Pollution Remediation Obligations – The Town is currently involved in the State of Rhode Island’s Landfill Closure Program for both the Hamilton Allenton and Oak Hill Landfills. The accrual for this obligation was recognized within the public works expenditures (Note: 13, p. 61) in the governmental activities, however, the expense is now recognized on the balance sheet. The preliminary total closure estimate for both landfills is estimated at \$1,660,000, an increase of \$150,000 from 2011.
- General Government and Public Safety costs included legal costs incurred with fire arbitration and other personnel related matters, increase in contributions to special revenue funds for termination benefits associated with sick/vacation payout and the establishment of a trust fund for the Town’s other post-employment benefits expenses, fire department overtime increases in order to maintain minimum manning, and a new municipal services agreement with Quonset Development Corporation.
- Interest on long term debt declined by \$102,759 due to the Town’s aggressive debt service schedule combined with the fact that no new debt was issued during the fiscal year.

Business-type activities. Net Assets in business-type activities increased by \$1,125,262 which results in a 8.3% increase in business-type net assets.

Charges for services for business-type activities accounted for 89.8% of the total revenue sources. The balance of revenues for business-type activities was from operating grants and contributions as well as investment income (10.1%). Of the 89.8% of the total revenue coming into the business-type activities, 53.5% is being generated by the water fund, 24.7% from the recreation fund, and the remaining from the school cafeteria fund and non-major enterprise funds.

Charges for services for business-type activities increased from \$6,145,478 to \$6,324,390 or 2.9%. The Water Department Fund had a slight increase of \$50,000 specifically related to sales usage and service. A slight increase in Quonset/Davisville Recreation, Allen Harbor Annual Charges of \$25,000 was also recognized. Offsetting these increases was a reduction of \$60,000 shortfall in revenue being reported in the Nutrition Fund attributed to student lunch income, food service sales, private catering and federal reimbursements. Unrestricted investment earnings declined from \$21,231 to \$14,102 for all business-type activities. Lower interest rates earned on investments were responsible for generating the decline in this revenue sources.

A transfer from the school operating fund of \$208,119 into the Nutrition Fund to rid the fund of an accumulated deficit was recognized again in 2012. The budget deficit trend over the last 3 years has been approximately \$40,000.

The water fund expenses accounted for 21% of the expenditures within the business-type activities of the Town. Quonset/Davisville Recreation, Nutrition Fund, Water Capital Reserve and Non-major Enterprise funds accounted for 32.6%, 21.4% and 25%, respectively, of the business-type activities expenditures for the 2012 fiscal year.

Expenses associated with Quonset/Davisville Recreation fund decreased slightly by \$64,010 which was mainly associated with the minimal contractual increases within the municipal union as well as utility/water/insurances expenses associated with the new irrigation system in place. The Fund is finally seeing the financial gain from this capital improvement.

Financial Analysis of the Government’s Funds:

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

Governmental funds. The focus of the Town of North Kingstown’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 of North Kingstown’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the year.

As of the end of the current fiscal year, the Town of North Kingstown’s governmental funds reported combined ending fund balances of \$18,456,032. Approximately 51.2% of this amount, \$9,456,219 constitutes Unassigned fund balance which is available for spending at the government’s discretion within the Town’s General Operating Fund. The remaining fund balances remain classified for specific purposes such as: School Department Fund restricted for education of \$1,590,226, restricted for debt service of \$741,314, and Other Governmental Funds grant restricted of \$2,235,487. These represent 24.7% of the combined ending fund balance. The

Assigned fund balance of \$3,423,065 is reserved to indicate that it is not available for new spending because it is earmarked for the encumbrances (\$681,596), retirement allowance (\$118,724) and health insurance reserve (\$2,208,586) for future OPEB obligations, revenues are designated for specific purposes. The remaining, Non-Spendable fund balance, is solely related to the School Department health insurance deposit (\$118,957), and also the Golf Course Irrigation Project (\$742,730).

General Fund. The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,463,442 which is included in the total fund balance of \$13,358,962. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 36.1% of total the 2013 Adopted General fund Expenditure Budget.

The total fund balance of the Town of North Kingstown's General Fund increased by \$629,611 during the current fiscal year. It must be noted that in this economy, a modest surplus or maintaining your fund balance is considered a good year. Key factors in the total fund balance increase are as follows:

- A budgetary basis operating surplus in the General Fund of \$458,961, after consideration of reappropriated fund balance.
- While expenditures were over budget by (\$395,004), revenues were reporting a positive variance of \$822,688. Of this increase, Property Taxes were aggressively sought through quarterly delinquent notices which resulted in an increase of \$864,752 and an increase in Licenses & permits of \$136,872. Offsetting this surplus was a shortfall of (\$174,550) of investment income in addition to a slight shortfall in miscellaneous revenues of (\$25,346). Lower interest rates and an increased demand for compensating balances to offset bank fees resulted in a significantly lower interest income.
- Actual expenditures exceeded budgeted expenditures by \$395,004 (1.6% of budget) principally due to Fire Department overtime (\$609,837) as well as a shortfall in the Town Council's Contingency Account (\$10,094) for a compliance review of the school budget and basic education program. Favorable expenditure variances of significance included savings in the information technology budget of \$35,959 due to the resignation of the director, police/harbor/animal control \$52,187, and public work department \$79,634. Other minor favorable variances were recognized.

School Fund. The school fund has a total fund balance of \$1,917,739 of which \$1,590,226 has been restricted to the school department fund (to help finance future year's school budgets) as well as \$118,957 is reserved for future health/dental expenditures, considered a non-spendable fund balance.

The total fund balance of the School Department Fund decreased by (\$1,350,904) during the current fiscal year. Key factors in the total fund balance decrease area as follows:

- Education Expense account for approximately 63.7% of the total expenditures with the governmental funds for the Town.
- A budgetary basis operating surplus in the school fund of \$343,036 after consideration of \$1.6 million of re-appropriated fund balance. Actual expenditures were less than budgeted expenditures by \$309,857 which was a combination of savings in the salary line item offsetting excesses in other categories, mainly professional services and supplies and materials. Actual revenues exceeded budgeted revenues by \$66,298 principally from refunds of prior year expenditures, indirect federal reimbursement and a slight increase in Jamestown tuition charges after the original budget had been revised during the year. State Aid to Education was level funded.
- The School Department re-appropriated \$1,593,667 of fund balance during 2012 to balance the budget. The utilization of fund balance of this magnitude causes a structural deficit in the following year, thus an increase in tax dollar appropriation of \$868,417 in the 2013 was necessary and an increase in State Aid to Education of \$570,169 supplanted the shortfall of fund balance utilization.

| Major Funds Governmental | Beg Fund | Ending Fund | Change | |
|--------------------------|--------------|--------------|-------------|--------|
| | Balance 2012 | Balance 2012 | Change\$ | % |
| General Fund | 12,729,351 | 13,358,962 | 629,611 | 4.9% |
| School Unrestricted Fund | 3,268,643 | 1,917,739 | (1,350,904) | -41.3% |
| | 15,997,994 | 15,276,701 | (721,293) | -4.5% |

Proprietary Funds. The Town of North Kingstown's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Separate information is provided for the Department of Water Supply and the Quonset/Davisville Recreation Fund which includes the Municipal Golf Course and the Allen Harbor Marina, both of which are considered major funds of the Town of North Kingstown.

Net assets in the water fund at the end of the fiscal year were \$10,783,768, an increase of \$2,126,433. There was a prior period adjustment of \$528,780 recorded in the Water Fund to correct an overstatement related to a loan outstanding with RI Clean Water. Long-term debt is a liability within the Water Fund to pay for projects that were approved by the RI Clean Water Finance Agency in the amount of \$4.8M. The Water Department took advantage of The American Recovery and Reinvestment Act of 2009 which provided an additional Drinking Water State Revolving Fund capitalization grant to the State of Rhode Island. A portion of the Borrower Loan will be forgiven, annually, as debt service is paid. The amount of principal forgiveness that the Water Department will recognize at the end of the term will be approximately \$875,915. Unrestricted net assets in the Q/D recreation fund decreased by (\$192,484), from \$2,042,364 to \$1,849,880. Although the budget deficit is (\$7,658) less from the prior year the charges for usage and services decreased by (\$59,157) but the operating expenses for the 2012 decreased by (\$64,010) from the prior year.

Other factors concerning the finances of these four funds have already been addressed in the discussion of the Town of North Kingstown's business-type activities.

| Major Funds Proprietary | Beg Net Assets 2012 | Ending Net Assets 2012 | Change\$ | Change % |
|----------------------------|---------------------|------------------------|-----------|----------|
| Water Fund | 8,657,335 | 10,783,768 | 2,126,433 | 24.6% |
| Q/D Recreation Fund | 2,042,364 | 1,849,880 | (192,484) | -9.4% |
| Nutrition Fund | - | - | - | n/a |
| Water Capital Reserve Fund | 2,755,602 | 2,102,758 | (652,844) | -23.7% |
| | 13,455,301 | 14,736,406 | 1,281,105 | 9.5% |

General Fund Budgetary Highlights

Overall the Town finished the 2011-2012 fiscal year with budgetary surpluses as follows:

- General Fund - \$458,961
- School Department Fund - \$343,036
- Library Fund - \$9,302
- Debt Service - \$154,509

Differences between the original budget and the final amended budget were relatively minor and only involved transferring funds from departments with expenditure surpluses to departments with expenditure deficits.

The actual collection rate was estimated to be 97.4% while the actual collections achieved were 97.31% of the total levy. The Town collects supplemental taxes during the course of the year for real estate construction that receives a certificate of occupancy after the assessment date. The amount generated from this is recorded as tax revenue but has not historically been used in the calculation of the tax rate because it is uncertain as to what may occur. Supplemental taxes received for the Fiscal Year were \$112,637, an increase of approximately \$12,500 from the previous year.

Capital Asset and Debt Administration:

Capital Assets – The Town of North Kingstown's investment in capital assets for its governmental and business-type activities as of June 30, 2012, amounts to \$106,632,859 (net of accumulated depreciation). This investment in capital assets includes investments in development rights, land and building improvements, machinery and equipment, park facilities, infrastructure and construction in progress. A net \$1,025,535 prior period adjustment was recorded for the reclassification of land previously report as land improvements (no net effect), a correction of understated accumulated depreciation (net decrease of \$137,507), and a correction of overstated building and equipment costs (net decrease of \$888,029). The total gross increase in the Town's investment in governmental activity capital assets for the current fiscal year was \$2,132,806.

Town of North Kingstown, RI
Capital Assets

| | June 30, 2012 | June 30, 2011 |
|----------------------------|-----------------|-----------------|
| | Restated | |
| Library collections | 3,445,319 | 3,440,003 |
| Land | 6,875,441 | 6,875,441 |
| Development rights | 17,558,412 | 17,558,412 |
| Land improvements | 160,230 | 160,230 |
| Buildings and Improvements | 65,632,687 | 65,338,484 |
| Equipment | 13,462,486 | 12,968,880 |
| Infrastructure | 68,848,523 | 67,508,842 |
| Construction in Progress | 54,122 | 54,122 |
| Total | 176,037,220 | 173,904,414 |

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

- Regarding building and improvements: Wickford Middle School Bathroom - \$133,940, Bandstand -\$160,263 at the Senior Center campus
- Regarding equipment: Public Safety (cruisers, evidence lockers, fire department boat) - \$190,122, School Department - \$207,481 (bus, scrubber, truck, playground equipment), Public Works - \$107,570 (trucks), Senior Bus \$75,075
- Regarding infrastructure: a variety of road construction projects were completed and capitalized. Projects capitalized as infrastructure totaled \$1,339,681 for pavement/sidewalks/curbing.

Additional information on the Town of North Kingstown's capital assets can be found in Note 6 on pages 40 & 41 of this report.

Long-term Debt – At the end of the current fiscal year, the Town of North Kingstown's governmental funds had \$45,408,940 in bonds outstanding at fiscal year-end, compared to \$48,975,790 last year, a decrease of \$3,566,850. Total bonded debt for the Town is entirely backed by the full faith and credit of the Town. Bonds authorized but unissued totaled an additional \$30,015,000.

State statutes limit the amount of general obligation bonded debt a town can issue to 3 percent of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from the limit. As of June 30, 2012, the Town had a legal debt limit of approximately \$116,739,679 of which the Town had only \$216,060 of debt outstanding subject to the Maximum Aggregate Indebtedness. A balance of \$116,523,619 exists within the legal limit for additional bonds to be issued without special statutory authority. The Town's debt limit calculation is shown on Page 42 in the Notes and Page 140 of this report.

On January 14, 2009, the Town received notice from Standard & Poor that the Town's bond rating had been upgraded one notch to 'AA' from 'AA-' based on the town's strong financial performance and position and strong income levels. The report further noted the following:

- Primarily residential property tax base with a diverse and growing commercial presence
- Good management policies, and
- Low debt burden.

Standard & Poor further notes the Town's full faith and credit pledge secures the bonds.

Additional information on the Town of North Kingstown's long-term debt can be found in Note 7 on pages 42-44 of this report.

Economic Factors and Next Year's Budgets and Rates:

- Rhode Island General Laws limits the amount by which a city or town may increase its tax levy in each year unless the city or town qualifies for certain exemptions relating to loss of non-property tax revenue, emergencies, payment of debt service and substantial increase in the tax base necessitate significant expenditures. The maximum amount by which a city or town can increase its levy for 2014 is 4.0%. This levy will allow the Town to raise an additional \$2.7M in new tax dollars.
- As of June 2012 the Town had an unemployment rate of 9.6% as compared to the State of Rhode Island's rate of 12%, and the national average of 9.5%.
- The State of Rhode Island continues to have significant budget deficit problems, which could result in a mid-year loss of state aid received by the Town and the School Department.
- The School Committee voted to eliminate the School Nutrition Fund's cumulative fund balance deficit for the 2012 fiscal year. The deficit will be funded through the School Department fund for an amount of \$208,119. It is anticipated that this fund is projecting another deficit of approximately \$150,000 for 2013. Management should decide whether outsourcing of this business is warranted in the near future.
- The Town will be issuing approximately \$13,070,000 in debt in March, 2013 which will require an increase in the 2014 debt obligations. Of this amount, \$5,000,000 will be paid for from sewer use charges and the remaining \$8,070,000 will be issued through RI Health and Educational Building Corporation for school projects to be completed by October, 2013. This will obligate the Town to increase their debt service obligations for 2014 by approximately \$750,000 which we will not receive an offset for housing aid until 2015.

All of these factors will be considered as we plan for our 2014 Budget.

The fiscal year 2013 rate of collection of current taxes was 97.4%. It is anticipated that the fiscal year 2013 rate of collection will fall within budget which was approved as we were finalizing the budget to take into consideration the local and state economy conditions. With an overwhelming reliance on property taxes, approximately 74.2% of the current year revenues are derived from property taxes; any reduction in other revenues would necessitate either a use of a portion of the fund balance, a property tax increase or a reduction in services in the upcoming year or some combination thereof. Based upon preliminary discussion regarding the state budget, we are anticipating being level funded by the state and a minor increase in tax appropriations to maintain the Town's existing services and oblige contractual obligations. With six months of the current year, 2013, behind us we are estimating a budget surplus of \$750,000 and are hopeful that this projection will be sought at year-end. A consideration could be made by the Town council to contribute additional funding from the budget surplus to offset the Town's OPEB liability of \$34,510,724.

Requests for Information: This financial report is designed to provide a general overview of the Town of North Kingstown's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director's Office, Town of North Kingstown, Town Hall, 80 Boston Neck Road, North Kingstown, RI 02852.

STATEMENT OF NET ASSETS

JUNE 30, 2012

| | Primary Government | | | Component Unit North Kingstown Free Library | |
|--|----------------------------|-----------------------------|----------------------|---|--|
| | Governmental Activities | Business-type Activities | Total | | |
| ASSETS: | | | | | |
| <i>Current Assets</i> | | | | | |
| Cash and cash equivalents | \$ 19,184,310 | \$ 8,370,921 | \$ 27,555,231 | \$ 231,447 | |
| Taxes receivable, net | 2,042,216 | | 2,042,216 | | |
| User charges receivable | | 565,903 | 565,903 | | |
| Other receivables | 2,237,856 | 228,175 | 2,466,031 | | |
| Internal balances | 605,111 | (605,111) | - | | |
| Inventory | | 167,889 | 167,889 | | |
| Due from federal and state governments | 2,201,349 | - | 2,201,349 | | |
| <i>Total Current Assets</i> | <u>26,270,842</u> | <u>8,727,777</u> | <u>34,998,619</u> | <u>231,447</u> | |
| <i>Noncurrent Assets</i> | | | | | |
| Cash on deposit with Rhode Island Clean Water Finance Agency | | 280,565 | 280,565 | - | |
| Bond issuance costs, net of amortization | 245,593 | 62,550 | 308,143 | | |
| Capital assets: | | | | | |
| Not being depreciated | 27,933,294 | 2,969,837 | 30,903,131 | | |
| Being depreciated, net | 67,596,766 | 8,132,962 | 75,729,728 | | |
| <i>Total Noncurrent Assets</i> | <u>95,775,653</u> | <u>11,445,914</u> | <u>107,221,567</u> | <u>-</u> | |
| Total assets | <u>122,046,495</u> | <u>20,173,691</u> | <u>142,220,186</u> | <u>231,447</u> | |
| LIABILITIES: | | | | | |
| <i>Current Liabilities</i> | | | | | |
| Accounts payable | 2,662,805 | 343,004 | 3,005,809 | - | |
| Accrued liabilities | 515,169 | | 515,169 | | |
| Other payables | - | | - | | |
| Compensated absences payable | 548,875 | 45,419 | 594,294 | | |
| Serial bonds payable | 3,527,240 | 180,822 | 3,708,062 | | |
| Pollution remediation obligation | | 787,229 | 787,229 | | |
| Unearned revenue | - | 312,835 | 312,835 | | |
| Other liabilities | | 45,864 | 45,864 | | |
| Escrow deposits | 641,359 | | 641,359 | | |
| <i>Total Current Liabilities</i> | <u>7,895,448</u> | <u>1,715,173</u> | <u>9,610,621</u> | <u>-</u> | |
| <i>Noncurrent Liabilities</i> | | | | | |
| Pollution remediation obligation | 1,660,000 | | 1,660,000 | | |
| OPEB liabilities | 5,947,386 | 410,512 | 6,357,898 | | |
| Serial bonds payable, less current portion | 40,925,604 | 3,167,001 | 44,092,605 | | |
| Compensated absences payable, less current portion | 1,646,626 | 148,828 | 1,795,454 | | |
| <i>Total Noncurrent Liabilities</i> | <u>50,179,616</u> | <u>3,726,341</u> | <u>53,905,957</u> | <u>-</u> | |
| Total liabilities | <u>58,075,064</u> | <u>5,441,514</u> | <u>63,516,578</u> | <u>-</u> | |
| Contingencies and commitments (Note 11) | | | | | |
| NET ASSETS: | | | | | |
| Invested in capital assets, net | | | | | |
| of related debt | 51,077,216 | 7,998,348 | 59,075,564 | - | |
| Restricted | 97,552 | | 97,552 | 82,479 | |
| Unrestricted | 12,796,663 | 6,733,829 | 19,530,492 | 148,968 | |
| <i>Total net assets</i> | <u>\$ 63,971,431</u> | <u>\$ 14,732,177</u> | <u>\$ 78,703,608</u> | <u>\$ 231,447</u> | |

See notes to basic financial statements.

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

See notes to basic financial statements.

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2012

| | General Fund | School Department | Debt Service Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|-------------------|--------------------------|--------------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 10,869,724 | \$ 1,461,941 | \$ 690,980 | \$ 5,064,074 | \$ 18,086,719 |
| Taxes receivable | 2,042,216 | - | - | - | 2,042,216 |
| Other receivables | 1,066,996 | 980,999 | - | 189,861 | 2,237,856 |
| Due from federal and state governments | 18,615 | 869,002 | - | 1,313,732 | 2,201,349 |
| Due from other funds | 3,447,170 | 895,202 | 50,334 | 167,122 | 4,559,828 |
| Total assets | \$ 17,444,721 | \$ 4,207,144 | \$ 741,314 | \$ 6,734,789 | \$ 29,127,968 |
| Liabilities and Fund Balances | | | | | |
| <i>Liabilities:</i> | | | | | |
| Accounts payable and accrued liabilities | \$ 1,123,039 | \$ 1,321,974 | \$ - | \$ 217,742 | \$ 2,662,755 |
| Due to other funds | 617 | 967,431 | - | 2,886,669 | 3,854,717 |
| Other payables | - | - | - | - | - |
| Deferred revenue | 2,320,744 | - | - | 1,192,361 | 3,513,105 |
| Escrow deposits | 641,359 | - | - | - | 641,359 |
| Total liabilities | 4,085,759 | 2,289,405 | - | 4,296,772 | 10,671,936 |
| <i>Fund Balances:</i> | | | | | |
| Non-Spendable | 742,730 | 118,957 | - | - | 861,687 |
| Restricted | - | 1,590,226 | 741,314 | 2,235,487 | 4,567,027 |
| Committed | - | 148,034 | - | - | 148,034 |
| Assigned | 3,152,790 | 60,522 | - | 209,753 | 3,423,065 |
| Unassigned | 9,463,442 | - | - | (7,223) | 9,456,219 |
| Total fund balances | 13,358,962 | 1,917,739 | 741,314 | 2,438,017 | 18,456,032 |
| Total liabilities and fund balances | \$ 17,444,721 | \$ 4,207,144 | \$ 741,314 | \$ 6,734,789 | \$ 29,127,968 |

See notes to basic financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS

JUNE 30, 2012

| | |
|---|-----------------------------|
| <i>Total fund balance for governmental funds</i> | \$ 18,456,032 |
| Assets used in governmental activities which are not financial resources and therefore are not reported in the funds: | |
| Capital assets, net | 95,530,060 |
| Some taxes and grants will be collected after year-end, but are not available soon enough to pay for the current period's expenditures; therefore, they are reported as deferred revenues in the funds. | 3,513,105 |
| Liabilities not due and payable in the current period which therefore are not reported in the funds: | |
| Bonds payable | (45,408,940) |
| Bond premiums, net of accumulated amortization | (442,876) |
| Deferred charges on refunding, net of accumulated amortization | 1,398,972 |
| Bond issuance costs, net of accumulated amortization | 245,593 |
| Compensated absences payable | (2,195,501) |
| Pollution remediation obligation | (1,660,000) |
| OPEB liability | (5,947,386) |
| Accrued interest | <u>(515,169)</u> |
| Internal Service funds are excluded from the governmental fund financial statements but are recorded as governmental activities on the government-wide financial statements | <u>997,541</u> |
| <i>Total net assets of governmental activities</i> | <u><u>\$ 63,971,431</u></u> |

See notes to basic financial statements.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | General Fund | School Department | Debt Service Fund | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------|--------------------|--------------------------|--------------------------|
| <i>Revenues:</i> | | | | | |
| General property taxes | \$ 70,520,575 | | | | \$ 70,520,575 |
| Intergovernmental | 1,182,646 | \$ 15,775,687 | \$ 1,140,674 | \$ 2,758,791 | 20,857,798 |
| Departmental | 2,146,652 | | | 41,187 | 2,187,839 |
| Investment income | 38,513 | 257 | 898 | 11,421 | 51,089 |
| On behalf pension contribution | - | 2,361,865 | | - | 2,361,865 |
| Other | 67,766 | 70,688 | | 458,064 | 596,518 |
| Total revenues | <u>73,956,152</u> | <u>18,208,497</u> | <u>1,141,572</u> | <u>3,269,463</u> | <u>96,575,684</u> |
| <i>Expenditures:</i> | | | | | |
| Current: | | | | | |
| General government | 5,343,963 | - | | 2,956,558 | 8,300,521 |
| Public safety | 14,567,873 | | | 120,039 | 14,687,912 |
| Public works | 4,111,437 | | | | 4,111,437 |
| Parks and recreation | 10,880 | | | | 10,880 |
| Senior services | 466,386 | | | 126,842 | 593,228 |
| Education | | 60,358,879 | | 550 | 60,359,429 |
| Public libraries | | | | 1,417,361 | 1,417,361 |
| On behalf pension contribution | | 2,361,865 | | | 2,361,865 |
| Debt service: | | | | | |
| Principal | | | 3,566,850 | | 3,566,850 |
| Interest and other costs | | | 1,926,236 | | 1,926,236 |
| Capital: | | | | | |
| Capital expenditures | <u>447,793</u> | <u>51,376</u> | <u>5,493,086</u> | <u>695,680</u> | <u>1,194,849</u> |
| Total expenditures | <u>24,948,332</u> | <u>62,772,120</u> | <u>5,317,030</u> | <u>98,530,568</u> | |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | <u>49,007,820</u> | <u>(44,563,623)</u> | <u>(4,351,514)</u> | <u>(2,047,567)</u> | <u>(1,954,884)</u> |
| Other financing sources (uses): | | | | | |
| Transfers in | 877,877 | 43,420,838 | 4,506,023 | 1,543,835 | 50,348,573 |
| Transfers out | (49,256,086) | (208,119) | - | (1,185,367) | (50,649,572) |
| Net other financing sources (uses) | <u>(48,378,209)</u> | <u>43,212,719</u> | <u>4,506,023</u> | <u>358,468</u> | <u>(300,999)</u> |
| Net change in fund balance | <u>629,611</u> | <u>(1,350,904)</u> | <u>154,509</u> | <u>(1,689,099)</u> | <u>(2,255,883)</u> |
| Fund balance, beginning of year, as restated | <u>12,729,351</u> | <u>3,268,643</u> | <u>586,805</u> | <u>4,127,116</u> | <u>20,711,915</u> |
| Fund balance, end of year | <u>\$ 13,358,962</u> | <u>\$ 1,917,739</u> | <u>\$ 741,314</u> | <u>\$ 2,438,017</u> | <u>\$ 18,456,032</u> |

See notes to basic financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2012

| | |
|---|---------------------|
| <i>Net Change in Fund Balances - Total Governmental Funds</i> | \$ (2,255,883) |
| Governmental funds report capital outlays as expenditures; however, in the statement of activities these costs are allocated over their estimated useful lives and reported as depreciation expense. | |
| Capital outlays | \$ 2,231,948 |
| Depreciation expense | <u>(4,275,868)</u> |
| Governmental funds report bond issuance costs as an expenditure. However, in the statement of activities, these costs are allocated over the life of the relate debt and reported as amortization expense | |
| | (26,048) |
| The issuance of long-term debt (including premiums and discounts) provides current resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment and refunding of bonds and notes use current financial resources, but decrease in long-term liabilities in the statement of net assets. Bond premiums and refunding charges are deferred and amortized as part of future interest expense. | |
| Principal payments made on long - term debt | 3,566,850 |
| Amortization of: | |
| Deferred charge on refunding | (119,544) |
| Bond premiums | <u>45,733</u> |
| | (73,811) |
| Deferred revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds. | 1,670,900 |
| Some expenses reported in the statement of activities do not require the use of current financial resources in governmental funds in the current year: | |
| Accrual for pollution remediation obligation | (150,000) |
| Accrual for other postemployment health benefits | (1,703,877) |
| Accrued compensated absences | 321,168 |
| Accrued interest | 26,044 |
| Excess of internal service funds' expenses over revenues, reported as governmental fund activity. | <u>(99,623)</u> |
| <i>Change in Net Assets of Governmental Activities</i> | <u>\$ (768,200)</u> |

See notes to basic financial statements.

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

JUNE 30, 2012

| | Enterprise Funds | | | | | | Internal Service Funds | |
|--|----------------------|---------------------|--------------------------------------|------------------------------|----------------------|-------------------|------------------------|--|
| | Water | | Quonset/ Davisville Recreation | Nonmajor Enterprise Funds | Total | | | |
| | Operations | Capital Reserve | | | | | | |
| Assets | | | | | | | | |
| <i>Current Assets:</i> | | | | | | | | |
| Cash and cash equivalents | \$ 6,516,022 | \$ 1,638,382 | \$ 345,019 | \$ (128,502) | \$ 8,370,921 | \$ 1,097,591 | | |
| Water and sewer assessments and user fees, net | 565,903 | | | | 565,903 | | | |
| Due from other funds | 192,880 | 464,376 | | 211,633 | 868,889 | | | |
| Other receivables | | | 123,174 | 90,345 | 213,519 | | | |
| Prepays | | | | 14,656 | 14,656 | | | |
| Inventory | 123,336 | | 25,085 | 19,468 | 167,889 | | | |
| <i>Total Current Assets</i> | <u>7,398,141</u> | <u>2,102,758</u> | <u>493,278</u> | <u>207,600</u> | <u>10,201,777</u> | <u>1,097,591</u> | | |
| <i>Noncurrent Assets</i> | | | | | | | | |
| Cash on deposit with Rhode Island Clean Water Finance Agency | 280,565 | - | | | 280,565 | - | | |
| Bond issuance costs, net | 62,550 | | | | 62,550 | | | |
| Capital assets not being depreciated | 2,474,887 | | 494,950 | | 2,969,837 | | | |
| Capital assets being depreciated, net | 5,567,122 | | 2,563,834 | 2,006 | 8,132,962 | | | |
| <i>Total Noncurrent Assets</i> | <u>8,385,124</u> | <u>-</u> | <u>3,058,784</u> | <u>2,006</u> | <u>11,445,914</u> | <u>-</u> | | |
| Total assets | <u>15,783,265</u> | <u>2,102,758</u> | <u>3,552,062</u> | <u>209,606</u> | <u>21,647,691</u> | <u>1,097,591</u> | | |
| Liabilities | | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | | |
| Accounts payable and accrued liabilities | 202,872 | - | 92,332 | 47,800 | 343,004 | 50 | | |
| Due to other funds | 485,673 | | 114,270 | 131,327 | 731,270 | 100,000 | | |
| Deferred revenue | | | 278,127 | 34,708 | 312,835 | | | |
| Pollution remediation obligation | 787,229 | | | | 787,229 | | | |
| Due to federal and state governments | 12,930 | | | | 12,930 | | | |
| Other liabilities | | | 32,934 | | 32,934 | | | |
| Current portion of compensated absences payable | 22,894 | | 22,525 | | 45,419 | | | |
| Current portion of long-term debt | 148,062 | | 32,760 | | 180,822 | | | |
| <i>Total Current Liabilities</i> | <u>1,659,660</u> | <u>-</u> | <u>572,948</u> | <u>213,835</u> | <u>2,446,443</u> | <u>100,050</u> | | |
| <i>Noncurrent Liabilities</i> | | | | | | | | |
| Due to other funds | | - | 742,730 | - | 742,730 | - | | |
| OPEB liabilities | 290,181 | | 120,331 | | 410,512 | | | |
| Compensated absences payable | 65,955 | | 82,873 | | 148,828 | | | |
| Long-term debt, less current portion | 2,983,701 | | 183,300 | | 3,167,001 | | | |
| <i>Total Noncurrent Liabilities</i> | <u>3,339,837</u> | <u>-</u> | <u>1,129,234</u> | <u>-</u> | <u>4,469,071</u> | <u>-</u> | | |
| Total liabilities | <u>4,999,497</u> | <u>-</u> | <u>1,702,182</u> | <u>213,835</u> | <u>6,915,514</u> | <u>100,050</u> | | |
| Net Assets | | | | | | | | |
| Invested in capital assets, net of related debt | 5,120,858 | - | 2,875,484 | 2,006 | 7,998,348 | | | |
| Unrestricted | 5,662,910 | 2,102,758 | (1,025,604) | (6,235) | 6,733,829 | 997,541 | | |
| <i>Total net assets</i> | <u>\$ 10,783,768</u> | <u>\$ 2,102,758</u> | <u>\$ 1,849,880</u> | <u>\$ (4,229)</u> | <u>\$ 14,732,177</u> | <u>\$ 997,541</u> | | |

See notes to basic financial statements.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

PROPRIETARY FUNDS

FOR YEAR ENDED JUNE 30, 2012

| | Enterprise Funds | | | | | |
|--|----------------------|---------------------|--------------------------------------|------------------------------|----------------------|---------------------------|
| | Water | | Quonset/ Davisville Recreation | Nonmajor Enterprise Funds | Totals | Internal Service Funds |
| | Operations | Capital Reserve | | | | |
| Operating revenues: | | | | | | |
| Charges for usage and service | \$ 3,517,906 | | \$ 1,738,816 | \$ 670,163 | \$ 5,926,885 | \$ - |
| Federal grants | | | | 445,432 | 445,432 | |
| Sundry sales and rentals | 224,308 | | | | 224,308 | |
| Miscellaneous | 21,842 | \$ 148,413 | 2,942 | | 173,197 | |
| <i>Total operating revenues</i> | <u>3,764,056</u> | <u>148,413</u> | <u>1,741,758</u> | <u>1,115,595</u> | <u>6,769,822</u> | <u>-</u> |
| Operating expenses: | | | | | | |
| Operations | 829,689 | 1,268,737 | 663,548 | | 2,761,974 | 1,361 |
| Pro shop | | | 461,063 | | 461,063 | |
| Allen's Harbor | | | 218,098 | | 218,098 | |
| Recreation | | | 336,401 | | 336,401 | |
| School cafeteria | | | | 1,479,156 | 1,479,156 | |
| Depreciation and amortization | 410,048 | | 249,322 | 501 | 659,871 | |
| <i>Total operating expenses</i> | <u>1,239,737</u> | <u>1,268,737</u> | <u>1,928,432</u> | <u>1,479,657</u> | <u>5,916,563</u> | <u>1,361</u> |
| Operating income (loss) | <u>2,524,319</u> | <u>(1,120,324)</u> | <u>(186,674)</u> | <u>(364,062)</u> | <u>853,259</u> | <u>(1,361)</u> |
| Nonoperating revenues (expenses): | | | | | | |
| Investment income | 10,336 | 3,104 | 562 | 100 | 14,102 | 1,738 |
| Interest expense | (136,726) | | (6,372) | | (143,098) | |
| <i>Net nonoperating revenues (expenses)</i> | <u>(126,390)</u> | <u>3,104</u> | <u>(5,810)</u> | <u>100</u> | <u>(128,996)</u> | <u>1,738</u> |
| Income (loss) before transfers | <u>2,397,929</u> | <u>(1,117,220)</u> | <u>(192,484)</u> | <u>(363,962)</u> | <u>724,263</u> | <u>377</u> |
| Transfers In | 192,880 | 464,376 | | 208,119 | 865,375 | |
| Transfers Out | (464,376) | | | | (464,376) | (100,000) |
| <i>Total Transfers</i> | <u>(271,496)</u> | <u>464,376</u> | <u>-</u> | <u>208,119</u> | <u>400,999</u> | <u>(100,000)</u> |
| Change in net assets | <u>2,126,433</u> | <u>(652,844)</u> | <u>(192,484)</u> | <u>(155,843)</u> | <u>1,125,262</u> | <u>(99,623)</u> |
| Total net assets, beginning of year | 8,128,555 | 2,755,602 | 2,042,364 | 151,614 | 13,078,135 | 1,097,164 |
| Restatement | <u>528,780</u> | | | | <u>528,780</u> | |
| Total net assets, beginning of year, as restated | <u>8,657,335</u> | <u>2,755,602</u> | <u>2,042,364</u> | <u>151,614</u> | <u>13,606,915</u> | <u>1,097,164</u> |
| Total net assets (deficiency), end of year | <u>\$ 10,783,768</u> | <u>\$ 2,102,758</u> | <u>\$ 1,849,880</u> | <u>\$ (4,229)</u> | <u>\$ 14,732,177</u> | <u>\$ 997,541</u> |

See notes to basic financial statements.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2012

| | Enterprise Funds | | | | | |
|---|---------------------|-----------------------|--------------------------------------|------------------------------|---------------------|---------------------------|
| | Water | | Quonset/ Davisville Recreation | Nonmajor Enterprise Funds | Totals | Internal Service Funds |
| | Operations | Capital Reserve | | | | |
| Cash flows from operating activities: | | | | | | |
| Cash received from customers | \$ 3,751,201 | \$ 148,413 | \$ 1,693,212 | \$ 595,174 | \$ 6,188,000 | |
| Cash received from other sources | | | | 445,432 | 445,432 | |
| Cash paid to suppliers | 454,118 | (1,328,593) | (923,724) | (625,122) | (2,423,321) | |
| Cash paid to employees | (1,170,917) | | (716,786) | (814,053) | (2,701,756) | \$ 98,614 |
| Net cash provided by (used in) operating activities | <u>3,034,402</u> | <u>(1,180,180)</u> | <u>52,702</u> | <u>(398,569)</u> | <u>1,508,355</u> | <u>98,614</u> |
| Cash flows from capital and related financing activities: | | | | | | |
| Acquisition of capital assets | (843,491) | - | (13,393) | - | (856,884) | - |
| Principal paid on bonds | (145,526) | | (33,150) | | (178,676) | |
| Proceeds from Rhode Island Clean Water Finance Agency | 234,049 | | | | 234,049 | |
| Interest paid on bonds | (136,726) | | (6,372) | | (143,098) | |
| Net cash used in capital and related financing activities | <u>(891,694)</u> | <u>-</u> | <u>(52,915)</u> | <u>-</u> | <u>(944,609)</u> | <u>-</u> |
| Cash flows from noncapital financing activities: | | | | | | |
| Federal grant receipts | | | | 37,509 | 37,509 | |
| Environmental remediation obligation | (1,263,835) | | | | (1,263,835) | |
| State matching funds receipts | 12,930 | | | | 12,930 | |
| Interfund borrowings | (397,264) | (457,376) | (3,293) | (137,910) | (995,843) | |
| Transfer from other funds | 192,880 | 464,376 | | | 657,256 | |
| Transfer to other funds | (464,376) | | | 208,119 | (256,257) | (197,500) |
| Net cash provided by (used in) noncapital financing activities | <u>(1,919,665)</u> | <u>7,000</u> | <u>(3,293)</u> | <u>107,718</u> | <u>(1,808,240)</u> | <u>(197,500)</u> |
| Cash flows from investing activities: | | | | | | |
| Interest on investments | 10,336 | 3,104 | 562 | 100 | 14,102 | 1,738 |
| Net cash provided by investing activities | <u>10,336</u> | <u>3,104</u> | <u>562</u> | <u>100</u> | <u>14,102</u> | <u>1,738</u> |
| Net increase (decrease) in cash and cash equivalents | 233,379 | (1,170,076) | (2,944) | (290,751) | (1,230,392) | (97,148) |
| Cash and cash equivalents, beginning of year | <u>6,282,643</u> | <u>2,808,458</u> | <u>347,963</u> | <u>162,249</u> | <u>9,601,313</u> | <u>1,194,739</u> |
| Cash and cash equivalents, end of year | <u>\$ 6,516,022</u> | <u>\$ 1,638,382</u> | <u>\$ 345,019</u> | <u>\$ (128,502)</u> | <u>\$ 8,370,921</u> | <u>\$ 1,097,591</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: | | | | | | |
| Operating income (loss) | \$ 2,524,319 | \$ (1,120,324) | \$ (186,674) | \$ (364,062) | \$ 853,259 | \$ (1,361) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | | | |
| Depreciation and amortization | 410,048 | | 249,322 | 501 | 659,871 | |
| Changes in assets and liabilities: | | | | | | |
| Increase (decrease) in: | | | | | | |
| Accounts receivable | (12,855) | | (48,546) | (74,987) | (136,388) | |
| Inventory | (1,189) | | 3,346 | 11,838 | 13,995 | |
| Other liabilities | 83,135 | | 34,013 | | 117,148 | 100,000 |
| Compensated absences payable | (2,728) | | 13,897 | | 11,169 | |
| Deferred revenue | | | 3,889 | 34,708 | 38,597 | |
| Accounts payable and accrued payroll | 33,672 | (59,856) | (16,545) | (6,567) | (49,296) | (25) |
| Net cash provided by (used in) operating activities | <u>\$ 3,034,402</u> | <u>\$ (1,180,180)</u> | <u>\$ 52,702</u> | <u>\$ (398,569)</u> | <u>\$ 1,508,355</u> | <u>\$ 98,614</u> |

See notes to basic financial statements.

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2012

| | Police Pension Trust | Private Purpose Trust Funds | Agency Funds |
|---|-------------------------|-----------------------------------|---------------------|
| Assets: | | | |
| Cash and cash equivalents | \$ 299,085 | \$ 38,903 | \$ 1,267,197 |
| <i>Total assets</i> | <u>299,085</u> | <u>38,903</u> | <u>1,267,197</u> |
| Liabilities: | | | |
| Due to student groups | - | - | 340,166 |
| Due to other funds | | | 438,871 |
| Deposits held in custody for others | | | 213,151 |
| Payroll withholdings | | | 275,009 |
| <i>Total liabilities</i> | <u>-</u> | <u>-</u> | <u>\$ 1,267,197</u> |
| Net Assets: | | | |
| Held in trust for pension benefits and other purposes | <u>\$ 299,085</u> | <u>\$ 38,903</u> | |

See notes to basic financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2012

| | Police Pension Trust | Private Purpose Trust Funds |
|--------------------------------|--------------------------|-----------------------------------|
| Additions to net assets: | | |
| <i>Investment income:</i> | | |
| Interest, dividends and gains | <u>\$ 454</u> | <u>\$ 981</u> |
| <i>Net investment earnings</i> | <u>454</u> | <u>981</u> |
| Change in net assets | 454 | 981 |
| Net assets, beginning of year | <u>298,631</u> | <u>37,922</u> |
| Net assets, end of year | <u><u>\$ 299,085</u></u> | <u><u>\$ 38,903</u></u> |

See notes to basic financial statements.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

Financial reporting entity:

The Town was incorporated in 1674 and is governed largely under the 1954 North Kingstown Home Rule Charter. In some matters, including the issuance of short and long-term debt, the Town is governed by the general laws of the State of Rhode Island (the State). The Town operates under a Town Council form of government and provides the following services as authorized by its charter: Public Safety (police, fire, civil preparedness, animal control and harbors and wharfs), Public Works (engineering, highways and facilities maintenance), Water Supply, Code Enforcement, Library, Education, Social Services and General Administration Services.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town has identified the North Kingstown Public Library (Library) as a component unit through the application of GASB Statement No. 14 criteria.

The North Kingstown Free Library Corporation, a not-for-profit agency formed in July 1993, supports the charitable, scientific and educational purposes of the Library, a component unit of the Town. The Town is able to impose its will on the component unit as the Town appoints the Library Trustees who serve as the Library's Board of Directors. Accordingly, the Library is included as a discretely presented component unit in the financial statements of the Town. The North Kingstown Free Library Corporation filed its Form 990 tax return for the year ended December 31, 2011 during June 2012, a copy of which can be obtained by contacting the North Kingstown Free Library Corporation, 80 Boston Neck Road, North Kingstown, RI 02852.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

The Town will adopt the following new accounting pronouncements in its fiscal year ending June 2013:

- ✓ GASB Statement No. 60 – Accounting and Financial Reporting for Service Concession Arrangements
- ✓ GASB Statement No. 61 – The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34
- ✓ GASB Statement No. 62 – Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements
- ✓ GASB Statement No. 63 – Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position

The effect of these pronouncements on the Town's financial statements is not expected to be significant.

Basis of presentation:

Government-wide financial statements:

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

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

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Basis of presentation (continued):

Fund financial statements:

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

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

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

Governmental funds:

Governmental funds are used to account for operations that supply basic government services.

The Town uses the following types of governmental funds:

The *General Fund* is the primary operating fund of the Town and is always classified a major fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Town's major special revenue fund is the School Department, which provides primary education to the Town's children.

Capital project funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Basis of presentation (continued):

Fund financial statements (continued):

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest, other than those payable from enterprise funds.

Proprietary funds:

Proprietary funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary funds:

Fiduciary funds are used to report assets held by the Town in a trustee or agency capacity and, therefore, cannot be used to support the Town's own programs. The following fiduciary funds are used by the Town:

Pension trust funds account for contributions made by the Town and its participating employees to provide retirement and other postemployment benefits to participating employees.

Private purpose trust funds account for resources legally held in trust for use by an outside committee to provide awards and scholarships in accordance with a donor's instructions. All resources of the fund, including any earnings on investments, may be used. There is no requirement that any portion of these resources be preserved as capital.

Agency funds account for assets held by the Town in a purely custodial capacity. The Town has five agency funds. Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operation.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Basis of presentation (continued):

Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are susceptible to accrual. Susceptibility occurs when revenues are both measurable and available for liquidating liabilities of the current period. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). Revenues not considered to be available are recorded as deferred revenues. Expenditures, including capital outlays, are recognized when a liability has been incurred, except for those involving debt service and other long-term obligations that are recognized when paid.

Those revenues susceptible to accrual are property taxes, special assessments, federal impact aid, state aid, meals and hotel taxes collected by the State on behalf of the Town, interest and charges for services. Fines, licenses and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash; therefore they are recognized when received.

Recognition of grant revenues is based on the susceptibility of accrual as determined by the legal and contractual requirements established by each grantor. For grants not restrictive as to specific purposes and revocable only for failure to comply with general prescribed requirements, revenues are recognized when actually received. Where expenditure is the prime factor in determining eligibility, grant revenue is recognized as allowable expenditures are made provided they are collected during the year or within 60 days subsequent to year-end. Prior to expenditure, proceeds are recorded as deferred revenues.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Basis of presentation (continued):

Measurement focus and basis of accounting (continued):

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The two internal service funds are used to account for insurance claims incurred by Town departments (see Note 12). Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, and then unrestricted resources as they are needed.

Certain immaterial rounding differences may exist between amounts reported in these notes and amounts reported in the basic financial statements.

Use of estimates:

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenues, expenditures and expenses during the reporting period. Significant items subject to such estimates include the pollution remediation obligation and the other postemployment benefit liabilities. Actual results could differ from those estimates.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition. The Town maintains deposits in various financial institutions, which are separately displayed in the financial statements as "cash and cash equivalents."

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

Property taxes:

Property taxes are recognized as revenue in the year they are levied and become available. Real and personal property taxes are based on values assessed as of each December 31 (lien date) and attach as an enforceable lien on property as of July 1 (levy date). Taxes are due in equal quarterly installments on July 1, October 1, January 1 and April 1, annually. Taxes due and unpaid after the respective due dates are subject to interest at the rate of 12% per annum calculated on the unpaid portion of the total tax. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date.

Rhode Island General Law restricts the Town's ability to increase its total tax levy by more than 4.25% over that of the preceding fiscal year for 2012; the rate will decrease to 4% in 2013.

Interfund transactions:

Transactions between funds have been eliminated in the government-wide financial statements but fully presented within the governmental fund financial statements with no elimination made between or within funds. Reimbursements are accounted for as expenditures in the reimbursing fund and reductions to expenditures in the reimbursed fund. All other interfund transactions in the governmental fund financial statements are operating transfers on the operating statements of the funds involved. Interfund receivables and payables are classified as "due from other funds" or "due to other funds."

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Inventory:

Proprietary fund inventory is stated at cost (first-in, first-out). Inventory consists primarily of materials and supplies. Inventory maintained in governmental funds is recorded as expenditures at the time of purchase.

Capital assets:

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. The cost of library collections, included with capital assets that are not being depreciated, is measured using the replacement method for any new assets.

Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method.

The ranges of estimated useful lives by type of asset are as follows:

| | |
|---|---------------|
| Buildings | 10 – 50 years |
| Equipment | 3 – 20 years |
| Property and leasehold improvements | 5 – 10 years |
| Infrastructure | 20 – 40 years |
| Furniture | 5 – 10 years |
| Vehicles and golf carts | 3 – 4 years |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Compensated absences:

Under the terms of various contracts and policies, Town employees are granted vacation and sick leave based on length of service. The Town's policy is to recognize the cost of vacation and sick leave in governmental funds when paid and on the accrual basis in proprietary funds. The amount of earned but unpaid vacation and sick leave is recorded as long-term debt in the government-wide financial statements.

Judgments and claims:

Liabilities for legal cases and other claims against governmental funds are recorded when the ultimate liability can be estimated and such cases are expected to be liquidated with expendable available financial resources. Proprietary fund types record these liabilities using the accrual basis of accounting.

Long-term obligations:

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations (including compensated absences, and accrued claims and judgments) are reported as liabilities in the statement of net assets. Bond premiums and discounts are deferred and amortized over the term of the related debt using the effective interest method.

Bond issuance costs are amortized on a straight-line basis over the term of the related bonds. At June 30, 2012, bond issuance costs were \$306,777 and accumulated amortization was \$168,272.

Deferred charges on refunding are amortized on a straight-line basis over the term of the related bonds. At June 30, 2012, deferred charges for two separate refundings were \$1,890,215 and \$250,329, with accumulated amortization of \$716,539 and \$25,033, respectively.

In the governmental fund financial statements, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The face amount of debt issued is reported as an other financing source. Bond issuance costs are expended as incurred. Bond premiums are reported as other financing sources while discounts are reported as other financing uses.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Fund equity:

Government-wide financial statements:

Net assets:

The Town's net assets have been segregated into the following three components:

Invested in capital assets, net of related debt – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of net assets with constraints placed on 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 – a residual category for the balance of net assets.

Fund financial statements:

The Town's fund balance is reported in the following categories:

Nonspendable – amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted – amounts that can only be spent on specific expenses due to constraints because of legal restrictions, outside party creditors, and grantor/donor requirements. The Town's restricted fund balance amounts are considered to have been spent when an expenditure has been incurred satisfying such restriction.

Committed – the Town Council, as the Town's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. This constraint must be imposed prior to the fiscal year-end, but the specific amount may be determined at a later date.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Fund financial statements (continued):

Assigned – amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed. The authority to assign fund balance is designated to the Town Manager.

Unassigned – amounts available for any purpose. Although there is generally no set spending plan for the unassigned portion, there is a need to maintain a certain funding level which is clearly identified in the Debt Policy & Management/Fiscal Practices policy adopted by the Town Council on April 7, 2008. Unassigned fund balance is commonly used for emergency expenditures not previously considered. In addition, the resources classified as unassigned can be used to cover expenditures for revenues not yet received. The Finance Director shall have a goal of an unassigned fund balance of no less than 4-5% of total General Fund Budgeted Operating Expenditures in order to accommodate unanticipated expenditures and/or emergencies. In the event that the amounts assigned for cash flow fall above or below the desired range of unassigned fund balance, the Finance Director shall report such amounts to the Town Council as soon as practical after the end of the fiscal year. Should the actual amount assigned for cash flow fall below the desired range, the Town Council shall create a plan to restore the fund to the appropriate level.

In accordance with the Town's spending policy, the Town shall, when possible, expend funds beginning with those funds that have the highest level of restriction first, and will spend those funds with the lowest level of restriction last. It shall be the Finance Director's responsibility to ensure the Town's expenditures are appropriately classified based on the restrictions (both external and internal) of the revenue and fund balance(s) in accordance with the definitions listed above. See Note 8 for current year classification of fund balance.

Self-insurance:

The Town's self-insurance costs for health and general liabilities are accounted for in the Town's internal service funds. Claims incurred but not paid, including those which have not been reported, are accounted for as expenses and accrued claims in those funds when a liability has been incurred.

Reclassifications:

Certain 2011 balances have been reclassified to conform to the 2012 presentation.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2012

2. FUND BALANCES:

At June 30, 2012, the following funds had a deficit (negative) fund balance or a net asset deficiency, as applicable:

Nonmajor Governmental Funds:

| | |
|--------------------------------------|-----------|
| Ann Ward Wallou Memorial Garden | \$ 901 |
| Miscellaneous State Grants | 1,291,613 |
| Non-Civic Detail Escrow Fund | 7,223 |
| State Elderly Affairs Grant | 123 |
| RI Foundation Grant | 597 |
| \$9 Million School Renovation Bond | 110,868 |
| \$6.4 Million School Renovation Bond | 37,141 |

School Department:

| | |
|-------------------------------|-------|
| 91-142 Preschool Services | 1 |
| RI Council for the Humanities | 66 |
| RTTT Standards | 4,456 |

| | |
|---|----------------|
| <i>Nonmajor Enterprise Funds, Sewer Fund</i> | 113,592 |
|---|----------------|

3. CASH AND CASH EQUIVALENTS (DEPOSITS):

At June 30, 2012, the carrying amount of the Town's deposits, including \$8,035,010 of cash equivalents, was \$27,555,231 and the total bank balance was \$28,228,593, all of which was insured and collateralized with securities held by the pledging financial institution, but not in the Town's name.

At June 30, 2012, deposits, excluding \$1,065,185 of fully insured fiduciary fund demand deposits, are categorized as follows:

| | <u>Maturities</u> | <u>Total bank balance</u> | <u>Carrying amount</u> |
|-------------------------|-------------------|-----------------------------|-----------------------------|
| Deposits: | | | |
| Demand deposits | | \$ 7,514,139 | \$ 6,840,777 |
| Certificates of deposit | 7/2012 to 8/2012 | 8,035,010 | 8,035,010 |
| Money market | | <u>12,679,444</u> | <u>12,679,444</u> |
| | | <u><u>\$ 28,228,593</u></u> | <u><u>\$ 27,555,231</u></u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

3. CASH AND CASH EQUIVALENTS (DEPOSITS) (CONTINUED):

Custodial risk:

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. It is the Town's policy to follow the requirements contained in Section 35-10.1-7 of the General Laws of the State, dealing with the collateralization of public deposits, which requires that all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet the minimum capital requirements of its federal regulator must be collateralized. Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty or agent of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. All of the Town's certificates of deposit, reported as cash equivalents, are held by the Town's counterparty, not in the Town's name.

Interest rate risk:

Interest rate risk 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 interest rates. The Town manages this risk by investing in certificates of deposit with a maturity date of three months or less.

Credit risk:

Credit risk, the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment, is measured by the assignment of a rating by a nationally recognized statistical rating organization to debt securities.

Concentration of credit risk:

Concentration of credit risk is the risk of loss attributed to the magnitude of the investment in a single issuer. The Town manages its risk by participating in a certificate of deposit pool, maximizing the FDIC coverage over deposits by limiting the amount on deposit in any one financial institution, and also by securing full collateralization of any remaining uninsured deposits.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2012

4. PROPERTY TAXES:

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

Net property taxes levied for fiscal year 2012 were based on a net asset value of approximately \$3,862,369,000 at December 31, 2010 and amounted to \$67,598,341. Collections through June 30, 2012 amounted to \$65,779,275, which represents approximately 97% of the total tax levy.

The Town recognizes property tax revenues in the Fund financial statements in accordance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards. Unpaid property taxes as of June 30, 2012 (\$2,042,216) are recorded as a receivable, net of an allowance for uncollectible property taxes of \$375,000. Those net property taxes receivable which were not collected within 60 days immediately following June 30, 2012 are recorded as deferred revenue and amounted to \$1,699,274 at June 30, 2012. Property taxes collected within 60 days immediately following June 30, 2012 are recognized as revenue in the Fund financial statements and amounted to \$344,124. As of June 30, 2012, the Town levied property taxes for its next fiscal year based on the December 31, 2011 assessment as follows (unaudited):

| | Taxable Assessment | Exemptions | Net Tax Assessment | Rate per \$1,000 | Net Levy |
|-------------------|-------------------------|-----------------------|-------------------------|------------------|----------------------|
| Real property | \$ 3,626,263,050 | \$ 70,809,710 | \$ 3,555,453,340 | \$17.51 | \$ 62,255,988 |
| Motor vehicle | 285,001,053 | 73,986,575 | 211,014,478 | \$22.04 | 4,649,871 |
| Tangible property | 125,405,040 | 550,210 | 124,854,830 | \$17.51 | 2,186,208 |
| | <u>\$ 4,036,669,143</u> | <u>\$ 145,346,495</u> | <u>\$ 3,891,322,648</u> | | <u>\$ 69,092,067</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

5. Interfund transactions:

Interfund balances represent short-term advances from one fund (primarily the General Fund) to another fund. The advances may represent balances resulting from operating advances or reimbursement for expenditures paid by one fund on behalf of another fund. The composition of interfund balances at June 30, 2012 is as follows:

| | Due From Other Funds | Due To Other Funds |
|---|-------------------------|-----------------------|
| General Fund | <u>\$ 3,476,745</u> | <u>\$ 617</u> |
| <i>School Department:</i> | | |
| School Unrestricted Fund | 1,297,695 | 214,289 |
| 21st Century Learning | 86 | 64,950 |
| Common Core Stand - FRM SK | 86 | 86 |
| COZ Family Center | | 6,263 |
| Donations - Coaches | 4,145 | 4,145 |
| RI Council for the Humanities | | 311 |
| RI Council for the Arts | | 1,756 |
| Education Jobs Fund | | 8,721 |
| Education Exchange - COZ | | 4,145 |
| Homeless Children/Youth Event | | 11,235 |
| New England Dairy & Food Council | | 2,000 |
| School Public Law 94-142 | | 353,523 |
| Public Law 94-142, Pre-school | | 10,491 |
| RIJHL | | 10 |
| RTTT Standards | | 3,143 |
| RTTT Instruction Improvement System | | 6,196 |
| RTTT Educator Effectiveness | | 2,637 |
| Title I | | 217,691 |
| Title II | | 42,956 |
| Title III LEP | | 876 |
| Substance Abuse Task Force | | 913 |
| USDA - FFVP | 2,494 | 4,844 |
| Use of Buildings | <u>78</u> | <u>6,250</u> |
| | <u>1,304,498</u> | <u>967,431</u> |
| Debt Service Fund | <u>50,334</u> | <u>-</u> |
| <i>Other Governmental Funds:</i> | | |
| \$9 Million School Renovation Bond | | 110,868 |
| \$6.4 Million School Renovation Bond | | 30,522 |
| Ann Ward Wallou Memorial Garden | | 901 |
| Capital Improvement Project | | 69,641 |
| Capital Reserve | 112,204 | 7,276 |
| CDBG | | 139,559 |
| Emergency Medical Services | | 519,729 |
| Impact Fees | 41,020 | |
| Infrastructure Replacement | | 197,880 |
| Miscellaneous State Grants | 7,276 | 1,373,719 |
| Non-Civic Detail Escrow Fund | | 272,568 |
| RI Emergency Management | 616 | |
| RI Foundation Grant | | 597 |
| School Capital Reserve | 1,006 | 162,538 |
| State Elderly Affairs | | 123 |
| Town Municipal Court | | 748 |
| URI Septic Loan Program | <u>5,000</u> | <u></u> |
| | <u>167,122</u> | <u>2,886,669</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

5. Interfund transactions (continued):

| | Due From Other Funds | Due To Other Funds |
|--------------------------------------|-------------------------|-----------------------|
| <i>Enterprise Funds:</i> | | |
| <i>Major:</i> | | |
| Quonset/Davisville Recreation | \$ 464,376 | \$ 857,000 |
| Water Capital Reserve | 192,880 | 485,673 |
| Water Fund | <u>657,256</u> | <u>1,342,673</u> |
| <i>Non-Major:</i> | | |
| NKHS Summer School Remedial | 1,098 | 2 |
| Sewer Fund | | 109,583 |
| School Nutrition Fund | 210,535 | 20,644 |
| Summer School Fund | | 1,098 |
| | <u>211,633</u> | <u>131,327</u> |
| <i>Total Enterprise Funds</i> | <u>868,889</u> | <u>1,474,000</u> |
| <i>Internal Service Funds</i> | | 100,000 |
| <i>Agency Funds:</i> | | |
| Payroll Fund | - | 29,575 |
| School Payroll Fund | | 409,296 |
| | <u>-</u> | <u>438,871</u> |
| | <u>\$ 5,867,588</u> | <u>\$ 5,867,588</u> |

Operating transfers between funds for the year ended June 30, 2012 were as follows:

| | Transfers In | Transfers Out |
|--|----------------------|----------------------|
| <i>General Fund</i> | | |
| | <u>\$ 877,877</u> | <u>\$ 49,256,086</u> |
| <i>School Department:</i> | | |
| School Unrestricted Fund | <u>43,420,838</u> | <u>208,119</u> |
| <i>Debt Service Fund</i> | | |
| | <u>4,506,023</u> | |
| <i>Other Governmental Funds:</i> | | |
| Library Fund | 1,132,589 | 26,600 |
| Impact Fees | | 38,260 |
| Emergency Medical Services | | 478,709 |
| Tax Valuation Reserve | 20,000 | |
| Infrastructure Replacement | | 192,880 |
| Non-Civic Detail Escrow Fund | | 272,568 |
| Capital Improvement Project | 175,344 | 1,006 |
| Capital Reserve | 214,896 | |
| School Capital Reserve Fund | <u>1,006</u> | <u>175,344</u> |
| | <u>1,543,835</u> | <u>1,185,367</u> |
| <i>Major Enterprise Funds:</i> | | |
| Water Fund | 192,880 | 464,376 |
| Water Capital Reserve fund | <u>464,376</u> | |
| | <u>657,256</u> | <u>464,376</u> |
| <i>Nonmajor Enterprise Funds:</i> | | |
| School Nutrition | <u>208,119</u> | |
| <i>Internal Service Funds</i> | | 100,000 |
| <i>Totals</i> | <u>\$ 51,213,948</u> | <u>\$ 51,213,948</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

6. CAPITAL ASSETS:

Governmental activities net beginning balances have been restated (decreased) by \$1,025,535 to reflect a prior period adjustment, consisting of a \$1,477,240 reclassification of land previously reported as land improvements, a \$888,028 correction of overstated building and equipment cost and a \$137,507 correction of understated accumulated depreciation.

| Governmental activities: | Beginning balances (as restated) | Additions | Deletions | Ending Balances |
|---|---|------------------------------|--------------------|-----------------------------|
| Capital assets not being depreciated: | | | | |
| Library collections | \$ 3,440,003 | \$ 5,316 | \$ - | \$ 3,445,319 |
| Land | 6,875,441 | | | 6,875,441 |
| Developmental rights | 17,558,412 | | | 17,558,412 |
| Work in progress | <u>54,122</u> | | | <u>54,122</u> |
| Total capital assets not being depreciated | <u>27,927,978</u> | <u>5,316</u> | <u>-</u> | <u>27,933,294</u> |
| Capital assets being depreciated: | | | | |
| Land improvements | 160,230 | | | 160,230 |
| Building | 65,338,484 | 294,203 | | 65,632,687 |
| Equipment | 12,968,880 | 592,748 | (99,142) | 13,462,486 |
| Infrastructure | <u>67,508,842</u> | <u>1,339,681</u> | | <u>68,848,523</u> |
| Total capital assets being depreciated | <u>145,976,436</u> | <u>2,226,632</u> | <u>(99,142)</u> | <u>148,103,926</u> |
| Less accumulated depreciation for: | | | | |
| Land improvements | (61,058) | (6,612) | | (67,670) |
| Building | (21,826,723) | (1,595,807) | | (23,422,530) |
| Equipment | (9,936,463) | (589,244) | 99,142 | (10,426,565) |
| Infrastructure | <u>(44,506,190)</u> | <u>(2,084,205)</u> | | <u>(46,590,395)</u> |
| Total accumulated depreciation | <u>(76,330,434)</u> | <u>(4,275,868)</u> | <u>99,142</u> | <u>(80,507,160)</u> |
| Total capital assets being depreciated, net | <u>69,646,002</u> | <u>(2,049,236)</u> | <u>-</u> | <u>67,596,766</u> |
| Governmental activities capital assets, net | <u><u>\$ 97,573,980</u></u> | <u><u>\$ (2,043,920)</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 95,530,060</u></u> |

Depreciation was charged to functions as follows:

Governmental activities:

| | |
|--------------------|----------------------------|
| General government | \$ 138,536 |
| Public Safety | 430,221 |
| Public Works | 2,228,320 |
| Education | 1,410,666 |
| Public libraries | <u>68,125</u> |
| | <u><u>\$ 4,275,868</u></u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE, 30, 2012

6. CAPITAL ASSETS (CONTINUED):

| Business-type activities: | <u>Beginning balances</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balances</u> |
|--|-------------------------------|----------------------------|------------------------------|-----------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 839,934 | | \$ - | \$ 839,934 |
| Work in progress | 3,239,854 | \$ 48,248 | (1,158,199) | 2,129,903 |
| Total capital assets not being depreciated | <u>4,079,788</u> | <u>48,248</u> | <u>(1,158,199)</u> | <u>2,969,837</u> |
| Capital assets being depreciated: | | | | |
| Buildings | 10,448,303 | 449,565 | - | 10,897,868 |
| Property and leasehold improvements | 3,650,893 | 1,314,691 | | 4,965,584 |
| Furniture and equipment | 243,901 | 139,700 | | 383,601 |
| Vehicles and golf carts | 102,974 | 64,273 | (1,400) | 165,847 |
| Total capital assets being depreciated | <u>14,446,071</u> | <u>1,968,229</u> | <u>(1,400)</u> | <u>16,412,900</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (6,494,779) | (259,397) | - | (6,754,176) |
| Property and leasehold improvements | (834,788) | (331,497) | | (1,166,285) |
| Furniture and equipment | (233,126) | (28,114) | | (261,240) |
| Vehicles and golf carts | (61,362) | (36,875) | | (98,237) |
| Total accumulated depreciation | <u>(7,624,055)</u> | <u>(655,883)</u> | <u>-</u> | <u>(8,279,938)</u> |
| Total capital assets being depreciated, net | <u>6,822,016</u> | <u>1,312,346</u> | <u>(1,400)</u> | <u>8,132,962</u> |
| Business-type activities capital assets, net | <u><u>\$ 10,901,804</u></u> | <u><u>\$ 1,360,594</u></u> | <u><u>\$ (1,159,599)</u></u> | <u><u>\$ 11,102,799</u></u> |

Depreciation was charged to functions as follows:

Business-type activities:

| | |
|-------------------------------|--------------------------|
| Water | \$ 406,060 |
| Quonset/Davisville Recreation | 249,322 |
| Nutrition Fund | 501 |
| | <u><u>\$ 655,883</u></u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

7. LONG-TERM OBLIGATIONS:

General obligation bonds payable:

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities, as well as to refund previously outstanding general obligation bonds. General obligation bonds pledge the full faith and credit of the Town.

The Town's maximum aggregate indebtedness under Rhode Island General Laws 45-12-2 is limited to 3% of total assessed value, with certain exemptions. The assessed value of the Town's properties at December 31, 2011 was \$3,891,322,648, limiting the amount of nonexcepted debt outstanding to \$116,739,679. At June 30, 2012, the Town had \$216,060 of debt outstanding subject to the limit. All other Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

Payments on all long-term debt and other long-term liabilities that pertain to the Town's governmental activities are made by the Debt Service Fund and General Fund. The General Fund typically has been used in prior years to liquidate the liability for compensated absences.

In December 2009, the Town issued \$6,585,000 of general obligation refunding bonds to provide resources that were placed in an irrevocable trust funding future debt service payments on \$6,375,000 of refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. This advance refunding was undertaken to reduce total debt service payments over the next ten years by \$534,119 and resulted in an economic gain of \$465,587. The in-substance defeased bonds were paid off as of June 30, 2011. Accordingly, the trust accounts and the defeased bonds are not included in the accompanying basic financial statements. The advance refunding resulted in a deferred charge of \$250,329 which is included with total deferred charges on refundings and is being amortized over ten years.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

7. LONG-TERM OBLIGATIONS (CONTINUED):

A summary of long-term obligations as of June 30, 2012 is as follows:

| | Governmental activities | Business-type activities | Total |
|----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| General obligation debt | \$ 45,408,940 | \$ 3,347,823 | \$ 48,756,763 |
| Bond premium | 442,876 | | 442,876 |
| Deferred charges | <u>(1,398,972)</u> | | <u>(1,398,972)</u> |
| | 44,452,844 | 3,347,823 | 47,800,667 |
| Accrued compensated absences | 2,195,500 | 194,247 | 2,389,747 |
| Pollution remediation obligation | <u>1,660,000</u> | | <u>1,660,000</u> |
| | 48,308,344 | 3,542,070 | 51,850,414 |
| Less portion due within one year | <u>4,076,115</u> | <u>226,241</u> | <u>4,302,356</u> |
| | <u><u>\$ 44,232,229</u></u> | <u><u>\$ 3,315,829</u></u> | <u><u>\$ 47,548,058</u></u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

7. LONG-TERM OBLIGATIONS (CONTINUED):

Business-type activities beginning balance related to the \$4.8 million RICWFA bond payable has been restated by \$732,486 to reflect a net prior period adjustment of \$528,780, also consisting of a \$10,238 increase to deferred costs and a \$213,944 decrease to cash on deposit with RICWFA.

Governmental activities:

| | Date of Issuance | Purpose | Authorized | Interest Rate | Maturity Date | Outstanding June 30, 2011 | Additions | Retirements | Outstanding June 30, 2012 | Amounts due within one year |
|---|---------------------|---|---------------------|---------------|------------------|---|--------------|---------------|------------------------------|-----------------------------------|
| General obligation bonds payable: | | | | | | | | | | |
| \$2,840 M Refunding Bond | 5/1/2006 | Development Rights | \$ 2,840,000 | 4.0 - 5.25% | 5/1/2021 | \$ 1,900,000 | \$ - | \$ 190,000 | \$ 1,710,000 | \$ 190,000 |
| \$9,79M GOB 2009 Series | 1/15/2009 | Renovations, Additions and Improvements | 9,790,000 | 2.0 - 4.0% | 1/15/2030 | 9,740,000 | \$ 50,000 | \$ 9,690,000 | \$ 510,000 | |
| \$30,36 M Refunding Bond | 4/21/2005 | Refunding of High School Bond \$3.3M | 30,360,000 | 3.0 - 5.0% | 10/1/2026 | 20,380,000 | \$ 1,840,000 | \$ 18,540,000 | \$ 1,420,000 | |
| \$7.5M GOB 2007B Series B Bond | 8/15/2007 | Renovations and Additions - School Bond | 7,000,000 | 4.25 - 5.0% | 8/15/2027 | 6,235,000 | \$ 275,000 | \$ 5,960,000 | \$ 290,000 | |
| \$3,845 M GOB | 6/15/2001 | Farmland, Public Facilities, & Asset Protection | 3,845,000 | 3.75 - 5.5% | 6/15/2016 | 1,245,000 | \$ 250,000 | \$ 995,000 | \$ 250,000 | |
| \$1.9 M GOB | 12/15/2001 | School Additions | 1,900,000 | 3.5 - 4.35% | 12/15/2011 | 100,000 | \$ 100,000 | \$ - | \$ - | |
| \$4M GOB - Open Space | 7/1/2007 | Facilities, Open Space, and Library | 4,000,000 | 3.6 - 4.1% | 7/15/2027 | 3,610,000 | \$ 140,000 | \$ 3,470,000 | \$ 150,000 | |
| \$3,622M GOB | 12/15/2009 | O/D Recreation Asset Protection | 3,622,000 | 1.25-3.50% | 12/15/2019 | 3,195,000 | \$ 425,000 | \$ 2,770,000 | \$ 387,240 | |
| Less: Q/D recreation portion | | (282,516) | | | | (249,210) | | | | |
| \$960M GOB | 12/15/2009 | School Athletics | 960,000 | 1.25-3.50% | 12/15/2019 | 860,000 | \$ 95,000 | \$ 765,000 | \$ 100,000 | |
| \$2,003M GOB | 12/15/2009 | Farmland/Open Space | 2,003,000 | 1.25-3.50% | 12/15/2019 | 1,960,000 | \$ 235,000 | \$ 1,725,000 | \$ 230,000 | |
| Deferred amounts: | | | | | | | | | | |
| Bond premiums | 66,037,484 | | | | | 48,975,790 | | | 3,566,850 | |
| Deferred charges | 760,817 | | | | | 488,609 | | | 45,408,940 | |
| | (2,140,544) | | | | | (1,518,516) | | | 442,876 | |
| | (1,379,727) | | | | | (1,029,907) | | | (119,944) | |
| | | | | | | | | | (1,398,972) | |
| Total general obligation bonds payable | | | | | | | | | | |
| Compensated absences | | | | | | | | | | |
| Pollution remediation obligation | | | | | | | | | | |
| Total long-term obligations | | | | | | | | | | |
| Business-type activities: | | | | | | | | | | |
| | Date of Issuance | Purpose | Authorized | Interest Rate | Maturity Date | Outstanding June 30, 2011 (as restated) | Additions | Retirements | Outstanding June 30, 2012 | Amounts due within one year |
| General obligation bonds payable: | | | | | | | | | | |
| \$3,622M GOB | 12/15/2009 | O/D Recreation Asset Protection | \$ 282,516 | 1.25-3.50% | 12/15/2019 | \$ 249,210 | \$ 234,049 | \$ (33,150) | \$ 216,060 | \$ 32,760 |
| \$4.8 RICWFA Bond * | 11/19/2009 | Renovations, Additions and Improvements | \$ 4,800,000 | 3.012% | 9/1/2030 | \$ 3,043,240 | | \$ (145,526) | \$ 3,131,763 | \$ 148,062 |
| | | | <u>\$ 5,082,516</u> | | | | | | | |
| Total general obligation bonds payable | | | | | | | | | | |
| Compensated absences | | | | | | | | | | |
| Total long-term obligations | | | | | | | | | | |
| * At June 30, 2012, \$645,912 of undrawn loan proceeds related to the \$4.8 million RICWFA bond was available to the Town to spend on authorized project costs | | | | | | | | | | |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

7. LONG-TERM OBLIGATIONS (CONTINUED):

At June 30, 2012, scheduled annual debt service requirements to maturity for general obligation bonds are as follows:

| Year ending June 30, | Principal | Interest | Total |
|----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <i>Governmental activities:</i> | | | |
| 2013 | \$ 3,527,240 | \$ 1,807,102 | \$ 5,334,342 |
| 2014 | 3,547,630 | 1,684,675 | 5,232,305 |
| 2015 | 3,543,410 | 1,550,632 | 5,094,042 |
| 2016 | 3,548,800 | 1,417,515 | 4,966,315 |
| 2017 | 3,289,970 | 1,288,249 | 4,578,219 |
| 2018-2022 | 14,561,890 | 4,571,430 | 19,133,320 |
| 2023-2027 | 11,465,000 | 1,715,431 | 13,180,431 |
| 2028-2030 | <u>1,925,000</u> | <u>136,272</u> | <u>2,061,272</u> |
| | <u><u>\$ 45,408,940</u></u> | <u><u>\$ 14,171,306</u></u> | <u><u>\$ 59,580,246</u></u> |
| <i>Business-type activities:</i> | | | |
| 2013 | \$ 182,737 | \$ 121,231 | \$ 303,968 |
| 2014 | 185,261 | 117,992 | 303,253 |
| 2015 | 188,943 | 114,166 | 303,109 |
| 2016 | 192,613 | 109,805 | 302,418 |
| 2017 | 196,613 | 104,841 | 301,454 |
| 2018-2022 | 960,796 | 438,072 | 1,398,868 |
| 2023-2027 | 1,122,257 | 307,268 | 1,429,525 |
| 2028-2030 | <u>318,603</u> | <u>42,163</u> | <u>360,766</u> |
| | <u><u>\$ 3,347,823</u></u> | <u><u>\$ 1,355,538</u></u> | <u><u>\$ 4,703,361</u></u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

7. LONG-TERM OBLIGATIONS (CONTINUED):

Bonds authorized but unissued at June 30, 2012 are as follows:

| | |
|-----------------------------------|------------|
| Library | \$ 350,000 |
| School Improvements | 2,000,000 |
| School Renovations | 6,465,000 |
| Commercial Septic System Loan | 2,000,000 |
| Construction of Town Sewer System | 19,200,000 |

8. FUND BALANCE:

The Town has classified governmental fund balances at June 30, 2012 as follows:

Assigned:

| | |
|------------------------------|------------------|
| General Fund Encumbrances | \$ 825,480 |
| School Encumbrances | 60,522 |
| Health Insurance Reserve | 2,208,586 |
| Retirement Allowance Reserve | 118,724 |
| Town Special Revenue Funds | <u>209,753</u> |
| | <u>3,423,065</u> |

Restricted:

| | |
|-------------------------------|------------------|
| Debt Service | 741,314 |
| Town Special Revenue Fund | (565,558) * |
| School Special Revenue Funds | 25,009 |
| Capital Projects | 2,703,493 |
| Permanent Funds | 97,552 |
| Education | 1,554,881 |
| Deposit – School Delta Dental | <u>10,336</u> |
| | <u>4,567,027</u> |

(continued)

* Deficit related to timing of cash receipts of grant funds.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2012

8. FUND BALANCE (CONTINUED):

(carried forward)

Committed:

| | |
|-----------------------------|------------|
| School Retirement Incentive | \$ 148,034 |
|-----------------------------|------------|

General Fund:

Non-Spendable:

| | |
|--|----------------|
| Advance to Quonset/Davisville Recreation for Golf Course Irrigation | 742,730 |
| Deposit – School Rhode Island Interlocal Trust | <u>118,957</u> |
| | <u>861,687</u> |

Unassigned:

| | |
|--|-----------------------------|
| Not designated for future expenditures | <u>9,456,219</u> |
| | <u><u>\$ 18,456,032</u></u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS:

All eligible employees of the Town are covered by one of two pension plans: the Municipal Employees' Retirement System of the State of Rhode Island (Municipal Plan), or the Employees' Retirement System of the State of Rhode Island (Teachers' Plan). The Teachers' Plan covers all School Department personnel certified by the Rhode Island Department of Education who are or have been engaged in teaching as a principal occupation. The Municipal Plan covers all Town Hall employees, all Public Works employees hired on or after July 1, 1999, all Police Department employees sworn in on or after January 1, 2000, all Fire Department employees hired on or after January 1, 2001, and all School Department clerks, custodians and teacher assistants.

In November 2011, the State enacted the Rhode Island Retirement Security Act of 2011 (the Act). The Act makes broad changes to the Teachers' Plan and Municipal Plan effective July 1, 2012, the most significant of which include changing the structure of the retirement program from a traditional defined benefit plan to a hybrid plan designed with a smaller defined benefit plan and a supplemental defined contribution plan, changing the automatic cost-of-living adjustment (COLA) from a CPI-related formula to a formula contingent on the actual investment performance over time, suspension/reduction of the COLA during times when the funded ratio is lower than targeted 80% levels, and the re-amortization of the Unfunded Actuarial Accrued Liability (UAAL) to 25 years from the 19-year schedule as of June 30, 2010. For the Teachers' Plan, teachers not covered by Social Security will participate in additional defined contribution allocations equal to 2% member plus 2% employer. Included within these significant changes are certain rules for transitioning from the prior defined benefit structure to the smaller defined benefit plan going forward. The changes in the defined benefit plan instituted by the Act have been fully reflected in the actuarial valuation as of June 30, 2011.

Municipal Plan

Plan description:

The Municipal Plan is an agent multiple-employer public employee retirement system administered by the State. Financial statements for the Municipal Plan are issued separately and may be obtained from the Employees' Retirement System, 50 Service Avenue, Warwick, RI 02886. For fiscal year 2012, covered payroll under the Municipal Plan totaled \$18,101,608 and the Town-wide payroll was \$49,021,847.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS (CONTINUED):

Municipal Plan (continued)

Plan description (continued):

Participants' rights to pension benefits become fully vested after ten years of service. They are also eligible to retire after ten years of service if they have attained age 58 (age 55 for police and fire) or after 30 years of service (20 years for police and fire) regardless of age. Benefits are equal to 2% of final average salary for each year of service for municipal employees, and 2.5% of final average salary for each year of service for fire and police, with a maximum benefit of 75% of final average salary. Final average salary is computed using the highest three consecutive years of base earnings, exclusive of overtime. Retiree benefits are adjusted annually by 3% (not compounded) to allow for cost-of-living increases under an optional benefit provision adopted by the Town.

The Municipal Plan also provides nonservice-connected disability benefits after five years of service; service-connected disability benefits with no minimum service requirement; vested benefits after ten years of service, survivor's benefits for service-connected death; and certain lump-sum benefits.

As of June 30, 2012, 442 active employees (108 police and firefighters) were members of the Municipal Plan.

Funding policy:

Rhode Island General Law sets contributions of participating employees at 6% of salary (8% for police). An additional 1% of salary is assessed to employees under the optional cost-of-living provision. Annual required contributions are actuarially determined for each separate employer and are assessed to each as a percentage of their participating employees' payroll. The annual required contribution covers normal costs and, where applicable, a payment to amortize the unfunded actuarial accrued liability as of June 30, 2010 over a closed period of 25 years. Normal cost is determined using the entry age normal cost method. Unlike in the Teachers' Plan, the State makes no contributions to the Municipal Plan on behalf of the Town nor does it assume any liability for funding pension benefits for the Town's participants.

Effective with the June 30, 2011 actuarial valuation, the funding method was changed to the Individual Entry Age Cost Method in order to be consistent with the Act and GASB Statement No. 27 standards. Effective July 1, 2012, general employees contribute 1.00% of their salary per year, and police officers and firefighters contribute 7.00% to the defined benefit plan, and if the municipality has elected one of the optional cost-of-living provisions, an additional member contribution of 1.00% of salary is required. For the defined contribution plan, a 5.00% contribution, with an additional 2.00% contribution for those employees that do not participate in Social Security, is required.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS (CONTINUED):

Municipal Plan (continued)

Plan description (continued):

Annual pension costs:

The following table summarizes annual pension costs and actual contributions for the Municipal Plan for the past three years. There was no net pension obligation during the three-year period.

| | 2012 | 2011 | 2010 |
|---|---------------------|---------------------|---------------------|
| Annual pension costs | <u>\$ 2,821,655</u> | <u>\$ 2,996,409</u> | <u>\$ 2,810,221</u> |
| Percent of annual pension costs contributed | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> |

As of June 30, 2011, the date of the most recent actuarial valuation available, the following table summarizes the information available, as it applies to the Municipal Plan's general employee unit, police unit, and fire unit, respectively.

| Unit | Funded ratio | Actuarial Accrued Liability | Actuarial Asset Value | Unfunded Actuarial Accrued Liability (UAAL) | Covered Payroll | UAAL as of Covered Payroll |
|------------------|--------------|-----------------------------|-----------------------|---|-----------------|----------------------------|
| General Employee | 74.5% | \$ 54,857,131 | \$ 40,857,022 | \$ 14,000,109 | \$ 11,803,025 | 118.6% |
| Police | 71.7% | 23,340,206 | 16,730,762 | 6,609,444 | 2,681,912 | 246.4% |
| Fire | 79.0% | 32,793,693 | 25,908,334 | 6,885,359 | 3,602,581 | 191.1% |

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial values of Municipal Plan assets are increasing or decreasing over time relative to accrued actuarial liabilities for benefits.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS (CONTINUED):

Municipal Plan (continued)

Plan description (continued):

Actuarial methods and significant assumptions:

The State uses the entry age normal method to determine both the actuarial accrued liabilities of and the annual required contributions to the Municipal Plan. Pension assets are valued at their fair value as established by quotations from applicable national securities exchanges. Valuations of accrued liabilities, pension assets, and annual required contributions for the Municipal Plan are performed annually as of June 30.

Significant actuarial assumptions used in the June 30, 2011 valuation are summarized as follows:

| | |
|-----------------------------|--|
| Asset appreciation: | 7.50% annually |
| Salary increases: | 4.00% annually and a service-related component – general employees |
| | 4.25% annually and a service-related component – police/fire employees |
| Cost-of-living adjustments: | 0.00-4.00%, non-compounded |
| Payroll growth rate | 3.75% annually |
| Retirement probability: | 100% at age 75 or upon eligibility (100% at age 65 or upon eligibility – police/fire) |
| Mortality: | Healthy members – 115% (for Male Employees) and 95% (for Female Employees) of the RP-2000 Combined Healthy with White Collar adjustments, projected with Scale AA. Disabled members – 60% of the PBGC Table Va (VIa for females) set to age 65 (55 for police and fire employees) |
| Disability: | Probabilities per 1,000 ranging from .08% at age 25 to 9.87% at age 60 (.43% at age 25 to 18.15% at age 50 for police and fire) |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS (CONTINUED):

Teachers' Plan

Plan description:

The Teachers' Plan is a statutory, mandatory, statewide, cost-sharing multiple-employer public employee retirement system administered by the State. Financial statements for the Teachers' Plan are issued separately and may be obtained from the Employees' Retirement System, 50 Service Avenue, Warwick, RI 02886. Total covered payroll under the Teachers' Plan during 2012 was \$27,052,409, including \$1,069,301 of federally reimbursed payroll.

The Teachers' Plan provides a two-tier benefit structure referred to as Schedule A Benefits and Schedule B Benefits.

Schedule A Benefits:

Schedule A benefits are available to members who possessed ten years or more of contributory service on or before July 1, 2005. Schedule A provides unreduced benefits of 1.70% of earnings for each of the first ten years of service; 1.90% for each of the next ten years of service; 3.00% for each of the next fourteen years; and 2.00% for the 35th year. Joint and survivor options are available, as well as an option that provides for the payment of a larger benefit before the attainment of age 62. The maximum benefit is 80% of final average earnings after 35 years of service. Such benefits are available to members who are at least age 60 with ten years of credited service, or after 28 years of service at any age. Benefits for all employees are based on the average of the highest three consecutive years' earnings, exclusive of overtime.

On the third January after retirement, a cost-of-living increase of 3.00% (compounded annually) is provided. The Teachers' Plan also provides nonservice-connected disability benefits after five years of service; service-connected disability benefits with no minimum service requirement; vested benefits after ten years of service; survivor's benefits for service-connected death; and certain lump-sum death benefits.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS (CONTINUED):

Teachers' Plan

Plan description (continued):

Schedule B Benefits:

Schedule B benefits are provided to members who had less than ten years of contributory service on or before July 1, 2005. Schedule B provides unreduced benefits of 1.60% of earnings for each of the first ten years of service; 1.80% for each of the next ten years; 2.00% for years 21 through 25 inclusive; 2.25% for years 26 through 30 inclusive; 2.50% for years 31 through 37 inclusive; and 2.25% for the 38th year. Only single life, and joint and survivor options are available. The maximum benefit is 75% of the average highest three years of compensation after 38 years of service. Such benefits are available to members who are at least age 65 with ten years of service, or at least age 59 with 29 years of service. Actuarially reduced retirement is available at age 55 with 20 years of service; the benefit is reduced actuarially for each month that the age of the member is less than 65 years.

On the month following the third anniversary date of retirement, and on the month following the anniversary date of each succeeding year, a benefit increase is provided for Schedule B members, consisting of the lesser of a cost-of-living increase of 3.00% (compounded annually) or the percentage increase in the Consumer Price Index, determined as of September 30 of the prior calendar year.

Rhode Island General Law relating to State employees and teachers' benefits was amended during the fiscal year ended June 30, 2009. Members eligible to retire as of September 30, 2009 are not affected by the changes. The legislation established a minimum retirement age of 62 for all members, except those Schedule B members who retire with less than 29 years of service; their retirement eligibility remains age 65 with a minimum of ten years of service credit. For affected state employees and teachers, the law provides a proportional downward adjustment of the minimum retirement age based on the years of service credit of a member at September 30, 2009, a final average salary based on the five consecutive highest years of salary and a cost-of-living adjustment.

This legislation also amended the disability retirement provision for State employees and teachers. Effective for applications filed after September 30, 2009, accidental disability will be available at 66-2/3% for members who are permanently and totally disabled. If the disability is determined to be partial and the member is able to work in other jobs, the benefit will be limited to 50%.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

9. DEFINED BENEFIT PENSION PLANS (CONTINUED):

Teachers' Plan (continued)

Plan description (continued):

Schedule B Benefits (continued):

Rhode Island General Law relating to State employees and teachers benefits was amended during the fiscal year ended June 30, 2010. Members eligible to retire as of June 12, 2010 are not affected by the legislation. The legislation modifies the COLA. The COLA now applies to the first \$35,000 of retirement allowance, indexed annually, and shall commence upon the retiree's third anniversary of the date of retirement or when the retiree reaches age 65, whichever is later. The \$35,000 limit will increase annually by the percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U) as published by the United States Department of Labor Statistics, determined as of September 30 of the prior calendar year or 3%, whichever is less.

Funding policy:

Rhode Island General Law currently sets the contribution rates of participating employees at 9.5% of salary. Annual required contributions by both employers and the State on behalf of those employees are determined by actuaries and assessed as a percentage of participants' payroll. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of June 30, 1999 over 30 years; and (c) interest on the unfunded frozen actuarial liability. Normal cost is determined using the entry age normal cost method with frozen initial liability. The Town participates in the optional Teachers Survivor Benefits Fund whereby the employer and the employee each contribute 1% of the first \$9,600 of each participating employee's salary for survivor benefits.

As prescribed by Rhode Island General Law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years, plus 40% of contributions assessed to employers on payroll not reimbursable through federal programs. For fiscal year 2012, the Town's actuarial required contributions were 13.23% of participant salary (22.32% for federally reimbursed salary), which resulted in a contribution rate paid by the State on behalf of Town teachers of 9.09% (\$2,361,865). The Town's required and actual contributions to the Teachers' Plan for fiscal years 2012, 2011 and 2010 were \$3,437,530, \$2,960,658 and \$3,108,830, respectively.

Effective with the June 30, 2011 actuarial valuation, the funding method was changed to the Individual Entry Age Cost Method in order to be consistent with the Act and GASB Statement No. 27 standards. Effective July 1, 2012, State employees (excluding correctional officers) and Teachers will contribute 3.75% of their salary per year to the defined benefit plan, and 5.0% to the defined contribution plan, with an additional 2.0% contribution for those employees that do not participate in Social Security.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

10. OTHER POSTEMPLOYMENT BENEFITS:

Plan description:

Through its single-employer defined benefit plan (OPEB Plan), the Town provides postretirement health care benefits to all Town employees who meet years of service and age requirements, and in some cases to their surviving spouses, who are eligible under the terms of collective bargaining agreements or personnel contracts. The Plan does not issue a stand-alone financial report.

The most recent actuarial valuation for the OPEB Plan was performed as of July 1, 2010.

Benefits and employee contributions:

The Town paid 100% of the amount for medical and dental costs incurred by eligible retirees.

Employer contributions are recognized in the period to which the contribution relates. Benefit payments are charged to expense in the period paid.

Covered participants:

As of July 1, 2010, the date of the latest available actuarial valuation, membership census is as follows:

| | |
|----------------------------|-------------------|
| Active employees | 760 |
| Retirees and beneficiaries | <u>164</u> |
| Total | <u><u>924</u></u> |

Annual OPEB cost and net OPEB obligation:

The Town's annual OPEB cost is calculated based on the annual required contribution (ARC) of the Town. The Town has engaged an actuary to calculate the ARC and related information per the provisions of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The following table shows the components of the Town's annual OPEB cost, the amount actually contributed to the plan for the year ended June 30, 2012, and the Town's net OPEB obligation as of June 30, 2012, based on the latest available actuarial valuation.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED):

Annual OPEB cost and net OPEB obligation (continued):

| Annual OPEB cost | |
|--|----------------------------|
| Annual Required Contribution | \$ 3,218,397 |
| Interest on net OPEB obligation | 181,456 |
| Adjustment to annual required contribution | <u>(198,330)</u> |
| Annual OPEB cost | 3,201,523 |
| Contributions made during the year | <u>(1,380,037)</u> |
| Increase in net OPEB obligation | 1,821,486 |
| Net OPEB obligation at beginning of year | <u>4,536,412</u> |
| Net OPEB obligation at end of year | <u><u>\$ 6,357,898</u></u> |

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan for past three years, and the net OPEB obligation as of June 30, 2010, 2011 and 2012 are as follows:

| Year ended June 30, | OPEB cost | Percentage of annual OPEB cost contributed | Net OPEB obligation |
|---------------------|--------------|--|---------------------|
| 2010 | \$ 2,407,135 | 45% | \$ 2,681,170 |
| 2011 | 3,058,590 | 39% | 4,536,412 |
| 2012 | 3,201,523 | 43% | 6,357,898 |

Funded status and funding progress:

As of July 1, 2010, the funded status and funding progress were as follows:

| | |
|---|---------------|
| Funded ratio | 0% |
| Actuarial accrued liability for benefits | \$ 34,510,724 |
| Actuarial value of assets | - |
| Unfunded actuarial accrued liability (UAAL) | \$ 34,510,724 |
| Covered payroll | \$ 45,087,750 |
| UAAL to covered payroll | 76.54% |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

10. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED):

Funded status and funding progress (continued):

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial values of OPEB Plan assets are increasing or decreasing over time relative to accrued actuarial liabilities for benefits.

Actuarial methods and assumptions:

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate potential effects of legal or contractual funding limitations on the pattern of cost-sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, 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. Some key assumptions are as follows:

- Measurement date – July 1, 2010
- Actuarial cost method – Entry Age Normal
- Interest rate – 4.0%
- Amortization method and period – Level percentage of projected payroll; open period
- Participation – 100% of eligible school retirees and eligible Town employees are assumed to elect medical and dental coverage
- Health Care Cost Trend Rates – Medical 9.0% per year in 2010, decreasing to an ultimate rate of 5.0% in 2014
- Payroll growth rate – 2.5% annually

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

11. CONTINGENCIES AND COMMITMENTS:

Litigation:

During the ordinary course of its operations, the Town is a party to various claims, legal actions and complaints; it adequately accrues liabilities for losses when they are both probable and can be reasonably estimated.

The Town is currently involved in the early stages of litigation with the collective bargaining unit covering the fire department employees of the Town. The outcome of the case is not known at this time. Management is rigorously defending the case and has calculated the range of potential liability if the Town should not prevail to be between \$0 and \$1,500,000.

Commitments:

Line of credit:

The Town has a \$2,000,000 available line of credit from the Rhode Island Clean Water Finance Agency for the Community Septic System Loan Program. A balance of \$1,300,000 was drawn down on the line of credit at June 30, 2012.

Operating leases:

During August 2010, the North Kingstown School Department entered into a five-year operating lease for various copiers ending August 31, 2015. The lease payments for these copiers during the year ended June 30, 2012 amounted to \$74,794. The future minimum lease payments are \$74,794 annually through June 30, 2015 with \$12,465 due in 2016.

Communication tower rentals:

The Town leases several communication towers to unrelated parties under separate operating leases. The rental revenue and lease terms range from a month-to-month basis on some up to ten-year commitments on others. Total rental revenue was \$365,527 for the year ended June 30, 2012.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

11. CONTINGENCIES AND COMMITMENTS (CONTINUED):

The Town had several outstanding construction and technology projects as of June 30, 2012. These projects are evidenced by contractual commitments with contractors and include:

| FUND/PROJECT | Spent to Date | Commitment Remaining | Funding source (s) |
|---|---------------------|----------------------|---------------------------------|
| Fingerprint System | \$ 41,000 | \$ 1,200 | General Fund, Operating Budget |
| Development Transfer Rights Policy Update | 44,162 | 3,338 | General Fund, Operating Budget |
| | 107,511 | 3,455 | State Grants |
| | 13,378 | 3,338 | Town Capital Reserve Funds |
| Impact Fee Study | 9,500 | 4,500 | General Fund, Operating Budget |
| Wickford Sewer Extension Study | 2,125 | 10,375 | General Fund, Operating Budget |
| Window and External Repairs at Town Hall & Annex | 213,245 | - | Town Capital Reserve Funds |
| | 35,365 | - | State Grants |
| | 1,200 | 5,769 | General Fund, Operating Budget |
| IT Consolidation Study | 10,079 | 7,921 | General Fund, Operating Budget |
| PC Lifecycle Replacements | 25,973 | 8,282 | General Fund, Operating Budget |
| | 7,102 | 4,898 | Technology Fund |
| Road Line Striping | 8,737 | 15,263 | General Fund, Operating Budget |
| | - | 24,000 | General Fund, Operating Budget |
| Revaluation of Real Property | 10,486 | 316,914 | General Fund, Operating Budget |
| | 1,281 | 38,719 | Tax Revaluation Fund |
| Stony Fort Road Reconstruction | - | 240,000 | General Fund, Operating Budget |
| Main Street Improvements | 148,092 | - | Town Capital Reserve Funds |
| | 994,145 | - | State Grants |
| | 120,000 | 114,989 | \$ 6M Public Facilities Bond |
| Saw Mill Pond Improvements | 49,913 | 53,197 | State Grants |
| Davisville Middle School Roof Replacement | 30,522 | 12,003 | \$ 6.4M School Improvement Bond |
| | 2,481 | 11,084 | \$ 6.4M School Improvement Bond |
| | 3,500 | - | \$ 6.4M School Improvement Bond |
| | - | 3,745 | \$ 6.4M School Improvement Bond |
| Custom Radio Consoles | 66,500 | 43,796 | \$ 4.5M Public Facilities Bond |
| Water System Upgrades for Highway/Bridge Construction | 294,495 | 64,176 | Water Fund, Operating Budget |
| Repair of Flood Damaged Well #9 | 68,400 | 16,180 | Water Fund, Operating Budget |
| Lead Soil Remediation Juniper Hill | 1,281,663 | - | Water Fund, Operating Budget |
| | 683,102 | 56,317 | Water Fund, Capital Reserve |
| New Juniper Hill Water Tank | 1,717,353 | 89,784 | Water Fund, Operating Budget |
| Rehab Forge Rd. Standpipe | 499,565 | 45,435 | Water Fund, Capital Reserve |
| PRV Booster | - | 594,450 | Water Fund, Capital Reserve |
| Lead Soil Remediation Saundertown | - | 468,413 | Water Fund, Capital Reserve |
| Grand Totals | \$ 6,490,874 | \$ 2,261,541 | |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

11. CONTINGENCIES AND COMMITMENTS (CONTINUED):

Grants:

The Town has received federal and state grants for specific purposes that are subject to audit by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Town officials believe such disallowances, if any, would be immaterial.

12. SELF-INSURANCE ACTIVITIES:

On July 1, 1992, the Town adopted the provisions of the Governmental Accounting Standards Board Statement 10 (GASB 10) and has classified its self-insurance activities as Internal Service Funds. These activities (subject to the stop/loss insurance provisions explained below) have included the financing of workers' compensation and property damage losses on behalf of all Town departments. The Town's Finance Department oversees the self-insurance program, and a consultant is used to administer the claims of the workers' compensation fund.

Effective January 1, 1999, the Town switched to a premium-basis insurance coverage plan for workers' compensation. Effective September 1, 2001, the Town switched to a premium-basis insurance coverage for property damage.

For self-insured worker's compensation activities, individual Town funds/departments were charged a "premium" based on actuarial studies considering historical claims experience, projected payroll levels, administration costs, and projected insurance industry inflation rates. Assessments for property damage were based upon estimates of liability for uninsured losses to be incurred by the Town as a whole, apportioned to individual funds based on historical experience.

Billings from the Workers' Compensation and Property Damage funds for the fiscal year ended June 30, 2012 were \$0. Consequently, in fiscal 2012, there were net changes in the fund balances of the Workers' Compensation and Property Damage funds of (\$100,634) and \$1,011, respectively, which consisted principally of a transfer out of the Workers' Compensation fund. Assets of the funds consist solely of cash and cash equivalents, totaling \$451,202 and \$646,389 for the Workers' Compensation and Property Damage funds, respectively, at June 30, 2012.

There have been no reductions in insurance coverage from coverage in the previous year and settlements have not exceeded insurance coverage since 2001.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

12. SELF-INSURANCE ACTIVITIES (CONTINUED):

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. There were no unpaid claims for the current fiscal year and past fiscal year.

Other types of insurance coverage purchased through the Rhode Island Interlocal Risk Management Trust and private insurers are as follows: Property including blanket Buildings and Contents, Flood and Earthquake, Business Interruptions, Auto Physical Damage, Valuable papers, EDP Media and Equipment, Crime and Employee Dishonesty, Comprehensive General Liability, Automotive Liability, Uninsured Motorist, Medical Payments, Police Professional Liability, Medical Service Providers' Liability, Employee Benefit Liability, Public Officials' Liability, School Board Liability, Marina Operators, and Accidental Death Police and Fire including volunteers and community service personnel.

There have been no significant reductions in insurance coverage during the year ended June 30, 2012 as compared to the previous year. The claims incurred did not exceed insurance coverage this year.

13. POLLUTION REMEDIATION OBLIGATION:

The Town is currently involved in the State of Rhode Island's Landfill Closure Program for both the Hamilton Allenton and Oak Hill Landfills. ACT Lincoln Environmental, the Town's consultant, has completed a Site Investigation Report for the Hamilton Allenton Landfill and submitted closure recommendations to the RI DEM. The highest priority recommendations include soil gas extraction and monitoring, wetland and drainage remediation, landfill cap improvements and additional groundwater monitoring. The Town still awaits comments from DEM from their site investigation recommendations submitted last year. The State's comments on the recommendations will dictate that either additional site investigation is required or a final landfill closure scope can proceed. Closure requirements established by DEM will be designed and bid for construction. The preliminary total closure estimate for both landfills is estimated at \$1,660,000, which has been reported as a liability in governmental activities. A future bond referendum will be required to pay for this project and could be combined with other infrastructure improvements. Immediate and more minor remediation efforts during fiscal year 2013 are to be funded from Town Capital Reserve.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2012

13. POLLUTION REMEDIATION OBLIGATION (CONTINUED):

The Town has also been involved in the replacement of the water tank and related renovations, additions, improvements, and remediation of the Juniper Hill Facility and the Saunderstown Tank site. The Juniper Hill project was substantially complete at June 30, 2012.

The Saunderstown Tank remediation has an estimated remaining cost of \$787,229, which has been reported as a liability in business-type activities.

14. RESTATEMENT:

Restatement of prior year financial statements:

Net assets at July 1, 2011 have been restated as follows:

Government-wide Statement of Net Assets

| | |
|--|----------------------|
| Governmental activities net assets at July 1, 2011, as originally stated | \$ 65,130,882 |
| Decrease in payables, to correct overaccrued health insurance liability, school department | 605,966 |
| Decrease in capital assets, to correct overstated building and equipment cost | (888,028) |
| Increase in accumulated depreciation, to correct understated depreciation expense | (137,507) |
| Decrease in deferred revenue, to correct understated revenue | <u>28,318</u> |
| Governmental activities net assets at July 1, 2011, as restated | <u>\$ 64,739,631</u> |

Proprietary Funds Statement of Net Assets

| | |
|--|---------------------------------|
| Water operations fund net assets at July 1, 2011, as originally stated | \$ 8,128,555 |
| Correction to \$4.8 million RICWFA bond payable: | |
| Decrease in bond payable, to correct overstatement | \$ 732,486 |
| Increase in deferred bond issuance costs, to correct understatement | 10,238 |
| Decrease in cash on deposit with RICWFA, to correct overstatement | <u>(213,944)</u> <u>528,780</u> |
| Water operations fund net assets at July 1, 2011, as restated | <u>\$ 8,657,335</u> |

TOWN OF NORTH KINGSTOWN,
RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2012

This section presents the Schedule of Funding Progress for the Town's Pension and OPEB Plans, and budgetary comparison schedules for the Town's major funds. These schedules are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS

YEAR ENDED JUNE 30, 2012

| Actuarial Valuation Date | Actuarial Value of Assets | Accrued Liability (AAL) Entry Age | AAL (UAAL) | | | Covered Payroll | AAL (UAAL) Funding Excess (deficit) Percentage of Covered Payroll |
|--|---------------------------------|---|---|-----------------|--------------------|--------------------|--|
| | | | Actuarial Funding Excess (deficit) | Funded Ratio | Covered Payroll | | |
| Municipal Plan: | | | | | | | |
| General employees | | | | | | | |
| 6/30/2008 | \$ 34,880,408 | \$ 45,590,461 | \$ (10,710,053) | 76.5% | \$ 11,892,435 | | -90.06% |
| 6/30/2009 | \$ 40,052,448 | \$ 52,144,406 | \$ (12,091,958) | 76.8% | \$ 11,833,062 | | -102.19% |
| 6/30/2010 | \$ 40,522,385 | \$ 61,598,677 | \$ (21,076,292) | 65.8% | \$ 11,250,973 | | -187.33% |
| 6/30/2011 | \$ 40,857,022 | \$ 54,857,131 | \$ (14,000,109) | 74.5% | \$ 11,803,025 | | -118.61% |
| 6/30/2012 | N/A | N/A | N/A | N/A | N/A | | N/A |
| Police | | | | | | | |
| 6/30/2008 | \$ 14,896,951 | \$ 18,638,857 | \$ (3,741,906) | 79.9% | \$ 2,688,493 | | -139.18% |
| 6/30/2009 | \$ 16,853,498 | \$ 20,673,297 | \$ (3,819,799) | 81.5% | \$ 1,933,255 | | -197.58% |
| 6/30/2010 | \$ 16,815,338 | \$ 25,740,200 | \$ (8,924,862) | 65.3% | \$ 2,830,982 | | -315.26% |
| 6/30/2011 | \$ 16,730,762 | \$ 23,340,206 | \$ (6,609,444) | 71.7% | \$ 2,681,912 | | -246.45% |
| 6/30/2012 | N/A | N/A | N/A | N/A | N/A | | N/A |
| Firemen | | | | | | | |
| 6/30/2008 | \$ 23,310,758 | \$ 27,091,707 | \$ (3,780,949) | 86.0% | \$ 4,087,061 | | -92.51% |
| 6/30/2009 | \$ 26,351,379 | \$ 29,534,211 | \$ (3,182,832) | 89.2% | \$ 4,005,886 | | -79.45% |
| 6/30/2010 | \$ 26,186,405 | \$ 37,319,953 | \$ (11,133,548) | 70.2% | \$ 3,755,058 | | -296.49% |
| 6/30/2011 | \$ 25,908,334 | \$ 32,793,693 | \$ (6,885,359) | 79.0% | \$ 3,602,581 | | -191.12% |
| 6/30/2012 | N/A | N/A | N/A | N/A | N/A | | N/A |
| Other Postemployment Benefit Obligations | | | | | | | |
| 7/1/2007 | \$ - | \$ 25,294,765 | \$ (25,294,765) | 0.0% | \$ 45,495,325 | | -55.60% |
| 7/1/2010 | \$ N/A | \$ 34,510,724 | \$ (34,510,724) | 0.0% | \$ 45,087,750 | | -76.54% |
| 7/1/2012 | N/A | N/A | N/A | N/A | N/A | | N/A |

(1) N/A - Not available

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

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2012

BUDGETARY DATA AND BUDGETARY COMPLIANCE:**Adoption:**

The Town Manager shall submit to the Council not later than the fiftieth day preceding the 1st Wednesday in May, a proposed budget of anticipated revenues and proposed expenditures after a review of estimated requirements from department heads. Town Council conducts all-day Public Work Sessions to discuss the Town Manager's Proposed Budget, which is not a Charter requirement.

The Council has two weeks to give preliminary approval to the Town Manager's budget, which the Council may revise. Approximately three weeks after preliminary approval by the Council, two public hearings are held (one for school portion and one for all other budgets). After preliminary approval of the budget, any qualified elector may circulate a petition requesting that the Council increase or decrease the budget. At least 50 signatures, validated by the Board of Canvassers, are required. The Council is required to consider and vote on each valid petition.

On or before the first Wednesday in May, the Council is required to make any final changes to the budget by a majority vote and consider any petitions. Following final approval, the budget is published and copies are available for the public. After final approval by the Council, any qualified elector may circulate a petition requesting a referendum for either an increase or decrease to the total appropriation for a specific fund. Petition forms approved by the Town Clerk must be returned before the 20th day following the first Wednesday in May. Each valid petition with no less than 300 signatures, along with the Council's final adopted budget, is presented to the voters for a referendum vote on the second Saturday in June.

The following governmental funds have annual appropriated budgets:

- General Fund
- School Unrestricted Fund
- Library Fund
- Debt Service Fund

Budgetary to GAAP basis reconciliation:

Annual operating budgets are in conformity with the legally enacted budgetary basis, which differs from accounting principles generally accepted in the United States (U.S. GAAP) in several regards. Budgets are adopted on the modified accrual basis with certain exceptions. Budgetary revenues may include reappropriations from fund equity previously recognized under U.S. GAAP. Budgetary expenditures and expenses are recognized when legally binding orders (encumbrances) are placed. Enterprise fund budgetary expenses include expenses for fixed asset additions, debt service issuance costs and debt service principal payments not recognized under U.S. GAAP but exclude depreciation and amortization, U.S. GAAP basis expenses.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2012

BUDGETARY DATA AND BUDGETARY COMPLIANCE (CONTINUED):**Budgetary to GAAP basis reconciliation (continued):**

The following reconciliations summarize the differences between budgetary and GAAP basis accounting principles for the year ended June 30, 2012:

GENERAL FUND

| | |
|--|-------------------|
| Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis) | \$ 458,961 |
| Prior year encumbrances | (304,749) |
| Current year encumbrances | 681,596 |
| Prior year cancelled or voided purchase orders | 152,360 |
| Use of accumulated fund balance | (618,985) |
| Combined with General Fund – GASB 54 GAAP basis: | |
| Retirement allowance reserve | 352,884 |
| Health insurance reserve | (92,456) |
| Net change in fund balance, GAAP basis | <u>\$ 629,611</u> |

SCHOOL UNRESTRICTED FUND

| | |
|--|-----------------------|
| Excess of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis) | \$ 343,036 |
| Prior year encumbrances | (171,972) |
| Current year encumbrances | 60,522 |
| Prior year cancelled or voided purchase orders | (1,424) |
| Use of accumulated fund balance | <u>(1,593,667)</u> |
| Net change in fund balance, GAAP basis | <u>\$ (1,363,505)</u> |

SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
(UNAUDITED)

GENERAL FUND

YEAR ENDED JUNE 30, 2012

| | Originally Adopted Budget | Final Approved Budget | Actual (Budgetary Basis) | Variance Positive (Negative) |
|--|---------------------------------|--------------------------|--------------------------------|------------------------------------|
| Revenues: | | | | |
| Property Tax | \$ 69,655,823 | \$ 69,655,823 | \$ 70,520,575 | \$ 864,752 |
| Intergovernmental | 1,184,038 | 1,184,038 | 1,182,646 | (1,392) |
| Licenses & Permits | 356,153 | 356,153 | 493,025 | 136,872 |
| Investment Income | 210,000 | 210,000 | 35,450 | (174,550) |
| Departmental | 2,351,275 | 1,631,275 | 1,653,627 | 22,352 |
| Other | 93,112 | 93,112 | 67,766 | (25,346) |
| Total revenues | 73,850,401 | 73,130,401 | 73,953,089 | 822,688 |
| Expenditures: | | | | |
| Town Council | 91,035 | 164,035 | 174,129 | (10,094) |
| Town Manager | 213,932 | 213,932 | 213,978 | (46) |
| Town Clerk & Elections | 433,694 | 426,694 | 429,213 | (2,519) |
| Town Solicitor | 251,400 | 481,400 | 467,466 | 13,934 |
| Finance | 441,515 | 434,015 | 432,327 | 1,688 |
| Information Systems | 235,367 | 225,367 | 189,408 | 35,959 |
| Assessor | 216,398 | 523,798 | 518,610 | 5,188 |
| Planning | 368,779 | 342,779 | 339,094 | 3,685 |
| General Operating | 2,897,795 | 2,837,795 | 2,809,627 | 28,168 |
| Code Enforcement | 323,723 | 323,723 | 320,231 | 3,492 |
| Fire | 7,729,614 | 7,729,614 | 8,339,451 | (609,837) |
| Police, Harbor & Animal Control | 6,200,201 | 6,059,786 | 6,007,599 | 52,187 |
| Public Works | 4,160,662 | 4,122,266 | 4,042,632 | 79,634 |
| Senior Citizens | 395,641 | 473,641 | 470,086 | 3,555 |
| Contributions | 113,495 | 113,495 | 113,495 | - |
| Quonset Development | 440,960 | 440,960 | 440,958 | 2 |
| Total expenditures | 24,514,211 | 24,913,300 | 25,308,304 | (395,004) |
| Excess of revenues over expenditures | 49,336,190 | 48,217,101 | 48,644,785 | 427,684 |
| Other financing sources (uses): | | | | |
| Transfers from fund balance | - | 618,985 | 618,985 | - |
| Transfers in | 100,000 | 820,000 | 851,277 | 31,277 |
| Transfers out | (49,436,190) | (49,656,086) | (49,656,086) | - |
| Net other financing sources (uses) | (49,336,190) | (48,217,101) | (48,185,824) | 31,277 |
| Excess of revenues and other financing sources over expenditures and other financing uses | \$ - | - | \$ 458,961 | \$ 458,961 |

SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
(UNAUDITED)

SCHOOL UNRESTRICTED FUND

YEAR ENDED JUNE 30, 2012

| | Originally Adopted Budget | Final Approved Budget | Actual (Budgetary Basis) | Variance Positive (Negative) |
|--|---------------------------------|--------------------------|--------------------------------|------------------------------------|
| Revenues: | | | | |
| State Aid | \$ 10,364,514 | \$ 10,188,035 | \$ 10,188,035 | \$ - |
| Federal Aid | 645,000 | 510,874 | 532,842 | 21,968 |
| Tuition | 2,460,400 | 2,049,868 | 2,132,867 | 82,999 |
| Miscellaneous | 46,500 | 62,138 | 23,469 | (38,669) |
| Total revenues | 13,516,414 | 12,810,915 | 12,877,213 | 66,298 |
| Expenditures: | | | | |
| Salaries | 34,560,541 | 34,125,553 | 34,088,552 | 37,001 |
| Fringe Benefits | 14,283,613 | 14,522,521 | 14,698,726 | (176,205) |
| Professional Services | 6,151,148 | 5,896,390 | 5,650,775 | 245,615 |
| Supplies and Materials | 2,680,800 | 2,299,127 | 2,050,039 | 249,088 |
| Capital Outlay | 355,417 | 670,744 | 681,472 | (10,728) |
| Debt Services | 60,524 | 136,085 | 170,999 | (34,914) |
| Total expenditures | 58,092,043 | 57,650,420 | 57,340,563 | 309,857 |
| Excess of expenditures over revenues | (44,575,629) | (44,839,505) | (44,463,350) | 376,155 |
| Other financing sources (uses): | | | | |
| Transfers from fund balance | 1,154,791 | 1,593,667 | 1,593,667 | - |
| Operating transfer from Town | 43,420,838 | 43,420,838 | 43,420,838 | - |
| Transfers out | - | (175,000) | (208,119) | (33,119) |
| Net other financing sources (uses) | 44,575,629 | 44,839,505 | 44,806,386 | (33,119) |
| Excess of revenues and other financing sources over expenditures and other financing uses | \$ - | \$ - | \$ 343,036 | \$ 343,036 |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
 BUDGET AND ACTUAL
 (UNAUDITED)

LIBRARY FUND

YEAR ENDED JUNE 30, 2012

| | Originally Adopted Budget | Final Approved Budget | Actual (Budgetary Basis) | Variance Positive (Negative) |
|--|---------------------------------|-----------------------------|--------------------------------|------------------------------------|
| Revenues: | | | | |
| State Aid | \$ 212,143 | \$ 227,429 | \$ 227,429 | \$ - |
| Departmental Revenue | 60,000 | 42,000 | 41,187 | (813) |
| Miscellaneous | 6,000 | 5,671 | 6,608 | 937 |
| Total revenues | <u>278,143</u> | <u>275,100</u> | <u>275,224</u> | <u>124</u> |
| Expenditures: | | | | |
| Library | <u>1,420,732</u> | <u>1,417,689</u> | <u>1,371,911</u> | <u>45,778</u> |
| Total expenditures | <u>1,420,732</u> | <u>1,417,689</u> | <u>1,371,911</u> | <u>45,778</u> |
| Excess of expenditures over revenues | <u>(1,142,589)</u> | <u>(1,142,589)</u> | <u>(1,096,687)</u> | <u>45,902</u> |
| Other financing sources (uses): | | | | |
| Operating transfer from Town | 1,132,589 | 1,132,589 | 1,132,589 | - |
| Transfers out | - | - | (26,600) | (26,600) |
| Transfer from fund balance | 10,000 | 10,000 | - | (10,000) |
| Net other financing sources (uses) | <u>1,142,589</u> | <u>1,142,589</u> | <u>1,105,989</u> | <u>(36,600)</u> |
| Excess of revenues and other financing sources over expenditures and other financing uses | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,302</u> | <u>\$ 9,302</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

SCHEDULE OF REVENUES AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)
BUDGET AND ACTUAL
(UNAUDITED)

DEBT SERVICE FUND

YEAR ENDED JUNE 30, 2012

| | Originally Adopted Budget | Final Approved Budget | Actual (Budgetary Basis) | Variance Positive (Negative) |
|---|---------------------------------|-----------------------------|--------------------------------|------------------------------------|
| Revenues: | | | | |
| State Aid | \$ 1,119,304 | \$ 1,119,304 | \$ 1,140,674 | \$ 21,370 |
| Miscellaneous | 2,000 | 2,000 | 898 | (1,102) |
| Total revenues | <u>1,121,304</u> | <u>1,121,304</u> | <u>1,141,572</u> | <u>20,268</u> |
| Expenditures: | | | | |
| Debt Service-Municipal | 1,884,935 | 1,884,935 | 1,884,935 | - |
| Debt Service-School | 3,608,151 | 3,608,151 | 3,608,151 | - |
| Total expenditures | <u>5,493,086</u> | <u>5,493,086</u> | <u>5,493,086</u> | <u>-</u> |
| Excess of expenditures over revenues | <u>(4,371,782)</u> | <u>(4,371,782)</u> | <u>(4,351,514)</u> | <u>20,268</u> |
| Other financing sources (uses): | | | | |
| Operating transfers in-General Fund | 4,467,763 | 4,467,763 | 4,467,763 | - |
| Transfer from Impact Fees | 30,000 | 30,000 | 38,260 | 8,260 |
| Transfer from fund balance | (125,981) | (125,981) | - | 125,981 |
| Net other financing sources | <u>4,371,782</u> | <u>4,371,782</u> | <u>4,506,023</u> | <u>134,241</u> |
| Excess of revenues and other financing sources over expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 154,509</u> | <u>\$ 154,509</u> |

TOWN OF NORTH KINGSTOWN,
RHODE ISLAND

OTHER SUPPLEMENTARY INFORMATION

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

SPECIAL REVENUE FUNDS:

Special Revenue Funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government, and which therefore cannot be diverted to other uses. The following is a list of the Town's private purpose trust funds:

Library Funds – Funds established to account for state grants and operational activities of the North Kingstown Free Library. The following is a list of the Library Funds included in this section.

Willet Library Fund
Champlin Foundation Fund
Davisville Library Fund
Library Fund
Miscellaneous Library Donations

Juniper Hill Tank Grant – To account for monies received for engineering expenses relating to the Juniper Hill Tank

Miscellaneous State Grants – To account for monies received from the State for miscellaneous purposes.

State Grants - Police Department – To account for money received from the State for Police Department purposes.

Seized & Forfeited Property Escrow – To account for money received as the result of drug-related criminal seizures and forfeitures.

Beachwood House Senior Center Equipment Escrow – To account for reimbursements to the Town for possible major equipment replacement expenses provided at the Beechwood House Senior Center for the operation of the Elderly Lunch Program.

RIDEM Potowomut Pond Clean-up – To account for funds received from the State to be used for the clean-up of Potowomut Pond.

Rhode Island Emergency Management – To account for monies received from the State to fund State-sponsored Homeland Security efforts.

Town Municipal Court – To account for monies received as a result of Public Safety fines and town issued citations.

State Elderly Affairs Grant – To account for State Department of Elderly Affairs Grant used for the purpose of providing Senior Citizens with special elderly programs Land.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

SPECIAL REVENUE FUNDS (CONTINUED):

Land Dedication Escrow – To account for monies received from local land developers in lieu of open space which is proportioned between education, recreation and general improvements to the community.

State Council on the Arts Grant – To account for monies received from the State Council on the Arts to support the advancement of arts in North Kingstown.

RI Foundation Grant – To account for grant monies received for various expenses relating to the RI Foundation Grant.

Local Law Enforcement Block Grant – To account for funds received from the State that allows the Police Department to provide certain stated additional services.

Technology Replacement – To account for funds received from other communities for the purpose of providing Information Technology shared services and maintaining software/hardware upgrades.

Governor's Justice Commission – To account for funds received from the Governor's Justice Commission to assist the Police Department.

Miscellaneous Senior Citizens Grant – To account for monies received to be used by the Senior Citizens Center.

Senior Center Legislative Grant – To account for monies received from the State for the Senior Citizens Center.

Impact Fees – To account for funds received from anyone obtaining a new building permit to offset the impact of increased population on education, recreation, and library use.

Emergency Medical Services – To account for funds received for payment for services provided by Fire Department Rescue Division.

Community Development Block Grants – To account for Federal Community Development Block Grants.

Fire Department Legislative Grant – To account for money received from the State to be used by the Fire Department

Old Library Park – To account for donations received for the renovation and upkeep of Old Library Park.

Groundwater Education Donation – To account for donations received by the Town to be used for Groundwater Education.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

SPECIAL REVENUE FUNDS (CONTINUED):

Operation Drug Dog – To account for money received to assist in expenditures produced from drug prevention programs.

Special Purpose Donations – To account for any minor miscellaneous monies received by the Town for various special purposes.

School Department Substance Abuse Donations – To account for donations received to be used by Working Together for Wellness, formerly the Substance Abuse Task Force.

Tax Revaluation Reserve Fund – To account for monies set aside for the 2004 Town-wide revaluation project.

Infrastructure Replacement – To account for monies received to be used for the replacement of the Water System Infrastructure.

URI Septic Loan Program – To account for a grant from URI funded by URI's EPA fine funds.

Anne Ward Wallou Memorial Garden – An account established as bequeathed to the Town of North Kingstown to be used to plant and preserve a garden, in memory of Anne Ward Wallou, in Updike Park.

Senior Citizens Center – To account for monies received as donations for the Senior Citizens Center.

Senior Citizens Bus Gasoline Escrow – To account for funds received to pay for special purpose transportation.

Arts Council – To account for monies received as donations for the Arts Council.

Senior Outreach Escrow – To account for donations received by the Town to be used to assist elderly in need.

Project D.A.R.E. – To account for donations received by the Town to be used for Drug Abuse Resistance Education.

Fireworks Donation – To account for money received as fireworks donations.

Parade Committee – To account for donations received to aid in defraying the expense of providing the Veteran's and Memorial Day parades.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

SPECIAL REVENUE FUNDS (CONTINUED):

Leisure Services Brochure – To account for monies received to offset the expense of printing a Leisure Services brochure.

Community Center Maintenance – To account for monies received for the use of the Community Center.

Heritage Committee – To account for funds raised by the Heritage Committee to be used for North Kingstown Community functions.

Recreation Escrow – To account for funds collected for recreation activities and used to pay for those activities.

Non Civic Detail Escrow Fund – To account for police detail revenues and expenditures.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

SPECIAL REVENUE FUNDS (CONTINUED):

School Department - Funds established to account for federal, state, and private grant monies used for the benefit of the North Kingstown School Department. The following is a list of the School funds included in this section:

| | |
|------------------------------|------------------------------------|
| Public Law 94-142 | Wal-Mart Grant |
| Title III – LEP | New England Dairy and Food Council |
| Title I | RI Interscholastic League |
| Homeless Children & Youth | COZ Miscellaneous Donations |
| The Boston Foundation | Siemens Foundation |
| USDA Reallocation | Use of Buildings |
| Title II | Feinstein Foundation |
| Title IV Drug Free Schools | Nickelodeon |
| Title V | Donation Coaches |
| 91-142 Preschool Services | RIPIN |
| 21st Century Learning Center | Amgen Foundation |
| Target Grant | RIPIN Award #2 |
| Student Equity New Fund | Town Substance Abuse Task Force |
| Language Investment | Spirit Day |
| Technology | ARRA IDEA Part B |
| Early Childhood | ARRA IDEA Preschool |
| RI Council On The Arts | Title I ARRA |
| COZ Family Center | RTTT Standards |
| Achieve Algebra Tests | Literacy Set-Aside |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

DEBT SERVICE FUNDS:

The Debt Service Funds are used to account for the payment of interest and principal on all general long-term debt other than that payable from the Enterprise Funds.

CAPITAL PROJECT FUNDS:

The Capital Project Funds account for all resources used for the acquisition and/or construction of capital facilities by the Town, except those financed by the Enterprise Funds.

Capital Improvements Project – To account for School's capital improvements projects.

Capital Reserve Fund – To account for Town's capital projects.

9M School Renovations Bond – To account for bond monies used to finance improvements to School facilities.

6.4 M School Renovation Bond – To account for bond monies used to finance improvements to School facilities.

Farmland and Open Space Reserve – To account for that portion of the realty conveyance fee set aside for preservation of farmland, undeveloped land, or open space.

6M Public Facilities Plan Bond – To account for the construction and renovations of various municipal facilities.

School Capital Reserve Fund – To account for school capital projects.

4.5 M Public Safety Facilities – To account for bond monies used to finance improvements to municipal public safety facilities.

4M Farmland Open Space Fund – To account for bond monies used to finance improvements to farmland, undeveloped land, or open space.

4M Senior Center Complex Fund – To account for bond monies used to finance improvements to senior center facilities.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

PERMANENT FUNDS:

Permanent Funds are resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry.

Henry Reynolds Indigent Care – An account established to benefit the poor and needy of North Kingstown which is authorized to be used as required by the Welfare Director.

Tri-Centennial Park – To account for monies received in 1974 for upkeep of the Tri-Centennial Park and monument.

400th Anniversary – To account for monies set aside to be used in the year 2074 to fund North Kingstown's 400th Anniversary Celebration.

Poor Funds – To account for monies left in the wills of various Town citizens to be used for aid to the poor of North Kingstown. The following is a list of Poor Funds included in this section:

- Henry Reynolds Outside
- John J. Spink Outside
- John B. Spink Outside
- Thomas Casey Outside

Library Funds – To account for the transfer of interest earned in these funds to the Library Fund to offset expenses. The following is a list of Library Funds included in this section:

- Elizabeth Miller
- William D. Davis

Veterans Memorial Scholarship – Fund established to allow the expenditure of interest earned to be used for scholarships as determined by the North Kingstown Veterans Memorial Scholarship Committee.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2012

PERMANENT FUNDS (CONTINUED):

School Funds – To account for monies bequeathed to the North Kingstown School Department to be used for various activities. The following is a list of the School Funds included in this Section:

- Library
- Gardiner
- Updike
- Tennis

Lynette Olson Memorial Fund – Fund established to permit the expenditure of interest earned on scholarships.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | |
|--|---------------------|--------------------------|-------------------------|-------------------|-------------------------|----------------------------------|
| | Willet Library Fund | Champlin Foundation Fund | Davisville Library Fund | Library Fund | Juniper Hill Tank Grant | Miscellaneous State Grants |
| | | | | | | State Grants - Police Department |
| Assets | | | | | | |
| Cash and cash equivalents | \$ - | \$ 68,432 | \$ 4,640 | \$ 148,903 | \$ 23,559 | \$ 3,076 |
| Due from other governments | | | | | 1,311,930 | \$ 14,605 |
| Due from other funds | | | | | 7,276 | (1,298) |
| Other receivables | | | | | | |
| | \$ - | \$ 68,432 | \$ 4,640 | \$ 148,903 | \$ 23,559 | \$ 1,319,206 |
| | | | | | | |
| Liabilities | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ - | \$ 67,196 | \$ - | \$ 44,739 |
| Due to other funds | | | | | | 1,373,719 |
| Deferred revenue | | | | | | 1,192,361 |
| <i>Total Liabilities</i> | | | | | | |
| | \$ - | \$ - | \$ - | \$ 67,196 | \$ - | \$ 2,610,819 |
| | | | | | | |
| <i>Fund Balances</i> | | | | | | |
| Restricted | | | | | | |
| Assigned | | | | | | |
| Unassigned | | | | | | |
| <i>Total Fund Balances</i> | | | | | | |
| | \$ - | \$ 68,432 | \$ 4,640 | \$ 81,707 | \$ 23,559 | \$ 1,291,613 |
| | | | | | | |
| <i>Total Liabilities and Fund Balances</i> | | | | | | |
| | \$ - | \$ 68,432 | \$ 4,640 | \$ 148,903 | \$ 23,559 | \$ 1,319,206 |
| | | | | | | |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | |
|--|---|-------------------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------|
| | Beachwood House Senior Center Equipment Escrow | RIDEM Potowomut Pond Clean-up | RI Emergency Management | Town Municipal Court | State Elderly Affairs Grant | Land Dedication Escrow |
| Assets | | | | | | |
| Cash and cash equivalents | \$ 709 | \$ 4,500 | \$ 45,179 (3,822) 616 | \$ 201,908 | \$ - | \$ 90,152 |
| Due from other governments | | | | | | \$ 10,697 |
| Due from other funds | | | | | | \$ - |
| Other receivables | | | | | | \$ - |
| | \$ 709 | \$ 4,500 | \$ 41,973 | \$ 201,908 | \$ - | \$ 90,152 |
| | <u>\$ 709</u> | <u>\$ 4,500</u> | <u>\$ 41,973</u> | <u>\$ 201,908</u> | <u>\$ -</u> | <u>\$ 90,152</u> |
| Liabilities | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ 1,675 | \$ 18,761 748 | \$ - 123 | \$ - |
| Due to other funds | | | | | | \$ 597 |
| Deferred revenue | | | | | | \$ - |
| <i>Total Liabilities</i> | <i>\$ -</i> | <i>\$ -</i> | <i>\$ 1,675</i> | <i>\$ 19,509</i> | <i>\$ 123</i> | <i>\$ -</i> |
| | <i><u>\$ -</u></i> | <i><u>\$ -</u></i> | <i><u>\$ 1,675</u></i> | <i><u>\$ 19,509</u></i> | <i><u>\$ 123</u></i> | <i><u>\$ -</u></i> |
| Fund Balances | | | | | | |
| Restricted | 709 | 4,500 | 40,298 | 182,399 | (123) | 90,152 |
| Assigned | | | | | | 10,697 |
| Unassigned | | | | | | (597) |
| <i>Total Fund Balances</i> | <i>\$ 709</i> | <i>\$ 4,500</i> | <i>\$ 40,298</i> | <i>\$ 182,399</i> | <i>(123)</i> | <i>\$ 90,152</i> |
| | <i><u>\$ 709</u></i> | <i><u>\$ 4,500</u></i> | <i><u>\$ 40,298</u></i> | <i><u>\$ 182,399</u></i> | <i><u>(123)</u></i> | <i><u>\$ 90,152</u></i> |
| <i>Total Liabilities and Fund Balances</i> | <i>\$ 709</i> | <i>\$ 4,500</i> | <i>\$ 41,973</i> | <i>\$ 201,908</i> | <i>\$ -</i> | <i>\$ 90,152</i> |
| | <i><u>\$ 709</u></i> | <i><u>\$ 4,500</u></i> | <i><u>\$ 41,973</u></i> | <i><u>\$ 201,908</u></i> | <i><u>\$ -</u></i> | <i><u>\$ 90,152</u></i> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | | | | | | SPECIAL REVENUE FUNDS | | |
|--|-----------------------------------|------------------------|-------------------------------|-------------------|-----------------|----------------------------|-------------------|--|
| | | | Miscellaneous | Senior Center | Impact Fees | Emergency Medical Services | CDBG Grants | |
| | Local Law Enforcement Block Grant | Technology Replacement | Governor's Justice Commission | Legislative Grant | | | | |
| Assets | | | | | | | | |
| Cash and cash equivalents | \$ 358 | \$ 27,904 | \$ 2,100 | \$ 24,169 | \$ 1,779 | \$ (3,312) | \$ 524,140 | |
| Due from other governments | | | | | | 41,020 | | |
| Due from other funds | | | | | | | 132,637 | |
| Other receivables | | | | | | | 6,922 | |
| | \$ 358 | \$ 27,904 | \$ 2,100 | \$ 24,169 | \$ 1,779 | \$ 37,708 | \$ 524,140 | |
| Liabilities | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 19,355 | \$ - | \$ 939 | \$ 159 | \$ - | \$ 4,411 | |
| Due to other funds | | | | | | | 519,729 | |
| Deferred revenue | | | | | | | 139,559 | |
| | - | 19,355 | - | 939 | 159 | - | 524,140 | |
| | | | | | | | 139,559 | |
| <i>Fund Balances</i> | | | | | | | | |
| Restricted | 358 | 8,549 | 2,100 | 23,230 | 1,620 | 37,708 | - | |
| Assigned | | | | | | | - | |
| Unassigned | | | | | | | - | |
| <i>Total Fund Balances</i> | \$ 358 | 8,549 | 2,100 | 23,230 | 1,620 | 37,708 | - | |
| <i>Total Liabilities and Fund Balances</i> | \$ 358 | \$ 27,904 | \$ 2,100 | \$ 24,169 | \$ 1,779 | \$ 37,708 | \$ 524,140 | |
| | | | | | | | \$ 139,559 | |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | | SPECIAL REVENUE FUNDS | | | | Tax | | |
|--|-----------------|-----------------------------------|------------------|--------------------------------|---------------------------------|--------------------|---------------------------|-------------------|
| | | Fire Department Legislative Grant | Old Library Park | Groundwater Education Donation | Miscellaneous Library Donations | Operation Drug Dog | Special Purpose Donations | Reserve Fund |
| <i>Assets</i> | | | | | | | | |
| Cash and cash equivalents | \$ 2,626 | \$ 2,582 | \$ 860 | \$ 8,948 | \$ 1,743 | \$ 13,855 | \$ 60,313 | \$ 216,303 |
| Due from other governments | | | | | | | | |
| Due from other funds | | | | | | | | |
| Other receivables | | | | | | | | |
| | \$ 2,626 | \$ 2,582 | \$ 860 | \$ 8,948 | \$ 1,743 | \$ 13,855 | \$ 60,313 | \$ 228,300 |
| <i>Liabilities</i> | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,206 | \$ 395 | \$ 197,880 |
| Due to other funds | | | | | | | | |
| Deferred revenue | | | | | | | | |
| <i>Total Liabilities</i> | | | | | | \$ 2,206 | \$ 395 | \$ 197,880 |
| <i>Fund Balances</i> | | | | | | | | |
| Restricted | 2,626 | 2,582 | 860 | 8,948 | 1,743 | 11,649 | 59,918 | 30,420 |
| Assigned | | | | | | | | |
| Unassigned | | | | | | | | |
| <i>Total Fund Balances</i> | \$ 2,626 | \$ 2,582 | \$ 860 | \$ 8,948 | \$ 1,743 | \$ 11,649 | \$ 59,918 | \$ 30,420 |
| <i>Total Liabilities and Fund Balances</i> | \$ 2,626 | \$ 2,582 | \$ 860 | \$ 8,948 | \$ 1,743 | \$ 13,855 | \$ 60,313 | \$ 228,300 |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | | SPECIAL REVENUE FUNDS | | | | | |
|--|------------------|--|------------------------------|--|------------------|------------------------------|-----------------|
| | | Ann Ward Wallou Memorial Garden | Senior Citizens Center | Senior Citizens Bus Gasoline Escrow | Arts Council | Senior Outreach Escrow | Project Dare |
| <i>Assets</i> | | | | | | | |
| URI Septic Loan Program | \$ 40,204 | \$ - | \$ 46,454 | \$ 61 | \$ 22,133 | \$ 1,227 | \$ 4,844 |
| | <u>\$ 45,204</u> | <u>\$ -</u> | <u>\$ 46,454</u> | <u>\$ 61</u> | <u>\$ 22,133</u> | <u>\$ 1,227</u> | <u>\$ 4,844</u> |
| Cash and cash equivalents | | | | | | | |
| Due from other governments | | | | | | | |
| Due from other funds | | | | | | | |
| Other receivables | | | | | | | |
| <i>Liabilities</i> | | | | | | | |
| Accounts payable and accrued liabilities | | | | | | | |
| Due to other funds | | | | | | | |
| Deferred revenue | | | | | | | |
| <i>Total Liabilities</i> | | | | | | | |
| | <u>\$ -</u> | <u>\$ 901</u> | <u>\$ 3,199</u> | <u>\$ -</u> | <u>\$ 4,192</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | | | | |
| | | | | | | | |
| <i>Fund Balances</i> | | | | | | | |
| Restricted | | | | | | | |
| Assigned | | | | | | | |
| Unassigned | | | | | | | |
| <i>Total Fund Balances</i> | | | | | | | |
| | <u>\$ 45,204</u> | <u>\$ (901)</u> | <u>\$ 43,255</u> | <u>\$ 61</u> | <u>\$ 17,941</u> | <u>\$ 1,227</u> | <u>\$ 4,844</u> |
| | | | | | | | |
| | | | | | | | |
| <i>Total Liabilities and Fund Balances</i> | | | | | | | |
| | <u>\$ 45,204</u> | <u>\$ -</u> | <u>\$ 46,454</u> | <u>\$ 61</u> | <u>\$ 22,133</u> | <u>\$ 1,227</u> | <u>\$ 4,844</u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | SPECIAL REVENUE FUNDS | | | | | DEBT SERVICE FUND | |
|--|-----------------------|---------------------------|------------------------------|--------------------|-------------------|------------------------------|-------------------|
| | Parade Committee | Leisure Services Brochure | Community Center Maintenance | Heritage Committee | Recreation Escrow | Non Civic Detail Escrow Fund | FY 2005 Refunding |
| Assets | | | | | | | |
| Cash and cash equivalents | \$ 894 | \$ 900 | \$ 31,532 | \$ 144 | \$ 80,968 | \$ 98,239 | \$ 11,475 |
| Due from other governments | | | | | | | |
| Due from other funds | | | | | | | |
| Other receivables | | | | | | | |
| | <u>\$ 894</u> | <u>\$ 900</u> | <u>\$ 31,532</u> | <u>\$ 144</u> | <u>\$ 80,968</u> | <u>\$ 177,864</u> | <u>\$ 11,475</u> |
| Liabilities | | | | | | | |
| Accounts payable and accrued liabilities | \$ 205 | \$ - | \$ 248 | \$ 144 | \$ 16,206 | \$ 10,758 | \$ - |
| Due to other funds | | | | | | | |
| Deferred revenue | | | | | | | |
| <i>Total Liabilities</i> | <u>205</u> | <u>-</u> | <u>248</u> | <u>144</u> | <u>16,206</u> | <u>283,326</u> | <u>-</u> |
| <i>Fund Balances</i> | | | | | | | |
| Restricted | 689 | 900 | 31,284 | - | 64,762 | | 11,475 |
| Assigned | | | | | | | |
| Unassigned | | | | | | | |
| <i>Total Fund Balances</i> | <u>689</u> | <u>900</u> | <u>31,284</u> | <u>-</u> | <u>64,762</u> | <u>(7,223)</u> | <u>11,475</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 894</u> | <u>\$ 900</u> | <u>\$ 31,532</u> | <u>\$ 144</u> | <u>\$ 80,968</u> | <u>\$ 276,103</u> | <u>\$ 11,475</u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| CAPITAL PROJECT FUNDS | | | | | | |
|--|--------------------------|----------------------------|-----------------------------|-------------------------------|--------------------------------|-----------------------------|
| Capital Improvements Project | Capital Reserve | 9M School Renovation Bond | 6.4M School Renovation Bond | Farmland & Open Space Reserve | 6M Public Facilities Plan Bond | School Capital Reserve Fund |
| <i>Assets</i> | | | | | | |
| Cash and cash equivalents | \$ 1,293,438 | \$ - | \$ - | \$ 750,684 | \$ 374,121 | \$ 182,411 |
| Due from other governments | | | | | | \$ 8,775 |
| Due from other funds | 112,204 | | | | | 1,006 |
| Other receivables | <u>\$ 112,204</u> | <u>\$ 1,293,438</u> | <u>\$ -</u> | <u>\$ 750,684</u> | <u>\$ 374,121</u> | <u>\$ 183,417</u> |
| | | | | | | <u>\$ 8,775</u> |
| <i>Liabilities</i> | | | | | | |
| Accounts payable and accrued liabilities | \$ 9,831 | \$ 6,461 | \$ 6,619 | \$ - | \$ - | \$ - |
| Due to other funds | 69,641 | 7,276 | 30,522 | | | |
| Deferred revenue | | | | | | |
| <i>Total Liabilities</i> | <u>\$ 79,472</u> | <u>\$ 13,737</u> | <u>\$ 110,868</u> | <u>\$ 37,141</u> | <u>\$ -</u> | <u>\$ 162,538</u> |
| | | | | | | |
| <i>Fund Balances</i> | | | | | | |
| Restricted | 32,732 | 1,279,701 | (110,868) | (37,141) | 750,684 | 374,121 |
| Assigned | | | | | | 20,879 |
| Unassigned | | | | | | 8,775 |
| <i>Total Fund Balances</i> | <u>\$ 32,732</u> | <u>\$ 1,279,701</u> | <u>\$ (110,868)</u> | <u>\$ (37,141)</u> | <u>\$ 750,684</u> | <u>\$ 374,121</u> |
| | | | | | | <u>\$ 8,775</u> |
| <i>Total Liabilities and Fund Balances</i> | <u><u>\$ 112,204</u></u> | <u><u>\$ 1,293,438</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 750,684</u></u> | <u><u>\$ 374,121</u></u> |
| | | | | | | <u><u>\$ 183,417</u></u> |
| | | | | | | <u><u>\$ 8,775</u></u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| CAPITAL PROJECT FUNDS | | | | PERMANENT FUNDS | | | | | |
|--|-------------------------------|-----------------------------|------------------------------|--------------------|-------------------|----------------------------------|----------------------------------|----------------------------------|--------------------------------|
| | 4.5M Public Safety Facilities | 4M Farmland Open Space Fund | Henry Reynolds Indigent Care | Tr-Centennial Park | 400th Anniversary | Henry Reynolds Outside Poor Fund | John J. Spinck Outside Poor Fund | John B. Spinck Outside Poor Fund | Thomas Casey Outside Poor Fund |
| <i>Assets</i> | | | | | | | | | |
| Cash and cash equivalents | \$ 21,940 | \$ 362,670 | \$ 18,891 | \$ 6,107 | \$ 3,610 | \$ 2,183 | \$ 21,078 | \$ 5,269 | \$ 2,186 |
| Due from other governments | | | | | | | | | |
| Due from other funds | | | | | | | | | |
| Other receivables | | | | | | | | | |
| | <u>\$ 21,940</u> | <u>\$ 362,670</u> | <u>\$ 18,891</u> | <u>\$ 6,107</u> | <u>\$ 3,610</u> | <u>\$ 2,183</u> | <u>\$ 21,078</u> | <u>\$ 5,269</u> | <u>\$ 2,186</u> |
| <i>Liabilities</i> | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 29 | \$ 7 | \$ 3 |
| Due to other funds | | | | | | | | | |
| Deferred revenue | | | | | | | | | |
| <i>Total Liabilities</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 29</u> | <u>\$ 7</u> | <u>\$ 3</u> |
| <i>Fund Balances</i> | | | | | | | | | |
| Restricted | 21,940 | 362,670 | 18,891 | 6,107 | 3,610 | 2,183 | 21,049 | 5,262 | 2,183 |
| Assigned | | | | | | | | | |
| Unassigned | | | | | | | | | |
| <i>Total Fund Balances</i> | <u>\$ 21,940</u> | <u>\$ 362,670</u> | <u>\$ 18,891</u> | <u>\$ 6,107</u> | <u>\$ 3,610</u> | <u>\$ 2,183</u> | <u>\$ 21,049</u> | <u>\$ 5,262</u> | <u>\$ 2,183</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 21,940</u> | <u>\$ 362,670</u> | <u>\$ 18,891</u> | <u>\$ 6,107</u> | <u>\$ 3,610</u> | <u>\$ 2,183</u> | <u>\$ 21,078</u> | <u>\$ 5,269</u> | <u>\$ 2,186</u> |

(continued)

PERMANENT FUNDS

| | Elizabeth Miller Library Fund | William D. Davis Library Fund | Veterans Memorial Scholarship | Hendrick Library Fund | Gardiner Fund | Updike Fund | Tennis Fund | Lynette Olson Memorial Fund | Grand Totals |
|--|-------------------------------|-------------------------------|-------------------------------|-----------------------|-----------------|-----------------|---------------|-----------------------------|---------------------|
| Assets | | | | | | | | | |
| Cash and cash equivalents | \$ 2,004 | \$ 5,013 | \$ 6,906 | \$ 8,742 | \$ 5,785 | \$ 4,213 | \$ 268 | \$ 5,340 | \$ 5,064,074 |
| Due from other governments | | | | | | | | | 1,313,732 |
| Due from other funds | | | | | | | | | 167,122 |
| Other receivables | | | | | | | | | 189,861 |
| | <u>\$ 2,004</u> | <u>\$ 5,013</u> | <u>\$ 6,906</u> | <u>\$ 8,742</u> | <u>\$ 5,785</u> | <u>\$ 4,213</u> | <u>\$ 268</u> | <u>\$ 5,340</u> | <u>\$ 6,734,789</u> |
| Liabilities | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 4 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 217,742 |
| Due to other funds | | | | | | | | | 2,886,669 |
| Deferred revenue | | | | | | | | | 1,192,361 |
| <i>Total Liabilities</i> | <i>-</i> | <i>4</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>4,296,772</i> |
| <i>Fund Balances</i> | | | | | | | | | |
| Restricted Assigned Unassigned | 2,004 | 5,009 | 6,906 | 8,742 | 5,785 | 4,213 | 268 | 5,340 | 2,235,487 |
| <i>Total Fund Balances</i> | <i>2,004</i> | <i>5,009</i> | <i>6,906</i> | <i>8,742</i> | <i>5,785</i> | <i>4,213</i> | <i>268</i> | <i>5,340</i> | <i>209,753</i> |
| <i>Total Liabilities and Fund Balances</i> | <i>\$ 2,004</i> | <i>\$ 5,013</i> | <i>\$ 6,906</i> | <i>\$ 8,742</i> | <i>\$ 5,785</i> | <i>\$ 4,213</i> | <i>\$ 268</i> | <i>\$ 5,340</i> | <i>(7,223)</i> |
| | | | | | | | | | <i>2,438,017</i> |
| | | | | | | | | | <i>\$ 6,734,789</i> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|---|---------------------|--------------------------|-------------------------|--------------------|-------------------------|----------------------------|--------------------------------------|
| | Willet Library Fund | Champlin Foundation Fund | Davisville Library Fund | Library Fund | Juniper Hill Tank Grant | Miscellaneous State Grants | State Grants - Police Department |
| Revenues: | | | | | | | Seized and Forfeited Property Escrow |
| Interest and investment income | \$ 39,725 | \$ 103 | \$ 18,559 | \$ 227,429 | \$ 254,257 | \$ 5,700 | \$ - |
| Intergovernmental | | 2,508 | | 41,187 | | | |
| Departmental | | | | 6,608 | | | |
| Other | | | | | | | 6,703 |
| <i>Total Revenues</i> | <i>39,725</i> | <i>2,611</i> | <i>18,559</i> | <i>275,224</i> | <i>-</i> | <i>254,257</i> | <i>6,703</i> |
| Expenditures: | | | | | | | |
| General government | | 2,508 | | | | | |
| Public safety | | | | | | | |
| Per trust agreements | | | | | | | |
| Education | | | | | | | |
| Public libraries | | | | | | | |
| Senior services | | | | | | | |
| Capital and special appropriations | | | | | | | |
| <i>Total Expenditures</i> | <i>31,111</i> | <i>2,508</i> | <i>13,919</i> | <i>1,371,269</i> | <i>-</i> | <i>1,613,172</i> | <i>4,678</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | <i>8,614</i> | <i>103</i> | <i>4,640</i> | <i>(1,096,045)</i> | <i>-</i> | <i>(1,358,915)</i> | <i>1,022</i> |
| Other financing sources (uses): | | | | | | | |
| Transfers in | | | | | | | |
| Transfers out | | | | | | | |
| <i>Total Other Financing Sources (Uses)</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>1,132,589</i> | <i>-</i> | <i>-</i> | <i>-</i> |
| Excess (deficiency) of revenues over expenditures | <i>8,614</i> | <i>103</i> | <i>4,640</i> | <i>9,944</i> | <i>-</i> | <i>(1,358,915)</i> | <i>1,022</i> |
| Fund balance, beginning of year | <i>(8,614)</i> | <i>68,329</i> | <i>-</i> | <i>71,763</i> | <i>23,559</i> | <i>67,302</i> | <i>(1,418)</i> |
| Fund balance, end of year | <i>\$ -</i> | <i>\$ 68,432</i> | <i>\$ 4,640</i> | <i>\$ 81,707</i> | <i>\$ 23,559</i> | <i>\$ (1,291,613)</i> | <i>\$ 14,605</i> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | SPECIAL REVENUE FUNDS | | | | | | | |
|--|-----------------------------------|------------------------|-------------------------------|-------------------------------------|---------------------------------|------------------|----------------------------|----------------|
| | Local Law Enforcement Block Grant | Technology Replacement | Governor's Justice Commission | Miscellaneous Senior Citizens Grant | Senior Center Legislative Grant | Impact Fees | Emergency Medical Services | CDBG Grants |
| Revenues: | | | | | | | | |
| Interest and investment income | \$ - | \$ - | \$ 17,511 | \$ 50,000 | \$ 1,300 | \$ 37,678 | \$ 503,458 | \$ 333,981 |
| Intergovernmental | | | | | | | | |
| Departmental | | | | | | | | |
| Other | | | | | | | | |
| <i>Total Revenues</i> | <i>-</i> | <i>30,226</i> | <i>30,226</i> | <i>17,511</i> | <i>50,000</i> | <i>1,300</i> | <i>37,708</i> | <i>503,802</i> |
| Expenditures: | | | | | | | | |
| General government | | | | | | | | |
| Public safety | | | | | | | | |
| Per trust agreements | | | | | | | | |
| Education | | | | | | | | |
| Public libraries | | | | | | | | |
| Senior services | | | | | | | | |
| Capital and special appropriations | | | | | | | | |
| <i>Total Expenditures</i> | <i>-</i> | <i>37,096</i> | <i>18,120</i> | <i>18,120</i> | <i>28,990</i> | <i>798</i> | <i>798</i> | <i>-</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses): | | | | | | | | |
| Other financing sources (uses): | | | | | | | | |
| Transfers in | | | | | | | | |
| Transfers out | | | | | | | | |
| <i>Total Other Financing Sources (Uses)</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>(38,260)</i> | <i>(478,709)</i> | <i>-</i> |
| Excess (deficiency) of revenues over expenditures | | | | | | | | |
| Fund balance, beginning of year | | | | | | | | |
| Fund balance, end of year | <u>\$ 358</u> | <u>\$ 8,549</u> | <u>\$ 2,100</u> | <u>\$ 23,230</u> | <u>\$ 1,620</u> | <u>\$ 37,708</u> | <u>\$ -</u> | <u>\$ -</u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | | | |
|---|---|---------------------|--------------------------------------|---------------------------------------|-----------------------|---------------------------------|------------------------|---------------------|-------------------------------|
| | Fire Department Legislative Grant | Old Library Park | Groundwater Education Donation | Miscellaneous Library Donations | Operation Drug Dog | Special Purpose Donations | Tax Reserve Fund | Revaluation Fund | Infrastructure Replacement |
| Revenues: | | | | | | | | | |
| Interest and investment income | \$ - | \$ 4 | \$ - | \$ 10 | \$ - | \$ - | \$ - | \$ - | \$ 188 |
| Intergovernmental | | | | 3,169 | | | | | |
| Departmental | | | | | | | | | |
| Other | | | | | | | | | |
| <i>Total Revenues</i> | <i>(1,595)</i> | <i>-</i> | <i>4</i> | <i>-</i> | <i>3,179</i> | <i>-</i> | <i>-</i> | <i>7,555</i> | <i>62</i> |
| Expenditures: | | | | | | | | | |
| General government | | | | | | | | | |
| Public safety | | | | | | | | | |
| Per trust agreements | | | | | | | | | |
| Education | | | | | | | | | |
| Public libraries | | | | | | | | | |
| Senior services | | | | | | | | | |
| Capital and special appropriations | | | | | | | | | |
| <i>Total Expenditures</i> | <i>(1,595)</i> | <i>4</i> | <i>(550)</i> | <i>550</i> | <i>1,062</i> | <i>1,062</i> | <i>694</i> | <i>9,217</i> | <i>1,282</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses): | | | | | | | | | |
| Other financing sources (uses): | | | | | | | | | |
| Transfers in | | | | | | | | | |
| Transfers out | | | | | | | | | |
| <i>Total Other Financing Sources (Uses)</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>20,000</i> | <i>(192,880)</i> |
| Excess (deficiency) of revenues over expenditures | <i>(1,595)</i> | <i>4</i> | <i>(550)</i> | <i>2,117</i> | <i>(694)</i> | <i>(1,662)</i> | <i>(1,662)</i> | <i>20,000</i> | <i>(192,880)</i> |
| Fund balance, beginning of year | <i>4,221</i> | <i>2,578</i> | <i>1,410</i> | <i>6,831</i> | <i>2,437</i> | <i>13,311</i> | <i>13,311</i> | <i>18,780</i> | <i>(9,964)</i> |
| Fund balance, end of year | \$ 2,626 | \$ 2,582 | \$ 860 | \$ 8,948 | \$ 1,743 | \$ 11,649 | \$ 59,918 | \$ 30,420 | 40,384 |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | |
|---|--|------------------------------|---|---------------------|------------------------------|------------------------|
| | Ann Ward Wallou Memorial Garden | Senior Citizens Center | Senior Citizens Bus Gasoline Escrow | Arts Council | Senior Outreach Escrow | Project Date |
| URI Septic Loan Program | | | | | | Fireworks Donation |
| Revenues: | | | | | | |
| Interest and investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | | | | | | |
| Departmental | | | | | | |
| Other | \$ 103 | \$ - | \$ 109,083 | \$ - | \$ 27,816 | \$ - |
| <i>Total Revenues</i> | <u>\$ 103</u> | <u>\$ -</u> | <u>\$ 109,083</u> | <u>\$ -</u> | <u>\$ 27,816</u> | <u>\$ -</u> |
| Expenditures: | | | | | | |
| General government | | | | | | |
| Public safety | | | | | | |
| Per trust agreements | | | | | | |
| Education | | | | | | |
| Public libraries | | | | | | |
| Senior services | | | | | | |
| Capital and special appropriations | \$ 60,000 | \$ - | \$ 88,620 | \$ - | \$ 27,737 | \$ - |
| <i>Total Expenditures</i> | <u>\$ 60,000</u> | <u>\$ -</u> | <u>\$ 88,620</u> | <u>\$ -</u> | <u>\$ 27,737</u> | <u>\$ -</u> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses): | <u><i>(59,897)</i></u> | <u><i>-</i></u> | <u><i>20,463</i></u> | <u><i>-</i></u> | <u><i>79</i></u> | <u><i>(70)</i></u> |
| Other financing sources (uses): | | | | | | |
| Transfers in | | | | | | |
| Transfers out | | | | | | |
| <i>Total Other Financing Sources (Uses)</i> | <u><i>-</i></u> | <u><i>-</i></u> | <u><i>-</i></u> | <u><i>-</i></u> | <u><i>-</i></u> | <u><i>-</i></u> |
| Excess (deficiency) of revenues over expenditures | <u><i>(59,897)</i></u> | <u><i>-</i></u> | <u><i>20,463</i></u> | <u><i>-</i></u> | <u><i>79</i></u> | <u><i>(70)</i></u> |
| Fund balance, beginning of year | <u><i>105,101</i></u> | <u><i>(901)</i></u> | <u><i>22,792</i></u> | <u><i>61</i></u> | <u><i>17,862</i></u> | <u><i>(934)</i></u> |
| Fund balance, end of year | <u><i>\$ 45,204</i></u> | <u><i>\$ (901)</i></u> | <u><i>\$ 43,255</i></u> | <u><i>\$ 61</i></u> | <u><i>\$ 17,941</i></u> | <u><i>\$ 4,914</i></u> |
| | | | | | <u><i>\$ 1,227</i></u> | <u><i>\$ 4,844</i></u> |

(continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| | SPECIAL REVENUE FUNDS | | | | | DEBT SERVICE FUND | | | CAPITAL PROJECT FUNDS | | |
|---|-----------------------|---------------------------|------------------------------|--------------------|-------------------|------------------------------|-------------------|-----------------------------|-----------------------|---------------|-----------------|
| | Parade Committee | Leisure Services Brochure | Community Center Maintenance | Heritage Committee | Recreation Escrow | Non Civic Detail Escrow Fund | FY 2005 Refunding | Capital Improvement Project | Capital Reserve | | |
| Revenues: | | | | | | | | | | | |
| Interest and investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 608,551 | \$ - | \$ - | \$ - | \$ 1,904 | |
| Intergovernmental | | | | | | | | | | | |
| Departmental | | | | | | | | | | | |
| Other | 1,132 | - | 7,113 | 7,113 | - | 261,725 | 261,725 | - | - | - | 1,904 |
| <i>Total Revenues</i> | <i>1,132</i> | <i>-</i> | <i>7,113</i> | <i>7,113</i> | <i>-</i> | <i>261,725</i> | <i>261,725</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>1,904</i> |
| Expenditures: | | | | | | | | | | | |
| General government | | | | | | | | | | | |
| Public safety | | | | | | | | | | | |
| Per trust agreements | | | | | | | | | | | |
| Education | 1,152 | - | 4,147 | - | - | 281,278 | 333,301 | - | - | - | |
| Public libraries | | | | | | | | | | | |
| Senior services | | | | | | | | | | | |
| Capital and special appropriations | | | | | | | | | | | |
| <i>Total Expenditures</i> | <i>1,152</i> | <i>-</i> | <i>4,147</i> | <i>-</i> | <i>-</i> | <i>281,278</i> | <i>333,301</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>304,215</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | (20) | - | 2,966 | - | - | (19,553) | 275,250 | - | - | (111,371) | (302,311) |
| Other financing sources (uses) | | | | | | | | | | | |
| Transfers in | - | - | - | - | - | - | (272,568) | - | - | 175,344 | 214,896 |
| Transfers out | - | - | - | - | - | - | (272,568) | - | - | (1,006) | 174,338 |
| <i>Total Other Financing Sources (Uses)</i> | <i>(20)</i> | <i>-</i> | <i>2,966</i> | <i>-</i> | <i>-</i> | <i>(19,553)</i> | <i>2,682</i> | <i>-</i> | <i>-</i> | <i>62,967</i> | <i>(87,415)</i> |
| Excess (deficiency) of revenues over expenditures | | | | | | | | | | | |
| Fund balance, beginning of year | 709 | 900 | 28,318 | - | - | 84,315 | (9,905) | 11,475 | (30,235) | 1,367,116 | |
| Fund balance, end of year | \$ 689 | \$ 900 | \$ 31,284 | \$ - | \$ - | \$ 64,762 | \$ (7,223) | \$ 11,475 | \$ 32,732 | \$ 1,279,701 | |

(continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| CAPITAL PROJECT FUNDS | | | | | | |
|--|----------------------------|-----------------------------|-------------------------------|--------------------------------|-----------------------------|-------------------------------|
| | 9M School Renovations Bond | 6.4M School Renovation Bond | Farmland & Open Space Reserve | 6M Public Facilities Plan Bond | School Capital Reserve Fund | 4M Senior Center Complex Fund |
| Revenues: | | | | | | |
| Interest and investment income | \$ - | \$ - | \$ 1,187 | \$ 562 | \$ 326 | \$ - |
| Intergovernmental | | | 79,420 | | | |
| Departmental | | | | | | |
| Other | | | | | | |
| <i>Total Revenues</i> | | | | | | \$ 544 |
| Expenditures: | | | | | | |
| General government | | | | | | |
| Public safety | | | | | | |
| Per trust agreements | | | | | | |
| Education | | | | | | |
| Public libraries | | | | | | |
| Senior services | | | | | | |
| Capital and special appropriations | | | | | | |
| <i>Total Expenditures</i> | | | | | | |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses): | | | | | | |
| Other financing sources (uses): | | | | | | |
| Transfers in | | | | | | |
| Transfers out | | | | | | |
| <i>Total Other Financing Sources (Uses)</i> | | | | | | |
| Excess (deficiency) of revenues over expenditures | | | | | | |
| Fund balance, beginning of year | | | | | | |
| Fund balance, end of year | | | | | | |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30 2012

| PERMANENT FUNDS | | | | | | | |
|--|------------------------------------|------------------------|----------------------|--|--|--|--------------------------------------|
| | Henry Reynolds Indigent Care | Tri-Centennial Park | 400th Anniversary | Henry Reynolds Outside Poor Fund | John J. Spinck Outside Poor Fund | John B. Spinck Outside Poor Fund | Thomas Casey Outside Poor Fund |
| Revenues: | | | | | | | |
| Interest and investment income | \$ 28 | \$ - | \$ 6 | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | | | | | | | |
| Departmental | | | | | | | |
| Other | | | | | | | |
| <i>Total Revenues</i> | <u>28</u> | <u>-</u> | <u>6</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | | | | |
| General government | | | | | | | |
| Public safety | | | | | | | |
| Per trust agreements | | | | | | | |
| Education | | | | | | | |
| Public libraries | | | | | | | |
| Senior services | | | | | | | |
| Capital and special appropriations | | | | | | | |
| <i>Total Expenditures</i> | <u>28</u> | <u>-</u> | <u>6</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | | | | | | | |
| Other financing sources (uses) | | | | | | | |
| Transfers in | | | | | | | |
| Transfers out | | | | | | | |
| <i>Total Other Financing Sources (Uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | 28 | - | 6 | - | - | - | - |
| Fund balance, beginning of year | <u>18,863</u> | <u>6,107</u> | <u>3,604</u> | <u>2,183</u> | <u>21,049</u> | <u>5,262</u> | <u>2,183</u> |
| Fund balance, end of year | <u>\$ 18,891</u> | <u>\$ 6,107</u> | <u>\$ 3,610</u> | <u>\$ 2,183</u> | <u>\$ 21,049</u> | <u>\$ 5,262</u> | <u>\$ 2,183</u> |

(continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2012

| PERMANENT FUNDS | | | | | | | | | |
|--|------------------------------------|-------------------------------------|-----------------------------|------------------|--------------------------|--------------------------|-----------------------------------|---------------------|--|
| | William D Davis Library Fund | Veterans Memorial Scholarship | Hendrick Library Fund | Gardiner Fund | School Updike Fund | School Tennis Fund | Lynette Olson Memorial Fund | Grand Totals | |
| Revenues: | | | | | | | | | |
| Interest and investment income | \$ - | \$ 10 | \$ 24 | \$ 24 | \$ 7 | \$ - | \$ - | \$ 11,421 | |
| Intergovernmental | | | | | | | | 2,738,791 | |
| Departmental | | | | | | | | 41,187 | |
| Other | | | | | | | | 438,064 | |
| <i>Total Revenues</i> | | | | | | | | <u>3,269,463</u> | |
| Expenditures: | | | | | | | | | |
| General government | | | | | | | | 2,936,558 | |
| Public safety | | | | | | | | 120,039 | |
| Per trust agreements | | | | | | | | - | |
| Education | | | | | | | | 550 | |
| Public libraries | | | | | | | | 1,417,361 | |
| Senior services | | | | | | | | 126,842 | |
| Capital and special appropriations | | | | | | | | 695,680 | |
| <i>Total Expenditures</i> | | | | | | | | <u>5,317,030</u> | |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | | | | | | | | | |
| | | | | | | | | (2,047,567) | |
| Other financing sources (uses): | | | | | | | | | |
| Transfers in | | | | | | | | 1,543,835 | |
| Transfers out | | | | | | | | (1,185,367) | |
| <i>Total Other Financing Sources (Uses)</i> | | | | | | | | <u>358,468</u> | |
| Excess (deficiency) of revenues over expenditures | | | | | | | | (1,689,099) | |
| Fund balance, beginning of year | 5,009 | 6,896 | 8,718 | 5,761 | 4,206 | 268 | 5,340 | 4,127,116 | |
| Fund balance, end of year | <u>\$ 5,009</u> | <u>\$ 6,906</u> | <u>\$ 8,742</u> | <u>\$ 5,785</u> | <u>\$ 4,213</u> | <u>\$ 268</u> | <u>\$ 5,340</u> | <u>\$ 2,438,017</u> | |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - SCHOOL DEPARTMENT

JUNE 30,2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|--|----------------------------|---------------------------------|------------------------------------|-----------------------------|-------------------------------|-----------------------------|--------------------|
| | School Unrestricted | Substance Abuse Donations | Homeless Children/Youth Even | Title I D-ED Tech-Cohort | Providence Performing Arts | Common Core Stand-FRM SK | PTO Donations |
| <i>Assets</i> | | | | | | | |
| Cash and cash equivalents | \$ 1,418,333 | \$ 2,862 | \$ 11,235 | \$ - | \$ 237 | \$ - | \$ - |
| Due from other governments | 129,293 | | | | | | |
| Due from grantor | | | | | | | |
| Due from other funds | | | | | | | |
| Other receivables | 888,399 | | | | | | |
| <i>Total Assets</i> | <u>\$ 3,408,350</u> | <u>\$ 2,862</u> | <u>\$ 11,235</u> | <u>\$ -</u> | <u>\$ 237</u> | <u>\$ 86</u> | <u>\$ -</u> |
| <i>Liabilities</i> | | | | | | | |
| Accounts payable and accrued liabilities | \$ 1,301,331 | \$ - | \$ 11,235 | \$ - | \$ - | \$ 86 | \$ - |
| Due to other funds | 214,289 | | | | | | |
| Due to other governments | | | | | | | |
| Other payables | | | | | | | |
| Deferred revenue | | | | | | | |
| <i>Total Liabilities</i> | <u>\$ 1,515,620</u> | <u>\$ -</u> | <u>\$ 11,235</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 86</u> | <u>\$ -</u> |
| <i>Fund Balances</i> | | | | | | | |
| Nonspendable | 118,957 | | | | | | |
| Restricted | 1,565,217 | 2,862 | | | | | |
| Committed | 148,034 | | | | | | |
| Assigned | 60,522 | | | | | | |
| Unassigned | | | | | | | |
| <i>Total Fund Balances</i> | <u>\$ 1,892,730</u> | <u>\$ 2,862</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 237</u> | <u>\$ -</u> | <u>\$ -</u> |
| <i>Total Liabilities and Fund Balances</i> | <u><u>\$ 3,408,350</u></u> | <u><u>\$ 2,862</u></u> | <u><u>\$ 11,235</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 237</u></u> | <u><u>\$ 86</u></u> | <u><u>\$ -</u></u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - SCHOOL DEPARTMENT

JUNE 30,2012

| SPECIAL REVENUE FUNDS | | | | | | |
|--|--------------------------------|----------------------------|-------------------|------------------------------|-----------------------------|--------------------|
| | School Public Law 94-142 | School Title III LEP | School Title I | Homeless Children & Youth | The Boston Foundation | School Title II |
| <i>Assets</i> | | | | | | |
| Cash and cash equivalents | | | | | | |
| Due from other governments | \$ 369,514 | \$ 876 | \$ (126) | \$ - | \$ 1,022 | \$ 42,956 |
| Due from grantor | | | | | | |
| Due from other funds | | | | | | |
| Other receivables | | | | | | |
| <i>Total Assets</i> | <u>\$ 370,886</u> | <u>\$ 876</u> | <u>\$ 217,691</u> | <u>\$ -</u> | <u>\$ 1,022</u> | <u>\$ 42,956</u> |
| <i>Liabilities</i> | | | | | | |
| Accounts payable and accrued liabilities | \$ 17,563 | \$ 876 | \$ 217,691 | \$ - | \$ 42,956 | \$ 10,491 |
| Due to other funds | 353,523 | | | | | |
| Due to other governments | | | | | | |
| Other payables | | | | | | |
| Deferred revenue | | | | | | |
| <i>Total Liabilities</i> | <u>\$ 370,886</u> | <u>\$ 876</u> | <u>\$ 217,691</u> | <u>\$ -</u> | <u>\$ 42,956</u> | <u>\$ 10,491</u> |
| <i>Fund Balances</i> | | | | | | |
| Nonspendable | | | | | | |
| Restricted | - | - | - | - | 1,022 | - |
| Committed | | | | | | |
| Assigned | | | | | | |
| Unassigned | | | | | | |
| <i>Total Fund Balances</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,022</u> | <u>\$ -</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 370,886</u> | <u>\$ 876</u> | <u>\$ 217,691</u> | <u>\$ -</u> | <u>\$ 1,022</u> | <u>\$ 42,956</u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
COMBINING BALANCE SHEET - SCHOOL DEPARTMENT

JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | New England Dairy and Food Council | | RI Interscholastic League | |
|--|-----------------|----------------------------------|---------------------------|----------------------|------------------------------|-----------------|---|---------------|---------------------------------|-----|
| | Target Grant | RI Council for the Humanities | RI Council On The Arts | COZ Family Center | COZ Education Exchange | USDA-FFVP | | | | |
| Assets | | | | | | | | | | |
| Cash and cash equivalents | \$ 237 | \$ 245 | \$ 2,222 | \$ 6,263 | \$ 8,033 | \$ 2,350 | \$ 2,000 | \$ 755 | | |
| Due from other governments | | | | | | | | | | |
| Due from grantor | | | | | | | | | | |
| Due from other funds | | | | | | | | | | |
| Other receivables | | | | | | | | | | |
| <i>Total Assets</i> | <u>\$ 237</u> | <u>\$ 245</u> | <u>\$ 2,222</u> | <u>\$ 6,263</u> | <u>\$ 8,033</u> | <u>\$ 2,494</u> | <u>\$ 2,000</u> | <u>\$ 755</u> | | |
| Liabilities | | | | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ 311 | \$ 1,756 | \$ 6,263 | \$ 4,145 | \$ 4,844 | \$ 2,000 | \$ 10 | | |
| Due to other funds | | | | | | | | | | |
| Due to other governments | | | | | | | | | | |
| Other payables | | | | | | | | | | |
| Deferred revenue | | | | | | | | | | |
| <i>Total Liabilities</i> | <u>\$ -</u> | <u>\$ 311</u> | <u>\$ 1,756</u> | <u>\$ 6,263</u> | <u>\$ 4,145</u> | <u>\$ 4,844</u> | <u>\$ 2,000</u> | <u>\$ 10</u> | | |
| <i>Fund Balances</i> | | | | | | | | | | |
| Nonspendable | 237 | (66) | 466 | - | 3,888 | - | - | | | 745 |
| Restricted | | | | | | | | | | |
| Committed | | | | | | | | | | |
| Assigned | | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| <i>Total Fund Balances</i> | <u>\$ 237</u> | <u>\$ 245</u> | <u>\$ 2,222</u> | <u>\$ 6,263</u> | <u>\$ 8,033</u> | <u>\$ 4,844</u> | <u>\$ 2,000</u> | <u>\$ 755</u> | | |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 237</u> | <u>\$ 245</u> | <u>\$ 2,222</u> | <u>\$ 6,263</u> | <u>\$ 8,033</u> | <u>\$ 4,844</u> | <u>\$ 2,000</u> | <u>\$ 755</u> | | |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
 COMBINING BALANCE SHEET - SCHOOL DEPARTMENT
 JUNE 30,2012

| SPECIAL REVENUE FUNDS | | | | | | |
|--|----------------------------|-----------------------|---------------------|-------------------------|-----------------|-----------------------|
| COZ Donations | Miscellaneous Donations | Siemens Foundation | Use of Buildings | Feinstein Foundation | Nickelodeon | Donations- Coaches |
| | | | | | | RIPIN |
| <i>Assets</i> | | | | | | |
| Cash and cash equivalents | \$ 12,376 | \$ 1,000 | \$ 78 | \$ 280 | \$ 1,535 | \$ - |
| Due from other governments | | | | | | \$ 66 |
| Due from grantor | | | | | | |
| Due from other funds | | | | | | |
| Other receivables | \$ 500 | \$ 1,000 | \$ 6,802 | \$ 280 | \$ 1,535 | \$ 4,145 |
| <i>Total Assets</i> | <u>\$ 12,876</u> | <u>\$ 1,000</u> | <u>\$ 6,880</u> | <u>\$ 280</u> | <u>\$ 4,145</u> | <u>\$ 66</u> |
| <i>Liabilities</i> | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ 30 | \$ - | \$ 4,145 | \$ - |
| Due to other funds | | | \$ 6,250 | | | |
| Due to other governments | | | | | | |
| Other payables | | | | | | |
| Deferred revenue | | | | | | |
| <i>Total Liabilities</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,280</u> | <u>\$ -</u> | <u>\$ 4,145</u> | <u>\$ -</u> |
| <i>Fund Balances</i> | | | | | | |
| Nonspendable | | | | | | |
| Restricted | 12,876 | 1,000 | 600 | 280 | 1,535 | - |
| Committed | | | | | | |
| Assigned | | | | | | |
| Unsigned | | | | | | |
| <i>Total Fund Balances</i> | <u>\$ 12,876</u> | <u>\$ 1,000</u> | <u>\$ 600</u> | <u>\$ 280</u> | <u>\$ 1,535</u> | <u>\$ -</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 12,876</u> | <u>\$ 1,000</u> | <u>\$ 6,880</u> | <u>\$ 280</u> | <u>\$ 1,535</u> | <u>\$ 4,145</u> |
| | | | | | | |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
 COMBINING BALANCE SHEET - SCHOOL DEPARTMENT

JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|--|--------------------------|----------------------|----------------------------------|-----------------|---------------------|------------------------|-------------------|
| | 21st Century Donation | Amagen Foundation | Substance Abuse Task Force | Spirit Day | ARRA IDEA Part B | ARRA IDEA Preschool | ARRA-E2T2- MCI |
| <i>Assets</i> | | | | | | | |
| Cash and cash equivalents | \$ 738 | \$ 166 | \$ 2,488 | \$ 1,239 | \$ - | \$ - | \$ 8,721 |
| Due from other governments | | | | | | | |
| Due from grantor | | | | | | | |
| Due from other funds | | | | | | | |
| Other receivables | | | | | | | |
| <i>Total Assets</i> | \$ 738 | \$ 166 | \$ 2,488 | \$ 1,239 | \$ - | \$ - | \$ 8,721 |
| <i>Liabilities</i> | | | | | | | |
| Accounts payable and accrued liabilities | \$ - | \$ - | \$ 913 | \$ - | \$ - | \$ - | \$ 8,721 |
| Due to other funds | | | | | | | |
| Due to other governments | | | | | | | |
| Other payables | | | | | | | |
| Deferred revenue | | | | | | | |
| <i>Total Liabilities</i> | - | - | 913 | - | - | - | 8,721 |
| <i>Fund Balances</i> | | | | | | | |
| Nonspendable | 738 | 166 | 1,575 | 1,239 | - | - | - |
| Restricted | | | | | | | |
| Committed | | | | | | | |
| Assigned | | | | | | | |
| Unassigned | | | | | | | |
| <i>Total Fund Balances</i> | \$ 738 | \$ 166 | \$ 1,575 | \$ 1,239 | \$ - | \$ - | \$ - |
| <i>Total Liabilities and Fund Balances</i> | \$ 738 | \$ 166 | \$ 2,488 | \$ 1,239 | \$ - | \$ - | \$ 8,721 |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING BALANCE SHEET - SCHOOL DEPARTMENT

JUNE 30,2012

SPECIAL REVENUE FUNDS

| | SPECIAL REVENUE FUNDS | | | | | | |
|--|-----------------------|---------------------------|------------------------|---------------------|------------------------|------------------------|---------------------|
| | RTT Standards | RTT-Instr. Improv. System | RTT-Edu. Effectiveness | RTT Instr. Setaside | RTT-Edu. Effectiveness | RTT-Human Cap Setaside | Grand Totals |
| <i>Assets</i> | | | | | | | |
| Cash and cash equivalents | \$ 1,809 | \$ 6,196 | \$ 2,637 | \$ - | \$ - | \$ - | \$ 1,461,941 |
| Due from other governments | | | | | | | 869,002 |
| Due from grantor | | | | | | | - |
| Due from other funds | | | | | | | 89,202 |
| Other receivables | | | | | | | 980,999 |
| <i>Total Assets</i> | <u>\$ 1,809</u> | <u>\$ 6,196</u> | <u>\$ 2,637</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,207,144</u> |
| <i>Liabilities</i> | | | | | | | |
| Accounts payable and accrued liabilities | \$ 3,122 | \$ 6,196 | \$ 2,637 | \$ - | \$ - | \$ - | \$ 1,321,974 |
| Due to other funds | 3,143 | | | | | | 967,431 |
| Due to other governments | | | | | | | - |
| Other payables | | | | | | | - |
| Deferred revenue | | | | | | | - |
| <i>Total Liabilities</i> | <u>6,265</u> | <u>6,196</u> | <u>2,637</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,289,405</u> |
| <i>Fund Balances</i> | | | | | | | |
| Nonspendable | | | | | | | 118,957 |
| Restricted | | | | | | | 1,590,226 |
| Committed | | | | | | | 148,034 |
| Assigned | | | | | | | 60,522 |
| Unassigned | | | | | | | - |
| <i>Total Fund Balances</i> | <u>(4,456)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,917,739</u> |
| <i>Total Liabilities and Fund Balances</i> | <u>\$ 1,809</u> | <u>\$ 6,196</u> | <u>\$ 2,637</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 4,207,144</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|--|------------------------|---------------------------------|------------------------------------|------------------------------|-------------------------------|-----------------------------|------------------|
| | School Unrestricted | Substance Abuse Donations | Homeless Children/Youth Even | Title II D-ED Tech-Cohort | Providence Performing Arts | Common Core Stand-FRM SK | PTO Donations |
| Revenues | | | | | | | |
| Interest and investment income | \$ 257 | \$ - | \$ 37,473 | \$ 20,919 | \$ 750 | \$ 4,854 | \$ 2,232 |
| Intergovernmental | 12,858,244 | | | | | | |
| Departmental | 2,361,865 | | | | | | |
| On behalf pension contribution | | | | | | | |
| Other | 18,712 | | | | | | |
| <i>Total Revenues</i> | <u>15,239,078</u> | <u>-</u> | <u>37,473</u> | <u>20,919</u> | <u>750</u> | <u>4,854</u> | <u>2,232</u> |
| Expenditures | | | | | | | |
| General government | | | | | | | |
| Public safety | | | | | | | |
| Per trust agreements | | | | | | | |
| Education | 57,453,437 | | 37,473 | 20,919 | 513 | 4,854 | 2,232 |
| Public libraries | | | | | | | |
| Senior services | | | | | | | |
| On behalf pension contribution | 2,361,865 | | | | | | |
| Capital and special appropriations | | | | | | | |
| <i>Total Expenditures</i> | <u>59,815,302</u> | <u>-</u> | <u>37,473</u> | <u>20,919</u> | <u>513</u> | <u>4,854</u> | <u>2,232</u> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | <u>(44,576,224)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>237</u> | <u>-</u> | <u>-</u> |
| Other Financing Sources (Uses) | | | | | | | |
| Proceeds from bond issuance | 43,420,838 | | | | | | |
| Transfers in | (208,119) | | | | | | |
| Transfers out | 43,212,719 | | | | | | |
| <i>Total other financing sources (uses)</i> | <u>(1,363,505)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>237</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures | | | | | | | |
| Fund balance, beginning of year | 3,256,235 | | 2,862 | | | | |
| Fund balance, end of year | <u>\$ 1,892,730</u> | <u>\$ 2,862</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 237</u> | <u>\$ -</u> | <u>\$ -</u> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | | | |
|--|--------------------------------|----------------------------|-------------------|------------------------------|----------------------|--------------------|---------------------------------|---------------------------------|--|
| | School Public Law 94-142 | School Title III LEP | School Title I | Homeless Children & Youth | Boston Foundation | School Title II | 91-142 Preschool Services | 21st Century Learning Center | |
| Revenues: | | | | | | | | | |
| Interest and investment income | | | | | | | | | |
| Intergovernmental | | | | | | | | | |
| Departmental | | | | | | | | | |
| On behalf pension contribution | | | | | | | | | |
| Other | | | | | | | | | |
| <i>Total Revenues</i> | <i>963,313</i> | <i>3,115</i> | <i>613,953</i> | <i>645</i> | <i>-</i> | <i>203,818</i> | <i>28,375</i> | <i>166,723</i> | |
| Expenditures: | | | | | | | | | |
| General government | | | | | | | | | |
| Public safety | | | | | | | | | |
| Per trust agreements | | | | | | | | | |
| Education | 963,313 | 3,115 | 613,953 | 645 | - | 203,818 | 28,376 | 166,723 | |
| Public libraries | | | | | | | | | |
| Senior services | | | | | | | | | |
| On behalf pension contribution | | | | | | | | | |
| Capital and special appropriations | | | | | | | | | |
| <i>Total Expenditures</i> | <i>963,313</i> | <i>3,115</i> | <i>613,953</i> | <i>645</i> | <i>-</i> | <i>203,818</i> | <i>28,376</i> | <i>166,723</i> | |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | | | | | | | | | |
| | | | | | | | | | |
| Other Financing Sources (Uses): | | | | | | | | | |
| Proceeds from bond issuance | | | | | | | | | |
| Transfers in | | | | | | | | | |
| Transfers out | | | | | | | | | |
| <i>Total other financing sources (uses)</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | |
| Excess (deficiency) of revenues over expenditures | | | | | | | | | |
| | | | | | | | | | |
| Fund balance, beginning of year | | | | | | | | | |
| Fund balance, end of year | | | | | | | | | |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|--|-----------------|----------------------------------|---------------------------|----------------------|------------------------------|---------------|---|
| | Target Grant | RI Council for the Humanities | RI Council On The Arts | COZ Family Center | COZ Education Exchange | USDA-FFVP | |
| | | | | | | | New England Dairy and Food Council |
| | | | | | | | RI Interscholastic League |
| Revenues: | | | | | | | |
| Interest and investment income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Intergovernmental | 750 | 900 | 1,665 | 21,200 | 8,033 | 17,942 | 500 |
| Departmental | | | | | | | |
| On behalf pension contribution | | | | | | | |
| Other | | | | | | | |
| <i>Total Revenues</i> | <i>750</i> | <i>900</i> | <i>1,665</i> | <i>21,200</i> | <i>8,033</i> | <i>17,942</i> | <i>500</i> |
| Expenditures: | | | | | | | |
| General government | | | | | | | |
| Public safety | \$13 | 966 | 1,399 | 21,200 | 4,145 | 17,942 | 2,000 |
| Per trust agreements | | | | | | | 1,750 |
| Public libraries | | | | | | | |
| Senior services | | | | | | | |
| On behalf pension contribution | | | | | | | |
| On behalf pension contribution | | | | | | | |
| Capital and special appropriations | | | | | | | |
| Capital and special appropriations | | | | | | | |
| <i>Total Expenditures</i> | <i>513</i> | <i>966</i> | <i>1,399</i> | <i>21,200</i> | <i>4,145</i> | <i>17,942</i> | <i>2,000</i> |
| | | | | | | | 1,750 |
| | | | | | | | |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | 237 | (66) | 266 | - | 3,888 | - | (2,000) |
| <i>Total Expenditures</i> | <i>237</i> | <i>(66)</i> | <i>266</i> | <i>-</i> | <i>3,888</i> | <i>-</i> | <i>(1,250)</i> |
| Other Financing Sources (Uses): | | | | | | | |
| Proceeds from bond issuance | - | - | - | - | - | - | - |
| Transfers in | | | | | | | |
| Transfers out | | | | | | | |
| <i>Total other financing sources (uses)</i> | <i>237</i> | <i>(66)</i> | <i>266</i> | <i>-</i> | <i>3,888</i> | <i>-</i> | <i>(2,000)</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | 237 | (66) | 266 | - | 3,888 | - | (1,250) |
| Fund balance, beginning of year | - | | | | | | |
| <i>Fund balance, end of year</i> | <i>\$ 237</i> | <i>\$ (66)</i> | <i>\$ 466</i> | <i>\$ -</i> | <i>\$ 3,888</i> | <i>\$ -</i> | <i>\$ 745</i> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|--|-----------------------------------|-----------------------|---------------------|-------------------------|-----------------|-----------------------|--------------|
| | COZ Miscellaneous Donations | Siemens Foundation | Use of Buildings | Feinstein Foundation | Nickelodeon | Donations- Coaches | RIPIN |
| Revenues: | | | | | | | |
| Interest and investment income | \$ 9,727 | \$ - | \$ - | \$ - | \$ - | \$ 5,222 | \$ - |
| Intergovernmental | | | | | | | |
| Departmental | | | | | | | |
| On behalf pension contribution | | | | | | | |
| Other | | | | | | | |
| <i>Total Revenues</i> | <i>9,727</i> | <i>-</i> | <i>51,976</i> | <i>-</i> | <i>-</i> | <i>5,222</i> | <i>907</i> |
| Expenditures: | | | | | | | |
| General government | | | | | | | |
| Public safety | | | | | | | |
| Per trust agreements | | | | | | | |
| Education | 1,486 | - | - | - | - | 5,222 | 907 |
| Public libraries | | | | | | | |
| Senior services | | | | | | | |
| On behalf pension contribution | | | | | | | |
| Capital and special appropriations | | | | | | | |
| <i>Total Expenditures</i> | <i>1,486</i> | <i>-</i> | <i>51,376</i> | <i>-</i> | <i>-</i> | <i>5,222</i> | <i>907</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | 8,241 | - | 600 | - | - | - | - |
| Other Financing Sources (Uses): | | | | | | | |
| Proceeds from bond issuance | - | - | - | - | - | - | - |
| Transfers in | | | | | | | |
| Transfers out | | | | | | | |
| <i>Total other financing sources (uses)</i> | <i>8,241</i> | <i>-</i> | <i>600</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | 4,635 | 1,000 | - | 280 | 1,535 | - | - |
| Fund balance, beginning of year | | | | | | | |
| Fund balance, end of year | <i>\$ 12,876</i> | <i>\$ 1,000</i> | <i>\$ 600</i> | <i>\$ 280</i> | <i>\$ 1,535</i> | <i>\$ -</i> | <i>\$ 66</i> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | | | |
|--|--------------------------|---------------------|---------------------------------|-----------------|------------------------|---------------------------|-------------------|-------------------|------------------------|
| | 21st Century Donation | Amgen Foundation | Substance Abuse Taskforce | Spirit Day | ARRA IDEA Part B | ARRA IDEA Preschool | ARRA-E2T2- MCI | ARRA-E2T2- MCI | Education Jobs Fund |
| Revenues: | | | | | | | | | |
| Interest and investment income | \$ - | \$ - | \$ 31,475 | \$ - | \$ 2,693 | \$ 84,872 | \$ 16,540 | \$ 100,033 | \$ 493,996 |
| Intergovernmental | | | | | | | | | |
| Departmental | | | | | | | | | |
| On behalf pension contribution | | | | | | | | | |
| Other | | | | | | | | | |
| <i>Total Revenues</i> | <i>738</i> | <i>-</i> | <i>31,475</i> | <i>-</i> | <i>2,693</i> | <i>84,872</i> | <i>16,540</i> | <i>100,033</i> | <i>493,996</i> |
| Expenditures: | | | | | | | | | |
| General government | | | | | | | | | |
| Public safety | | | | | | | | | |
| Per trust agreements | | | | | | | | | |
| Education | | | | | | | | | |
| Public libraries | | | | | | | | | |
| Senior services | | | | | | | | | |
| On behalf pension contribution | | | | | | | | | |
| Capital and special appropriations | | | | | | | | | |
| <i>Total Expenditures</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>29,900</i> | <i>2,674</i> | <i>84,872</i> | <i>16,540</i> | <i>100,033</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Other Financing Sources (Uses) | | | | | | | | | |
| Proceeds from bond issuance | | | | | | | | | |
| Transfers in | | | | | | | | | |
| Transfers out | | | | | | | | | |
| <i>Total other financing sources (uses)</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> |
| Excess (deficiency) of revenues over expenditures | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Fund balance, beginning of year | | | | | | | | | |
| <i>Fund balance, end of year</i> | <i>\$ 738</i> | <i>\$ 166</i> | <i>\$ 166</i> | <i>\$ 1,575</i> | <i>\$ 1,575</i> | <i>\$ 1,239</i> | <i>\$ -</i> | <i>\$ -</i> | <i>\$ -</i> |

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SCHOOL DEPARTMENT

YEAR ENDED JUNE 30, 2012

| SPECIAL REVENUE FUNDS | | | | | | | |
|--|-------------------|-----------------------------|----------------------------|------------------------|----------------------------|----------------------------|----------------------|
| | RTTT Standards | RTT-Instr Improv. System | RTTT-Educ Effectiveness | RTTT Instr Setaside | RTTT-Educ Effectiveness | RTTT-Human Cap Setaside | Grand Totals |
| Revenues | | | | | | | |
| Interest and investment income | \$ 11,132 | \$ - | \$ 7,923 | \$ 25,341 | \$ 8,964 | \$ - | \$ 257 |
| Intergovernmental | | | | | | | 15,775,687 |
| Departmental | | | | | | | 2,361,865 |
| On behalf pension contribution | | | | | | | 70,688 |
| Other | | | | | | | |
| <i>Total Revenues</i> | <i>\$ 11,132</i> | <i>\$ 7,923</i> | <i>\$ 25,341</i> | <i>\$ 8,964</i> | <i>\$ 177</i> | <i>\$ 20,043</i> | <i>\$ 18,208,497</i> |
| Expenditures | | | | | | | |
| General government | | | | | | | - |
| Public safety | | | | | | | - |
| Per trust agreements | | | | | | | - |
| Education | 11,131 | 7,923 | 25,341 | 8,964 | 177 | 20,043 | 60,358,879 |
| Public libraries | | | | | | | - |
| Senior services | | | | | | | 2,361,865 |
| On behalf pension contribution | | | | | | | 51,376 |
| Capital and special appropriations | | | | | | | |
| <i>Total Expenditures</i> | <i>11,131</i> | <i>7,923</i> | <i>25,341</i> | <i>8,964</i> | <i>\$ 177</i> | <i>\$ 20,043</i> | <i>\$ 62,772,120</i> |
| Excess (deficiency) of revenues over expenditures before other financing sources (uses) | 1 | - | - | - | - | - | (44,563,623) |
| Other Financing Sources (Uses): | | | | | | | |
| Proceeds from bond issuance | | | | | | | - |
| Transfers in | - | - | - | - | - | - | 43,420,838 |
| Transfers out | | | | | | | (208,119) |
| <i>Total other financing sources (uses)</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>-</i> | <i>43,212,719</i> |
| Excess (deficiency) of revenues over expenditures | 1 | - | - | - | - | - | (1,350,904) |
| Fund balance, beginning of year | (4,457) | | | | | | 3,268,643 |
| Fund balance, end of year | \$ (4,456) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,917,739 |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2012

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises or where the Town has decided that periodic determination of net income is appropriate for capital maintenance, management control, accountability, public policy or other purposes. The following is a list of the Town's enterprise funds.

Quonset/Davisville Reserve – To account for funds set aside for capital expenditures of the Quonset/Davisville Recreation Fund.

Sewer Fund – To account for operations of Town-wide wastewater system to be established

NKSD Adult Education – To account for funds set aside for adult education services.

NKHS Athletic Gate Receipts – To account for funds set aside for adult education services.

NKHS Summer School Remedial – To account for funds set aside for the summer school remedial program.

School Sports Camp – To account for funds set aside for specific school sports programs.

School Sport Camps – To account for funds set aside for specific school sports programs.

After School Novanet – To account for funds related to online courses for high school students.

Summer School Fund – To account for funds set aside to operate the summer school program for eligible students.

School Nutrition Fund – To account for the activity of the school nutrition program.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS

| JUNE 30, 2012 | | | | | | | | | | | |
|--------------------------------------|-----------------------------------|---------------------|----------------------------|------------------------------|--------------------------------------|--------------------------|--------------------------|-----------------------|--------------------------|-----------------------------|-------------------|
| ASSETS: | Quonset/ Davisville Reserve | Sewer Fund | NKSD Adult Education | Athletic Gate Receipts | NKHS Summer School Remedial | School Sports Camp | School Sport Camps | After School Novet | Summer School Fund | School Nutrition Fund | Total |
| Current assets: | | | | | | | | | | | |
| Cash and cash equivalents | \$ 63,474 | \$ - | \$ - | \$ 14,226 | \$ 4,734 | \$ 23,386 | \$ 19,644 | \$ 5,785 | \$ (1,487) | \$ (258,264) | \$ (128,502) |
| Prepads | | | | 1,690 | | 11,942 | | 2,714 | | 88,655 | 14,656 |
| Other receivables | | | | | | | | | | 19,468 | 90,345 |
| Inventory | | | | | | | | | | 210,535 | 19,468 |
| Due from other funds | | | | | | | | | | | 211,633 |
| Total current assets | 63,474 | - | - | 15,916 | 5,832 | 35,328 | 19,644 | 5,785 | 1,227 | 60,394 | 207,600 |
| Capital assets, net | | | | | | | | | | | |
| Total assets | 63,474 | - | - | 15,916 | 5,832 | 35,328 | 19,644 | 5,785 | 1,227 | 62,400 | 209,606 |
| LIABILITIES: | | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | | |
| Accounts payable and accrued expense | | 4,009 | - | - | - | 3,000 | 31,708 | 65 | 1,970 | - | 41,756 |
| Deferred revenue | | 109,583 | - | - | - | 2 | | | | | 47,800 |
| Due to other funds | | 113,592 | - | - | - | 3,002 | 31,773 | 1,970 | - | | 34,708 |
| Total current liabilities | | - | | | | | | | | | 131,327 |
| NET ASSETS: | | | | | | | | | | | |
| Invested in capital assets | | | | | | | | | | | |
| Unrestricted | 63,474 | (113,592) | \$ - | 15,916 | 2,830 | 3,555 | 17,674 | 5,785 | 129 | 2,006 | 2,006 |
| Total net assets | \$ 63,474 | <u>\$ (113,592)</u> | <u>\$ -</u> | <u>\$ 15,916</u> | <u>\$ 2,830</u> | <u>\$ 3,555</u> | <u>\$ 17,674</u> | <u>\$ 5,785</u> | <u>\$ 129</u> | <u>\$ -</u> | <u>\$ (4,229)</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2012

| | Quonset/ Davisville Reserve | Sewer Fund | NKSD Adult Education | Athletic Gate Receipts | NKHS Summer School Remedial | School Sports Camp | School Sport Camps | After School Novanet | Summer School Fund | School Nutrition Fund | Total |
|---------------------------------------|-----------------------------------|---------------------|----------------------------|------------------------------|-----------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|-----------------------------|-------------------|
| Operating revenues: | | | | | | | | | | | |
| Charges for services | \$ - | \$ - | \$ 20,033 | \$ 41,763 | \$ 11,330 | \$ 29,928 | \$ 5,785 | \$ 1,125 | \$ 560,199 | \$ 670,163 | |
| Grants | | | | | | | | | 445,432 | 445,432 | |
| <i>Total operating revenues</i> | - | - | 20,033 | 41,763 | 11,330 | 29,928 | 5,785 | 1,125 | 1,005,631 | 1,115,595 | |
| Operating expenses | 20,600 | 113,592 | | 11,893 | 37,240 | 44,358 | 32,005 | | 6,219 | 1,213,750 | 1,479,657 |
| <i>Operating income (loss)</i> | (20,600) | (113,592) | | 8,140 | 4,523 | (33,028) | (2,077) | 5,785 | (5,094) | (208,119) | (364,062) |
| Non-operating revenues: | | | | | | | | | | | |
| Investment income | 100 | - | - | - | - | - | - | - | - | - | 100 |
| <i>Total non-operating revenues</i> | 100 | - | - | - | - | - | - | - | - | - | 100 |
| <i>Income (loss) before transfers</i> | (20,500) | (113,592) | | 8,140 | 4,523 | (33,028) | (2,077) | 5,785 | (5,094) | (208,119) | (363,962) |
| Transfers In | | | | | | | | | | 208,119 | 208,119 |
| Change in Net Assets | (20,500) | (113,592) | | 8,140 | 4,523 | (33,028) | (2,077) | 5,785 | (5,094) | - | (155,843) |
| Net assets, beginning of year | 83,974 | | | 7,776 | (1,693) | 36,583 | 19,751 | - | 5,223 | - | 151,614 |
| Net assets, end of year | \$ 63,474 | <u>\$ (113,592)</u> | | <u>\$ 15,916</u> | <u>\$ 2,830</u> | <u>\$ 3,555</u> | <u>\$ 17,674</u> | <u>\$ 5,785</u> | <u>\$ 129</u> | <u>\$ -</u> | <u>\$ (4,229)</u> |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30 2012

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2012

Private Purpose Trust Funds are all trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The following is a list of the Town's Private Purpose Trust Funds:

Burial Funds – The net assets of these funds are for the care and maintenance expenses for certain burial lots within the Town. The following is a list of Burial Funds included in this section:

| | |
|-----------------|----------------------|
| Hall | B.H. Davis |
| Vaughn | Updike |
| Young | Mary Carpenter |
| Rebecca Hammond | Smith-Lawton |
| W.H. Welling | Old Baptist Cemetery |
| George C. Hall | Smith |

Probate Funds – Funds established as a result of unlocatable heirs to various funds. The following is a list of Probate Funds accounted for by the Town:

| | |
|----------|----------|
| Lawton | Jones |
| Weeks | Cogan |
| Oliviera | Horowitz |
| Mattia | Tarchis |
| Andrews | |

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-1

COMBINING STATEMENT OF NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2012

| | Burial Funds | | | | | |
|--|---------------|---------------|---------------|--------------------|-----------------|-------------------|
| | Hall | Vaughn | Young | Rebecca Hammond | W.H. Welling | George C. Hall |
| <i>Assets</i> | | | | | | |
| Cash | \$ 501 | \$ 100 | \$ 301 | \$ 301 | \$ 8,690 | \$ 200 |
| <i>Liabilities</i> | | | | | | |
| Accounts payable | - | - | - | - | - | - |
| <i>Net Assets</i> | | | | | | |
| Held in trust for private purposes per trust agreements | <u>\$ 501</u> | <u>\$ 100</u> | <u>\$ 301</u> | <u>\$ 301</u> | <u>\$ 8,690</u> | <u>\$ 200</u> |

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-1

COMBINING STATEMENT OF NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2012

| | Burial Funds | | | | | | |
|--|---------------|-----------------|-------------------|------------------|-------------------------|-----------------|------------------|
| | B.H. Davis | Updike | Mary Carpenter | Smith- Lawton | Old Baptist Cemetery | Smith | Burial Totals |
| <i>Assets</i> | | | | | | | |
| Cash | \$ 501 | \$ 1,585 | \$ 1,003 | \$ 4,615 | \$ 702 | \$ 1,003 | \$ 19,502 |
| <i>Liabilities</i> | | | | | | | |
| Accounts payable | -\$ | -\$ | -\$ | -\$ | -\$ | -\$ | -\$ |
| <i>Net Assets</i> | | | | | | | |
| Held in trust for private purposes per trust agreements | <u>\$ 501</u> | <u>\$ 1,585</u> | <u>\$ 1,003</u> | <u>\$ 4,615</u> | <u>\$ 702</u> | <u>\$ 1,003</u> | <u>\$ 19,502</u> |

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-1

COMBINING STATEMENT OF NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2012

| | Probate Funds | | | | |
|--|------------------------|------------------------|------------------------|----------------------|------------------------|
| | Beriah Lawton | James L. R. Weeks | Marguerite R. Cogan | Delphis R. Jones | Doris Horowitz |
| <i>Assets</i> | | | | | |
| Cash | \$ 8,323 | \$ 2,615 | \$ 607 | \$ 229 | \$ 5,713 |
| <i>Liabilities</i> | | | | | |
| Accounts payable | — | — | — | — | — |
| <i>Net Assets</i> | | | | | |
| Held in trust for private purposes per trust agreements | <u>\$ 8,323</u> | <u>\$ 2,615</u> | <u>\$ 607</u> | <u>\$ 229</u> | <u>\$ 5,713</u> |
| | <u><u>\$ 8,323</u></u> | <u><u>\$ 2,615</u></u> | <u><u>\$ 607</u></u> | <u><u>\$ 229</u></u> | <u><u>\$ 5,713</u></u> |

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-1

COMBINING STATEMENT OF NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2012

| | Probate Funds | | | | |
|--|-------------------|-------------------|--------------------|-------------------|------------------|
| | Lillian Mattia | Arthur Tarchis | Georgia Andrews | Probate Totals | Grand Totals |
| <i>Assets</i> | | | | | |
| Cash | \$ 4 | \$ 4 | \$ 948 | \$ 19,401 | \$ 38,903 |
| <i>Liabilities</i> | | | | | |
| Accounts payable | -\$ | -\$ | -\$ | -\$ | -\$ |
| <i>Net Assets</i> | | | | | |
| Held in trust for private purposes per trust agreements | <u>\$ 4</u> | <u>\$ 4</u> | <u>\$ 948</u> | <u>\$ 19,401</u> | <u>\$ 38,903</u> |

(CONCLUDED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-2

COMBINING STATEMENT OF CHANGES IN NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

YEAR ENDED JUNE 30, 2012

| | Burial Funds | | | | | |
|--|---------------|---------------|---------------|--------------------|-----------------|-------------------|
| | Hall | Vaughn | Young | Rebecca Hammond | W.H. Welling | George C. Hall |
| Additions: | | | | | | |
| Investment income | \$ - | \$ - | \$ - | \$ - | \$ 5 | \$ - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5</u> | <u>-</u> |
| Deductions: | | | | | | |
| Operating expense per trust agreement | - | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in net assets | - | - | - | - | 5 | - |
| Net assets, beginning of year | 501 | 100 | 301 | 301 | 8,685 | 200 |
| Net assets, end of year | <u>\$ 501</u> | <u>\$ 100</u> | <u>\$ 301</u> | <u>\$ 301</u> | <u>\$ 8,690</u> | <u>\$ 200</u> |

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-2

COMBINING STATEMENT OF CHANGES IN NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

YEAR ENDED JUNE 30, 2012

| | Burial Funds | | | | | | |
|--|---------------|-----------------|-------------------|------------------|-------------------------|-----------------|------------------|
| | B.H. Davis | Updike | Mary Carpenter | Smith- Lawton | Old Baptist Cemetery | Smith | Burial Totals |
| Additions: | | | | | | | |
| Investment income | \$ - | \$ 2 | \$ 1 | \$ 3 | \$ 1 | \$ 1 | \$ 13 |
| Deductions: | | | | | | | |
| Operating expense per trust agreement | - | - | - | - | - | - | - |
| Change in net assets | - | 2 | 1 | 3 | 1 | 1 | 13 |
| Net assets, beginning of year | 501 | 1,583 | 1,002 | 4,612 | 701 | 1,002 | 19,489 |
| Net assets, end of year | <u>\$ 501</u> | <u>\$ 1,585</u> | <u>\$ 1,003</u> | <u>\$ 4,615</u> | <u>\$ 702</u> | <u>\$ 1,003</u> | <u>\$ 19,502</u> |

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

H-2

COMBINING STATEMENT OF CHANGES IN NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

YEAR ENDED JUNE 30, 2012

| | Probate Funds | | | | | |
|--|------------------|----------------------|------------------------|---------------------|-----------------|-------------------|
| | Beriah Lawton | James L. R. Weeks | Marguerite R. Cogan | Delphis R. Jones | J. Oliviera | Doris Horowitz |
| Additions: | | | | | | |
| Investment income | \$ 5 | \$ 4 | \$ 1 | \$ - | \$ 9 | \$ 1 |
| | <u>5</u> | <u>4</u> | <u>1</u> | <u>-</u> | <u>9</u> | <u>1</u> |
| Deductions: | | | | | | |
| Operating expense per trust agreement | - | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in net assets | 5 | 4 | 1 | - | 9 | 1 |
| Net assets, beginning of year | 8,318 | 2,611 | 606 | 229 | 5,704 | 957 |
| Net assets, end of year | <u>\$ 8,323</u> | <u>\$ 2,615</u> | <u>\$ 607</u> | <u>\$ 229</u> | <u>\$ 5,713</u> | <u>\$ 958</u> |

(CONTINUED)

COMBINING STATEMENT OF CHANGES IN NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

YEAR ENDED JUNE 30, 2012

| | Probate Funds | | | | |
|---------------------------------------|----------------|----------------|-----------------|------------------|------------------|
| | Lillian Mattia | Arthur Tarchis | Georgia Andrews | Probate Totals | Grand Totals |
| Additions: | | | | | |
| Investment income | \$ - | \$ - | \$ 948 | \$ 968 | \$ 981 |
| | <u>-</u> | <u>-</u> | <u>948</u> | <u>968</u> | <u>981</u> |
| Deductions: | | | | | |
| Operating expense per trust agreement | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Change in net assets | - | - | 948 | 968 | 981 |
| Net assets, beginning of year | 4 | 4 | - | 18,433 | 37,922 |
| Net assets, end of year | <u>\$ 4</u> | <u>\$ 4</u> | <u>\$ 948</u> | <u>\$ 19,401</u> | <u>\$ 38,903</u> |

(CONCLUDED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

AGENCY FUNDS

JUNE 30, 2012

Agency Funds were established to function as clearing mechanisms for cash resources which are collected and disbursed to authorized recipients. The following is a list of Agency Funds included in this section:

Student Activity Fund – To account for monies received and expended for various student activities.

Payroll Fund – To account for the Town employees' payroll withholdings.

School Payroll Fund – To account for the School employees' payroll withholdings.

Developer Surety Escrow – To account for monies received from developers which are drawn upon by the Town due to failure by the developer to complete improvements to roadways, drainage, and for which the Town must use these funds to complete said improvements.

Sunshine Fund – To account for monies held by the School which is used by school employees for various internal activities.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

I-1

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

YEAR ENDED JUNE 30, 2012

| | Beginning Balance | Additions | Deductions | Ending Balance |
|--------------------------------------|----------------------|-------------------|-------------------|-------------------|
| <u>STUDENT ACTIVITY FUNDS</u> | | | | |
| <i>Assets</i> | | | | |
| Cash | <u>\$ 389,770</u> | <u>\$ 467,900</u> | <u>\$ 517,504</u> | <u>\$ 340,166</u> |
| <i>Liabilities</i> | | | | |
| Due to student groups | <u>\$ 389,770</u> | <u>\$ 467,900</u> | <u>\$ 517,504</u> | <u>\$ 340,166</u> |
| <u>PAYROLL FUND</u> | | | | |
| <i>Assets</i> | | | | |
| Cash | <u>\$ 66,358</u> | <u>\$ -</u> | <u>\$ 27,466</u> | <u>\$ 38,892</u> |
| <i>Liabilities</i> | | | | |
| Accounts payable | \$ 27,730 | | \$ 27,730 | \$ - |
| Payroll withholdings | 38,628 | | 29,311 | 9,317 |
| Due to other funds | | <u>\$ 29,575</u> | | <u>\$ 29,575</u> |
| <i>Total liabilities</i> | <u>\$ 66,358</u> | <u>\$ 29,575</u> | <u>\$ 57,041</u> | <u>\$ 38,892</u> |
| <u>SCHOOL PAYROLL FUND</u> | | | | |
| <i>Assets</i> | | | | |
| Cash | \$ 423,680 | \$ 251,308 | \$ - | \$ 674,988 |
| Other Receivables | | | | |
| <i>Total assets</i> | <u>\$ 423,680</u> | <u>\$ 251,308</u> | <u>\$ -</u> | <u>\$ 674,988</u> |
| <i>Liabilities</i> | | | | |
| Accounts payable | \$ 26,969 | | \$ 26,969 | |
| Payroll withholdings | 243,859 | \$ 21,833 | | \$ 265,692 |
| Due to other funds | 152,852 | 256,444 | | 409,296 |
| <i>Total liabilities</i> | <u>\$ 423,680</u> | <u>\$ 278,277</u> | <u>\$ 26,969</u> | <u>\$ 674,988</u> |
| <u>SUNSHINE FUND</u> | | | | |
| <i>Assets</i> | | | | |
| Cash | <u>\$ 1,228</u> | <u>\$ -</u> | <u>\$ 339</u> | <u>\$ 889</u> |
| <i>Liabilities</i> | | | | |
| Deposits Held in Custody for Others | <u>\$ 1,228</u> | <u>\$ -</u> | <u>\$ 339</u> | <u>\$ 889</u> |

(CONTINUED)

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 2012

| <u>DEVELOPER SURETY ESCROW</u> | Beginning Balance | Additions | Deductions | Ending Balance |
|--|----------------------|-------------------|-------------------|---------------------|
| <i>Assets</i> | | | | |
| Cash | <u>\$ 180,266</u> | <u>\$ 277,711</u> | <u>\$ 245,715</u> | <u>\$ 212,262</u> |
| <i>Liabilities</i> | | | | |
| Deposits Held in Custody for Others | <u>\$ 180,266</u> | <u>\$ 149,430</u> | <u>\$ 117,434</u> | <u>\$ 212,262</u> |
| <u>TOTAL - ALL AGENCY FUNDS</u> | | | | |
| <i>Assets</i> | | | | |
| Cash | <u>\$ 1,061,302</u> | <u>\$ 996,919</u> | <u>\$ 791,024</u> | <u>\$ 1,267,197</u> |
| <i>Total assets</i> | <u>\$ 1,061,302</u> | <u>\$ 996,919</u> | <u>\$ 791,024</u> | <u>\$ 1,267,197</u> |
| <i>Liabilities</i> | | | | |
| Accounts payable | - | - | - | - |
| Due to student groups | \$ 389,770 | \$ 467,900 | \$ 517,504 | \$ 340,166 |
| Other payable | 207,551 | 286,019 | 54,699 | 438,871 |
| Deposits Held in Custody for Others | 181,494 | 149,430 | 117,773 | 213,151 |
| Payroll withholdings | <u>282,487</u> | <u>21,833</u> | <u>29,311</u> | <u>275,009</u> |
| <i>Total liabilities</i> | <u>\$ 1,061,302</u> | <u>\$ 925,182</u> | <u>\$ 719,287</u> | <u>\$ 1,267,197</u> |

(CONCLUDED)

Town of North Kingstown

Statistical Section

This part of the Town's comprehensive financial report presents information to provide historical perspective and trend data, enabling readers to gain a better understanding of the Town's financial health.

Financial Health: Schedules 1 through 4 contain trend information to help the reader to understand changes in the Town's financial performance.

Revenue Capacity: Schedules 5 through 11 contain information to provide the reader with factors affecting the Town's ability to generate property tax revenue.

Debt Capacity: Schedules 12 through 15 contain information to provide the reader the Town's current levels of outstanding debt and the Town's ability to issue debt in the future.

Demographic Information: Schedules 16 and 17 contain demographic information to provide the reader with an overview of the environment in which the Town's financial activities occur.

Operating Information: Schedules 18 through 22 contain information about the Town's operations and resources over a period of time.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 1
Net Assets by Component
Last Nine Fiscal Years

| FISCAL YEAR | Net Assets by Component | | | | | | | | |
|--|-------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Governmental Activities | | | | | | | | | |
| Invested in Capital assets, net of related debt | \$ 51,077,216 | \$ 49,135,116 | \$ 47,064,382 | \$ 43,174,456 | \$ 41,954,816 | \$ 45,665,960 | \$ 12,563,318 | \$ (1,469,025) | \$ (1,861,551) |
| Restricted For: | | | | | | | | | |
| Permanent Funds | 97,552 | 240,910 | 97,316 | 96,559 | 95,607 | 94,451 | 88,580 | 86,537 | 87,654 |
| Debt Service | | | | | | | | | |
| Capital Projects | | | | | | | | | |
| Specific Programs | | | | | | | | | |
| Unrestricted | | | | | | | | | |
| Total governmental activities net assets | 12,796,663 | 15,754,856 | 20,083,778 | 24,937,386 | 25,645,661 | 21,492,526 | 25,719,107 | 23,083,191 | 20,305,262 |
| | 63,971,431 | 65,130,882 | 67,245,476 | 68,208,401 | 67,696,084 | 67,252,937 | 38,371,005 | 21,700,703 | 18,531,365 |
| Business-type activities | | | | | | | | | |
| Invested in Capital assets, net of related debt | 7,998,348 | 7,106,317 | 3,331,877 | 7,067,811 | 5,263,868 | 5,054,302 | 4,835,395 | 4,720,878 | 3,856,102 |
| Unrestricted | 6,733,829 | 5,971,817 | 8,664,848 | 6,882,041 | 7,359,621 | 7,507,799 | 5,663,520 | 5,209,767 | 5,599,958 |
| Total business-type activities net assets | 14,732,177 | 13,078,134 | 11,996,725 | 13,949,852 | 12,623,489 | 12,562,101 | 10,498,915 | 9,930,645 | 9,456,060 |
| Primary Government | | | | | | | | | |
| Invested in Capital assets, net of related debt | 59,075,564 | 56,241,433 | 50,396,259 | 50,242,267 | 47,218,684 | 50,720,262 | 17,398,713 | 3,251,853 | 1,994,551 |
| Restricted for: | | | | | | | | | |
| Permanent Funds | 97,552 | 240,910 | 97,316 | 96,559 | 95,607 | 94,451 | 88,580 | 86,537 | 87,654 |
| Debt Service | | | | | | | | | |
| Capital Projects | | | | | | | | | |
| Specific Programs | | | | | | | | | |
| Unrestricted | | | | | | | | | |
| Total primary government net assets | 19,530,492 | 21,726,673 | 28,748,626 | 31,819,427 | 33,005,282 | 29,000,325 | 31,382,627 | 28,292,958 | 25,905,220 |
| | \$ 78,703,608 | \$ 78,209,016 | \$ 79,242,201 | \$ 82,158,253 | \$ 80,319,573 | \$ 79,815,038 | \$ 48,869,920 | \$ 31,631,348 | \$ 27,987,425 |

Note: nine years of data presented due to issuance of GASB 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments during fiscal year 2002.*

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 2
Changes in Net Assets, Last Nine Fiscal Years
Governmental Activities
(Accrual Basis of Accounting)

| Fiscal Year | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Expenses | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| General government | \$ 9,974,165 | \$ 9,023,524 | \$ 8,395,102 | \$ 7,879,939 | \$ 6,982,639 | \$ 6,722,225 | \$ 6,558,106 | \$ 6,207,401 | \$ 5,391,630 |
| Public Safety | 14,892,924 | 15,079,560 | 14,057,004 | 14,890,167 | 14,102,227 | 13,763,174 | 13,000,576 | 11,719,377 | 11,138,814 |
| Public Works | 5,473,361 | 5,752,332 | 6,271,283 | 8,424,583 | 4,293,248 | 3,427,940 | 4,116,279 | 4,696,321 | 4,232,614 |
| Parks and recreation | | | 17,039 | 325,669 | 331,434 | 284,710 | 500,417 | | |
| Senior Services | 585,405 | 602,691 | 561,099 | 421,340 | 329,396 | 298,143 | | | |
| Education | 64,204,131 | 63,759,458 | 62,367,064 | 62,748,553 | 60,406,926 | 58,426,032 | 55,583,451 | 54,738,498 | 54,941,481 |
| Public libraries | 1,485,486 | 1,540,763 | 1,462,576 | 1,462,395 | 1,311,869 | 1,426,343 | 1,055,453 | 1,186,589 | 1,185,692 |
| Per trust agreements | | | | | 25,933 | 40,748 | 30,248 | | |
| Human resources | | | | | | | | | |
| Debt Services | 1,900,192 | 2,002,951 | 2,243,730 | 2,318,247 | 2,245,068 | 1,836,140 | 1,832,206 | 2,083,706 | 2,625,066 |
| Other | | | | | | | 2,131,144 | 1,485,870 | 2,900,209 |
| Amortization | 99,859 | 99,859 | 91,376 | 79,495 | | | | | |
| Unallocated depreciation | | | | | 4,105,464 | 1,554,813 | | | |
| Total governmental activities | 98,615,523 | 97,861,138 | 95,466,273 | 98,550,388 | 94,134,204 | 87,810,516 | 84,777,632 | 82,117,762 | 82,415,506 |
| Business-type activities: | | | | | | | | | |
| Water | 1,239,737 | 2,178,836 | 4,888,182 | 2,936,959 | 2,973,401 | 2,121,390 | 2,552,342 | 2,259,774 | 2,166,391 |
| Q/D Recreation | 1,928,432 | 1,992,442 | 1,970,328 | 746,784 | 1,461,895 | 1,338,711 | 1,329,769 | 1,282,294 | 1,308,819 |
| School Cafeteria | 1,213,750 | 1,222,544 | 1,343,055 | 1,288,909 | | | | | |
| Water Capital Reserve Fund | 1,268,737 | 112,129 | 52,910 | 131,295 | | | | | |
| Other business-type activities | 265,907 | 153,564 | 418,699 | 402,438 | 1,385,278 | 1,585,318 | 1,420,496 | 1,416,646 | 1,291,890 |
| Total business-type activities | 5,916,563 | 5,659,515 | 8,673,174 | 5,506,385 | 5,820,574 | 5,045,419 | 5,302,607 | 4,958,714 | 4,767,100 |
| Total primary government expense | 104,532,086 | 103,520,653 | 104,139,447 | 104,056,773 | 99,954,778 | 92,855,935 | 90,080,239 | 87,076,476 | 87,182,606 |
| Program Revenues | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| General government | 2,107,218 | 1,473,838 | 1,252,645 | 3,959,542 | 1,571,397 | 1,498,424 | 1,815,913 | 2,615,797 | 2,613,286 |
| Public safety | 1,202,739 | 1,483,923 | 1,239,404 | 893,450 | 1,000,275 | 937,037 | 877,391 | 1,137,570 | 687,065 |
| Public works | 638,723 | 629,129 | 776,499 | 709,149 | 624,204 | 693,034 | 761,671 | 571,815 | 581,484 |
| Parks and recreation | | | | | 9,874 | 204,901 | 211,096 | | |
| Education | 2,670,209 | 2,215,041 | 2,522,073 | 2,380,751 | 2,350,550 | 2,276,599 | 2,543,882 | 2,329,670 | 2,123,849 |
| Public libraries | 288,221 | 252,329 | 256,239 | 262,371 | | | | | |
| Department of senior services | | | | 25,834 | 3,000 | 6,500 | | | |
| Other | | | | | | | | 165,423 | 260,267 |
| Operating grants and contributions | 18,510,107 | 18,355,271 | 18,521,338 | 18,703,733 | 18,916,120 | 18,466,460 | 19,340,305 | 17,007,379 | 16,341,986 |
| Total governmental activities program revenues | 25,417,217 | 24,409,531 | 24,568,198 | 26,944,704 | 24,670,447 | 24,089,150 | 25,339,162 | 23,827,654 | 22,607,937 |
| Business-type activities: | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| Water | 3,764,056 | 3,596,310 | 3,247,619 | 2,952,251 | 3,121,283 | 2,953,358 | 2,876,360 | 2,457,870 | 2,232,361 |
| Q/D Recreation | 1,741,758 | 1,797,973 | 1,770,058 | 1,819,703 | 1,957,790 | 1,841,284 | 1,659,252 | 1,583,353 | 1,553,365 |
| School Cafeteria | 560,199 | 624,765 | 794,838 | 801,522 | | | | | |
| Water Capital Reserve Fund | 148,413 | - | 18,896 | - | | | | | |
| Other business-type activities | 109,964 | 126,430 | 114,924 | 132,053 | 911,433 | 1,084,278 | 1,042,533 | 1,287,182 | 1,296,653 |
| Operating grants and contributions | 445,432 | 437,736 | 425,263 | 695,689 | 351,846 | 314,329 | 287,591 | | |
| Total business-type activities | 6,769,822 | 6,583,214 | 6,371,598 | 6,401,218 | 6,342,352 | 6,193,249 | 5,865,736 | 5,328,405 | 5,082,379 |
| Total primary government revenues | 32,187,039 | 30,992,745 | 30,939,796 | 33,345,922 | 31,012,799 | 30,282,399 | 31,204,898 | 29,156,059 | 27,690,316 |
| Net (Expense)/Revenue: | | | | | | | | | |
| Governmental activities | (73,198,306) | (73,451,607) | (70,898,075) | (71,605,684) | (69,463,757) | (63,721,366) | (59,438,470) | (58,290,108) | (59,807,569) |
| Business-type activities | 853,259 | 923,699 | (2,301,576) | 894,833 | 521,778 | 1,147,830 | 563,129 | 369,691 | 315,279 |
| Total primary government net expense | \$ (72,345,047) | \$ (72,527,908) | \$ (73,199,651) | \$ (70,710,851) | \$ (68,941,979) | \$ (62,573,536) | \$ (58,875,341) | \$ (57,920,417) | \$ (59,492,290) |

(Continued)

Note: nine years of data presented due to issuance of GASB 34 - *Basic Financial Statements-and Management's Discussion and Analysis for State and Local Governments* during fiscal year 2002.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 2
Changes in Net Assets, Last Nine Fiscal Years
Governmental Activities
(Accrual Basis of Accounting)

| Fiscal Year | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
|---|-------------------|-----------------------|-----------------------|---------------------|-------------------|---------------------|---------------------|---------------------|--------------------|
| General Revenues and Other Changes in Net Assets | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Property taxes | \$ 70,999,114 | \$ 66,424,556 | \$ 65,278,552 | \$ 64,727,956 | \$ 61,222,691 | \$ 59,439,540 | \$ 56,331,520 | \$ 53,530,984 | \$ 53,049,157 |
| Unrestricted investment earnings | 52,827 | 91,702 | 170,123 | 587,725 | 1,440,248 | 1,599,737 | 1,330,547 | 864,875 | 441,941 |
| Unrestricted intergovernmental revenue | 1,182,646 | 3,345,052 | 3,746,855 | 4,020,209 | 5,914,775 | 5,466,317 | 4,276,607 | 6,237,179 | 5,648,071 |
| Licenses and permits | | | 395,984 | 428,107 | 482,329 | 581,969 | 539,812 | | 114,912 |
| Other | 596,518 | 384,996 | 402,039 | 538,960 | 131,761 | 43,729 | 48,273 | 446,473 | |
| Proceeds of refunding debt | | | | | | | | 30,360,000 | |
| Refunding debt escrow agent | | | | | | | | (30,660,215) | |
| Bond premium | | | | | | | | 606,993 | |
| Bond issuance costs | | | | | | | | (188,635) | |
| Transfers | (400,999) | (348,101) | (319,691) | (235,197) | 715,100 | (657,909) | 170,064 | 134,862 | 278,383 |
| Total governmental activities | 72,430,106 | 69,898,205 | 69,673,862 | 70,067,760 | 69,906,904 | 66,473,383 | 62,696,823 | 61,332,516 | 59,532,464 |
| Business-type activities: | | | | | | | | | |
| Unrestricted investment earnings | 14,102 | 21,231 | 36,541 | 104,787 | 254,710 | 257,447 | 175,205 | 95,499 | 67,629 |
| Other | (143,098) | (88,833) | (10,783) | - | | | | 144,257 | 121,331 |
| Transfers | 400,999 | 348,101 | 319,691 | 235,197 | (715,100) | 657,909 | (170,064) | (134,862) | (278,383) |
| Total business-type activities | 272,003 | 280,499 | 345,449 | 339,984 | (460,390) | 915,356 | 5,141 | 104,894 | (89,423) |
| Total primary government | | 70,178,704 | 70,019,311 | 70,407,744 | 69,446,514 | 67,388,739 | 62,701,964 | 61,437,410 | 59,443,041 |
| Change in Net Assets | | | | | | | | | |
| Governmental activities | (768,200) | (3,553,402) | (1,224,213) | (1,537,924) | 443,147 | 2,752,017 | 3,258,353 | 3,042,408 | (275,105) |
| Business-type activities | 1,125,262 | 1,204,198 | (1,956,127) | 1,234,817 | 61,388 | 2,063,186 | 568,270 | 474,585 | 225,856 |
| Total primary government | \$ 357,062 | \$ (2,349,204) | \$ (3,180,340) | \$ (303,107) | \$ 504,535 | \$ 4,815,203 | \$ 3,826,623 | \$ 3,516,993 | \$ (49,249) |

(Concluded)

Note: nine years of data presented due to issuance of GASB 34 - *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* during fiscal year 2002.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 3
Fund Balance, Governmental Funds, Last Ten Years
(Modified Accrual of Accounting)

| FISCAL YEAR | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Non-Spendable | \$ 742,730.00 | \$ 1,200,000 | \$ - | | | | | | | |
| Restricted | | | | | | | | | | |
| Committed | | | | | | | | | | |
| Assigned | | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| Reserved | | | | | | | | | | |
| Unreserved | | | | | | | | | | |
| Total General Fund | 13,358,962 | 10,662,469 | 10,315,751 | 10,153,114 | 10,817,979 | 10,432,990 | 10,083,336 | 9,726,697 | 9,588,276 | 8,636,351 |
| School Fund | | | | | | | | | | |
| Non-Spendable | 118,957 | 143,457 | | | | | | | | |
| Restricted | 1,590,226 | | | | | | | | | |
| Committed | 148,034 | 2,506,812 | | | | | | | | |
| Assigned | 60,522 | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| Reserved | | | | | | | | | | |
| Unreserved | | | | | | | | | | |
| Total School Fund | 1,917,739 | 2,650,269 | 3,351,331 | 2,412,579 | 1,953,326 | 1,366,722 | 2,097,663 | 1,186,753 | 912,893 | 2,413,348 |
| All Other Governmental Funds | | | | | | | | | | |
| Non-Spendable | 97,453 | | | | | | | | | |
| Restricted | 2,976,801 | 5,180,939 | | | | | | | | |
| Committed | | 1,562,007 | | | | | | | | |
| Assigned | | | | | | | | | | |
| Unassigned | | | | | | | | | | |
| Reserved | | | | | | | | | | |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | | | | | | | | | | |
| Capital project funds | | | | | | | | | | |
| Permanent funds | | | | | | | | | | |
| Total all other governmental funds | 3,179,331 | 6,764,893 | 6,378,901 | 12,334,161 | 25,914,700 | 5,946,877 | 9,596,225 | 8,085,268 | 7,494,291 | 8,704,234 |
| Total governmental funds | \$ 18,456,032 | \$ 20,077,631 | \$ 20,045,983 | \$ 24,899,854 | \$ 38,686,005 | \$ 17,746,589 | \$ 21,777,224 | \$ 18,998,718 | \$ 17,995,460 | \$ 19,753,933 |

Note: Fund balance classifications were updated during FY2011 as a result of implementation of GASB 54 (Fund Balance Reporting and Governmental Fund Types)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 4
Changes in Fund Balance, Governmental Funds, Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| FISCAL YEAR | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|---|-----------------------|-------------------|-----------------------|---------------------|---------------------|-----------------------|---------------------|---------------------|-----------------------|---------------------|
| Revenues: | | | | | | | | | | |
| General property taxes | \$ 70,520,575 | \$ 68,789,883 | \$ 65,239,235 | \$ 64,310,326 | \$ 61,187,866 | \$ 58,892,935 | \$ 56,100,311 | \$ 53,653,354 | \$ 53,805,401 | \$ 51,272,225 |
| Intergovernmental | 20,857,798 | 23,345,847 | 23,811,321 | 26,137,118 | 24,345,666 | 23,199,098 | 22,292,512 | 21,486,434 | 19,567,049 | 18,606,909 |
| Departmental | 2,187,839 | 2,366,540 | 2,485,237 | 2,639,445 | 1,993,198 | 1,923,295 | 2,054,915 | 2,130,545 | 1,867,836 | 1,686,501 |
| Licenses and permits | | | | | | | | | | |
| Investment income | 51,089 | 89,055 | 395,984 | 428,107 | 482,129 | 581,969 | 539,812 | 442,178 | 524,995 | 355,158 |
| On behalf pension contribution | 2,361,865 | 2,042,196 | 164,723 | 568,801 | 1,394,171 | 1,540,098 | 1,277,430 | 817,032 | 403,138 | 365,601 |
| Other | 596,518 | 384,996 | 2,018,495 | 402,039 | 2,188,350 | 538,960 | 4,328,119 | 4,476,803 | 5,308,497 | 6,452,149 |
| Total revenues | 96,575,684 | 97,018,517 | 94,517,034 | 96,811,107 | 93,731,349 | 90,614,198 | 87,573,477 | 84,981,692 | 82,579,460 | 77,656,058 |
| Expenditures: | | | | | | | | | | |
| General Government | 8,300,521 | 6,775,968 | 6,572,946 | 6,069,341 | 6,619,016 | 6,348,375 | 6,531,836 | 7,310,123 | 6,437,736 | 6,303,068 |
| Public Safety | 14,687,912 | 14,444,093 | 14,344,039 | 14,018,207 | 13,965,387 | 13,586,608 | 12,557,047 | 11,551,917 | 11,297,060 | 10,151,088 |
| Public works | 4,111,437 | 4,096,839 | 4,047,594 | 4,542,437 | 4,320,322 | 3,875,742 | 4,158,503 | 4,530,289 | 4,330,139 | 3,316,262 |
| Parks and recreation | 10,880 | 12,363 | 6,527 | 317,648 | 330,658 | 283,747 | 499,780 | 585,699 | 593,594 | 376,334 |
| Senior services | 593,228 | 597,116 | 511,999 | 459,338 | 332,711 | 340,782 | 285,376 | 297,474 | 286,475 | 271,638 |
| Education | 60,097,643 | 59,172,692 | 59,172,692 | 58,670,436 | 60,453,700 | 58,983,401 | 54,882,418 | 53,810,038 | 53,565,325 | 47,534,281 |
| Public libraries | 1,417,361 | 1,472,638 | 1,394,451 | 1,392,669 | 1,311,869 | 1,304,033 | 1,223,869 | 1,101,657 | 1,173,407 | 1,041,109 |
| Per trust agreements | | | | | | | | | | |
| Human resources | | | | | | | | | | |
| On behalf pension contribution | 2,361,865 | 2,042,196 | 2,018,495 | 2,188,350 | - | 25,933 | 40,748 | 55,939 | 35,730 | 228,162 |
| Debt service: | | | | | | | | | | |
| Principal | 3,566,850 | 3,686,694 | 3,474,190 | 3,559,192 | 3,294,192 | 3,404,192 | 3,624,190 | 3,309,194 | 3,319,190 | 184,879 |
| Interest and other costs | 1,926,236 | 2,059,589 | 2,371,284 | 2,122,236 | 2,068,511 | 1,851,579 | 1,801,980 | 2,409,259 | 2,564,086 | 138,295 |
| Capital expenditures | 1,194,849 | 905,437 | 4,919,600 | 10,185,026 | 8,164,270 | 4,145,728 | 2,313,693 | 673,545 | 1,553,726 | 2,725,731 |
| Total expenditures | 98,530,568 | 96,736,268 | 99,255,802 | 103,881,242 | 101,064,870 | 94,195,183 | 88,006,288 | 84,441,962 | 84,616,315 | 74,779,245 |
| Excess (deficiency) of revenues over expenditures | (1,934,84) | 282,249 | (4,738,768) | (7,070,135) | (7,333,521) | (3,580,985) | (432,811) | 539,730 | (2,036,855) | 2,876,813 |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds of bond issuance | | | | | | | | | | |
| Refunding Debt Escrow Agent | | | | | | | | | | |
| Bond premium | | | | | | | | | | |
| Bond issuance costs | | | | | | | | | | |
| Lease Proceeds | 50,348,573 | 51,428,979 | 50,902,493 | 49,918,906 | 49,516,906 | 46,054,711 | 44,197,516 | 43,615,244 | 41,708,213 | 38,965,689 |
| Transfers in | (50,649,572) | (51,679,580) | (51,124,684) | (50,018,335) | (48,561,829) | (46,504,361) | (43,826,199) | (43,269,859) | (41,429,230) | (38,560,448) |
| Transfers out | | | | | | | | | | |
| Total other financing sources (uses) | (300,999) | (250,601) | (115,103) | 9,690,571 | 11,955,077 | (449,650) | 3,211,317 | 463,528 | 278,383 | 405,241 |
| Net change in fund balances | \$ (2,255,883) | \$ 31,648 | \$ (4,853,871) | \$ 2,620,436 | \$ 4,621,556 | \$ (4,030,635) | \$ 2,778,506 | \$ 1,003,258 | \$ (1,758,472) | \$ 3,282,054 |
| Debt service as a percentage of noncapital expenditures | 5.64% | 6.00% | 6.20% | 6.06% | 5.77% | 5.84% | 6.33% | 6.83% | 7.07% | 8.13% |

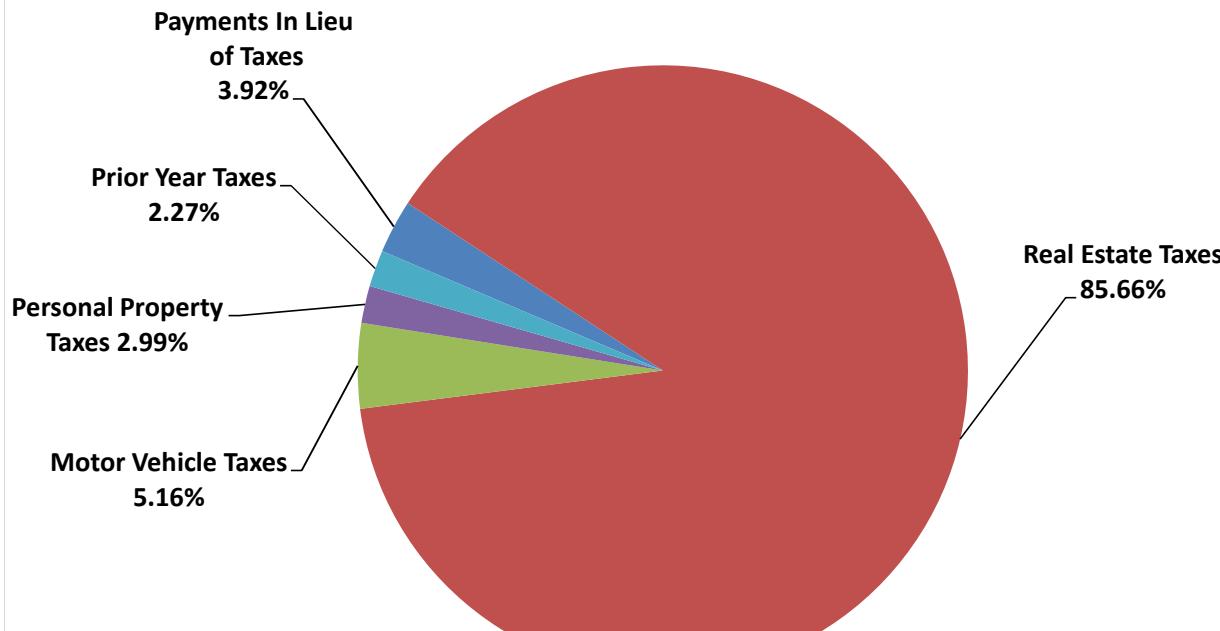
Notes:
 Intergovernmental and Departmental revenues were combined until Fiscal Year 2003
 Parks and recreation, Senior services and Human resources were combined until Fiscal Year 2003

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 5
Tax Revenue by Source, Governmental Funds
Last Ten Years

| Fiscal Year Ended June 30 | Payments in Lieu of Taxes | Real Estate Taxes | Motor Vehicle Taxes | Personal Property Taxes | Prior Year Taxes | Totals |
|--|--------------------------------------|--------------------------|--------------------------------|------------------------------------|-------------------------|---------------|
| 2012 | \$ 2,750,915 | \$ 60,053,372 | \$ 3,615,947 | \$ 2,093,538 | \$ 1,594,201 | \$ 70,107,973 |
| 2011 | \$ 2,535,756 | \$ 58,342,861 | \$ 3,526,543 | \$ 1,970,429 | \$ 2,442,692 | \$ 68,818,281 |
| 2010 | \$ 2,027,720 | \$ 56,957,343 | \$ 2,222,798 | \$ 1,609,036 | \$ 1,546,831 | \$ 64,363,728 |
| 2009 | \$ 1,832,908 | \$ 56,653,099 | \$ 2,858,398 | \$ 1,355,400 | \$ 1,293,807 | \$ 63,993,612 |
| 2008 | \$ 1,731,508 | \$ 54,056,434 | \$ 2,740,719 | \$ 1,199,130 | \$ 1,169,716 | \$ 60,897,507 |
| 2007 | \$ 1,797,214 | \$ 51,560,229 | \$ 2,885,543 | \$ 1,315,986 | \$ 1,075,577 | \$ 58,634,549 |
| 2006 | \$ 1,932,964 | \$ 48,706,823 | \$ 2,998,680 | \$ 1,253,190 | \$ 1,000,309 | \$ 55,891,966 |
| 2005 | \$ 1,911,952 | \$ 46,621,254 | \$ 2,623,349 | \$ 1,185,974 | \$ 1,003,704 | \$ 53,346,233 |
| 2004 | \$ 2,389,421 | \$ 45,232,284 | \$ 2,762,556 | \$ 1,911,634 | \$ 1,203,814 | \$ 53,499,709 |
| 2003 | \$ 2,097,705 | \$ 43,130,374 | \$ 2,742,140 | \$ 1,805,045 | \$ 1,185,060 | \$ 50,960,324 |

General Fund Tax Revenues
Fiscal Year Ended June 30, 2012

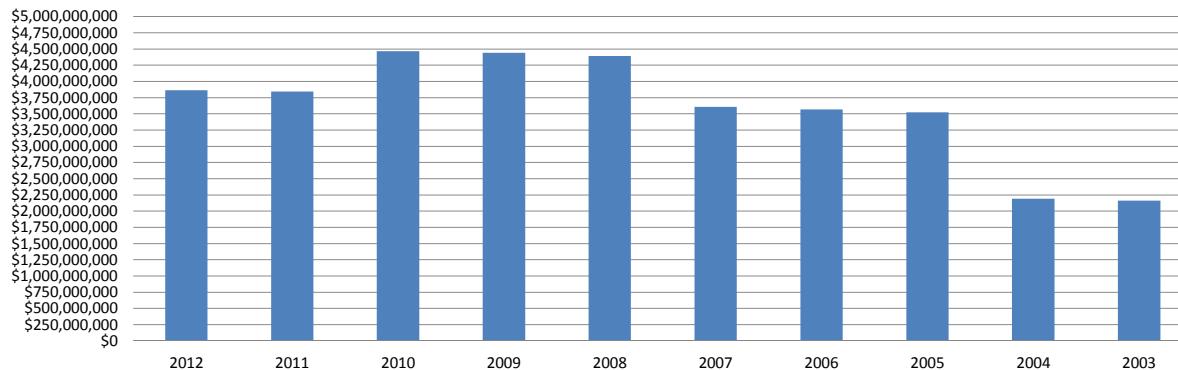


TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 6
Assessed Values and Actual Values of Taxable Property
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Assessed Value | | | | | | Total Taxable Assessed Value | Total Rate Real Property | Total Tax Rate Motor Vehicle | Total Tax Rate Inventory | Estimated Actual Taxable Value | Real Estate Only Assessed Value as a Percentage of Actual Value |
|---------------------------------|------------------|-------------------|-----------|----------------|-----------------|----------------------|---------------------------------------|--------------------------------|---------------------------------------|-----------------------------------|---|--|
| | Real Estate | Personal Property | Inventory | Motor Vehicles | Less Exemptions | Total Tax Rate | | | | | | |
| 2012 | \$ 3,614,189,975 | \$ 123,644,070 | | \$ 196,686,506 | \$ 72,151,505 | \$ 3,862,369,046 | \$ 17.26 | \$ 22.04 | \$ 17.50 | \$ 4,838,068,045 | 0.80 | |
| 2011 | \$ 3,606,985,580 | \$ 119,111,190 | | \$ 190,039,305 | \$ 71,146,836 | \$ 3,844,989,239 | \$ 16.85 | \$ 22.04 | \$ 17.10 | \$ 4,503,319,774 | 0.86 | |
| 2010 | \$ 4,298,501,545 | \$ 118,987,280 | | \$ 244,213,902 | \$ 197,687,280 | \$ 4,464,015,447 | \$ 13.97 | \$ 22.04 | \$ 14.16 | \$ 6,897,514,082 | 0.66 | |
| 2009 | \$ 4,269,958,905 | \$ 100,038,690 | | \$ 270,442,815 | \$ 199,827,415 | \$ 4,440,612,995 | \$ 13.83 | \$ 22.04 | | \$ 6,329,096,905 | 0.72 | |
| 2008 | \$ 4,238,884,090 | \$ 91,778,320 | | \$ 259,144,446 | \$ 196,696,764 | \$ 4,393,110,092 | \$ 13.30 | \$ 22.04 | | \$ 5,928,401,832 | 0.76 | |
| 2007 | \$ 3,440,758,510 | \$ 88,604,990 | | \$ 264,447,537 | \$ 186,437,005 | \$ 3,607,374,032 | \$ 15.55 | \$ 22.04 | | \$ 4,498,544,708 | 0.83 | |
| 2006 | \$ 3,401,172,700 | \$ 86,288,720 | | \$ 250,051,917 | \$ 169,029,676 | \$ 3,568,483,661 | \$ 14.85 | \$ 22.04 | | \$ 3,737,513,337 | 1.00 | |
| 2005 | \$ 3,373,797,470 | \$ 84,417,360 | | \$ 221,425,702 | \$ 154,036,444 | \$ 3,525,604,088 | \$ 14.38 | \$ 22.04 | | \$ 4,991,672,881 | 0.72 | |
| 2004 | \$ 2,011,507,975 | \$ 85,317,810 | | \$ 228,647,217 | \$ 136,310,757 | \$ 2,189,162,245 | \$ 23.31 | \$ 22.04 | | \$ 2,737,468,611 | 0.83 | |
| 2003 | \$ 1,986,996,310 | \$ 82,121,190 | | \$ 226,694,293 | \$ 134,732,509 | \$ 2,161,079,284 | \$ 22.60 | \$ 22.04 | | \$ 2,357,265,287 | 0.97 | |

**Assessed Values
by Grand Lists**



Source: Town of North Kingstown Tax Assessor

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 7
Direct Property Tax Sales
Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Real Estate & Personal Property | Direct Rates | | | Total Direct Rate |
|----------------------------------|---------------------------------------|-------------------|-----------|--|----------------------|
| | | Motor Vehicles | Inventory | | |
| 2012 | \$ 17.51 | \$ 22.04 | | | \$ 17.50 |
| 2011 | \$ 16.85 | \$ 22.04 | | | \$ 17.10 |
| 2010 | \$ 13.97 | \$ 22.04 | | | \$ 14.16 |
| 2009 | \$ 13.83 | \$ 22.04 | | | |
| 2008 | \$ 13.30 | \$ 22.04 | | | |
| 2007 | \$ 15.55 | \$ 22.04 | | | |
| 2006 | \$ 14.85 | \$ 22.04 | | | |
| 2005 | \$ 14.38 | \$ 22.04 | | | |
| 2004 | \$ 23.31 | \$ 22.04 | | | |
| 2003 | \$ 22.60 | \$ 22.04 | | | |

Source: Town of North Kingstown Tax Assessor

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 7A
Assessed Values and Actual Values of Taxable Property
Calculation of Total Direct Tax Rate for Fiscal Year Ended June 30, 2012

| Category | Assessed Value | Direct Rate Per \$1,000 | Total Tax Levy |
|--------------------------------|------------------------|-------------------------------|---------------------------------|
| Real Estate | \$ 3,614,189,975 | | |
| Less Exemptions | \$ 70,303,120 | | |
| Net Real Estate | \$ 3,543,886,855 | \$ 17.26 | \$ 61,167,487 |
| Tangible/Personal Property | \$ 123,644,070 | | |
| Less Exemptions | \$ 461,740 | | |
| Net Tangible/Personal Property | \$ 123,182,330 | \$ 17.26 | \$ 2,126,127 |
| Motor Vehicle | \$ 196,686,506 | | |
| Less Exemptions | \$ 1,386,645 | | |
| Net Motor Vehicle | \$ 195,299,861 | \$ 22.04 | \$ 4,304,409 |
| | <hr/> \$ 3,862,369,046 | <hr/> | <hr/> \$ 67,598,023 |
| Total Assessed Value | \$ 3,862,369,046 | | |
| Divided by Total Tax Levy | \$ 67,598,023 | | |
| (Times 1,000) | <hr/> | <hr/> | <hr/> \$ 17.50 |
| | | | Weighted Ave./Total Direct Rate |

Source: Town of North Kingstown Tax Assessor

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 8
Principal Property Tax Payers
Current Year and Ten Years Ago

| 2012 | | | | 2003 | | | |
|-------------------------------------|------------------------------|------|--|---------------------------------|------------------------------|------|--|
| | Taxable Assessed Value | Rank | Percent of Total Town Taxable Assessed Value | | Taxable Assessed Value | Rank | Percent of Total Town Taxable Assessed Value |
| NARRAGANSETT ELECTRIC CO | \$ 53,240,730 | 1 | 1.19% | NARRAGANSETT ELECTRIC CO | \$ 26,155,690.00 | 1 | 1.14% |
| PRECISION PARK RHODE ISLAND LLC | \$ 14,652,000 | 2 | 0.33% | BNS CO | \$ 15,265,600.00 | 2 | 0.66% |
| HOME DEPOT USA INC | \$ 14,448,280 | 3 | 0.32% | NEW PLAN HUNT RIVER COMMONS LLC | \$ 10,440,700.00 | 3 | 0.45% |
| LISCHIO DEVELOPMENT CO. LLC | \$ 14,281,000 | 4 | 0.32% | HOME DEPOT USA INC | \$ 9,976,370.00 | 4 | 0.43% |
| ZAKOPANE REAL ESTATE ASSOC INC | \$ 13,812,800 | 5 | 0.31% | WAL-MART STORES INC | \$ 8,187,900.00 | 5 | 0.36% |
| WAL-MART REAL ESTATE BUSINESS TRUST | \$ 12,862,800 | 6 | 0.29% | ZAKAPONE REAL ESTATE ASSOC IN | \$ 8,017,400.00 | 6 | 0.35% |
| NEW PLAN HUNT RIVER COMMONS LLC | \$ 12,284,200 | 7 | 0.28% | NEW ENGLAND GAS CO | \$ 6,904,330.00 | 7 | 0.30% |
| HERITAGE PRESERVATION ASSOC | \$ 11,020,500 | 8 | 0.25% | TORAY PLASTICS AMERICA | \$ 6,813,470.00 | 8 | 0.30% |
| MILLCREEK LIMITED LIABILITY CO | \$ 10,560,000 | 9 | 0.24% | ARCH SPECIALTY CHEMICALS INC | \$ 6,615,770.00 | 9 | 0.29% |
| FUJIFILM ELECTRONIC MATERIALS | \$ 9,700,400 | 10 | 0.22% | QUIDNESSET COUNTRY CLUB | \$ 6,041,120.00 | 10 | 0.26% |
| LOWES HOME CENTERS INV | \$ 9,060,430 | 11 | 0.20% | HERITAGE VILLAGE ASSOCIATES | \$ 5,779,300.00 | 11 | 0.25% |
| ESSEX VILLAGE COMPANY | \$ 7,822,600 | 12 | 0.18% | MILLCREEK LIMITED | \$ 4,717,400.00 | 12 | 0.21% |
| MEADOWS PROFESSIONAL | \$ 7,343,100 | 13 | 0.16% | MEADOWS PROFESSIONAL | \$ 4,582,300.00 | 13 | 0.20% |
| QUIDNESSET CNTRY CLUB INC | \$ 7,121,600 | 14 | 0.16% | ESSEX VILLAGE COMPANY | \$ 4,506,300.00 | 14 | 0.20% |
| WEST DAVISVILLE REALTY CO LLC | \$ 6,930,900 | 15 | 0.16% | KINGSTOWN PLAZA LIMITED PART | \$ 4,086,300.00 | 15 | 0.18% |
| KOHLS DEPT STORES | \$ 6,706,130 | 16 | 0.15% | WICKFORD JUNCTION ASSOC LLC | \$ 4,082,100.00 | 16 | 0.18% |
| KINGSTOWN PLAZA LIMITED PARTN | \$ 6,672,600 | 17 | 0.15% | KINGS GRANT CO | \$ 3,964,600.00 | 19 | 0.17% |
| DOMINION DIAGNOSTICS LLC | \$ 6,645,270 | 18 | 0.15% | COXCOM INC | \$ 3,870,900.00 | 17 | 0.17% |
| WICKFORD VILLAGE REALTY | \$ 6,561,980 | 19 | 0.15% | HIGH LEA PROPERTIES LLC | \$ 3,797,900.00 | 18 | 0.17% |
| WICKFORD SHIPYARD INC | \$ 6,419,800 | 20 | 0.14% | WICKFORD SHIPYARD INC | \$ 3,637,900.00 | 20 | 0.16% |
| GOLDLINE PROPERTIES | \$ 6,307,200 | 21 | 0.14% | WICKFORD VILLAGE ASSOCIATES | \$ 3,619,500.00 | 21 | 0.16% |
| HIGH LEA PROPERTIES LLC | \$ 6,196,500 | 22 | 0.14% | SOUTH COUNTY NURSING & REHAB | \$ 3,125,500.00 | 22 | 0.14% |
| WICKBAY PROPERTIES INC | \$ 6,130,100 | 23 | 0.14% | STONE, DON W | \$ 2,861,900.00 | 23 | 0.12% |
| TORAY PLASTICS AMERICA INC | \$ 6,016,710 | 24 | 0.13% | WFD ASSOCIATES LP | \$ 2,683,400.00 | 24 | 0.12% |
| KINGS GRANT CO | \$ 5,793,400 | 25 | 0.13% | GALAHAD REIT HOLDING CO | \$ 2,628,000.00 | 25 | 0.11% |

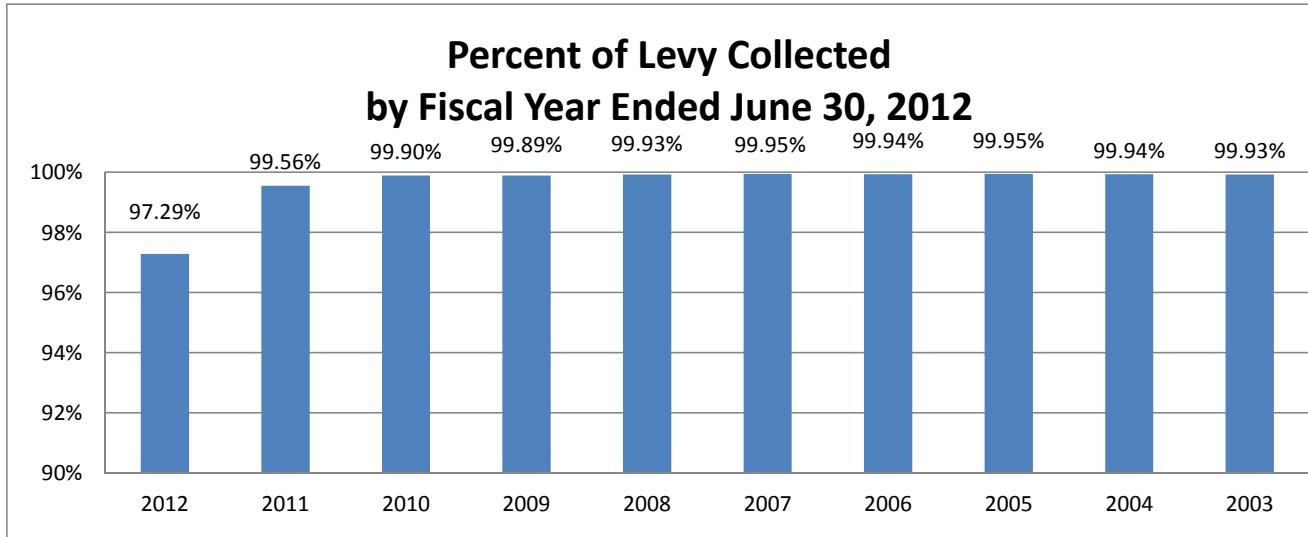
Source: Town of North Kingstown Tax Assessor

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 9
Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Amount Uncollected as of 6/30/12 | Amount Collected in Subsequent Years as of 6/30/12 | Total Collections as of 6/30/12 | Total Collected Amount as a Percentage of Levy |
|---------------------------|----------------------------------|--|--------------------|----------------------------------|--|---------------------------------|--|
| | | Amount | Percentage of Levy | | | | |
| 2012 | \$ 67,597,376 | \$ 65,762,857 | 97.29% | \$ 1,758,642 | \$ - | \$ 65,762,857 | 97.29% |
| 2011 | \$ 65,779,328 | \$ 60,789,176 | 92.41% | \$ 292,606 | \$ 4,697,546 | \$ 65,486,722 | 99.56% |
| 2010 | \$ 65,343,129 | \$ 60,866,897 | 93.15% | \$ 68,565 | \$ 4,407,667 | \$ 65,274,564 | 99.90% |
| 2009 | \$ 62,565,154 | \$ 57,996,283 | 92.70% | \$ 66,889 | \$ 4,501,982 | \$ 62,498,265 | 99.89% |
| 2008 | \$ 59,651,265 | \$ 55,761,758 | 93.48% | \$ 40,872 | \$ 3,848,635 | \$ 59,610,393 | 99.93% |
| 2007 | \$ 57,054,064 | \$ 52,958,693 | 92.82% | \$ 31,283 | \$ 4,064,088 | \$ 57,022,781 | 99.95% |
| 2006 | \$ 54,362,286 | \$ 50,430,577 | 92.77% | \$ 34,757 | \$ 3,896,952 | \$ 54,327,529 | 99.94% |
| 2005 | \$ 51,916,203 | \$ 49,906,474 | 96.13% | \$ 26,902 | \$ 1,982,827 | \$ 51,889,301 | 99.95% |
| 2004 | \$ 51,182,468 | \$ 47,677,559 | 93.15% | \$ 32,125 | \$ 3,472,784 | \$ 51,150,343 | 99.94% |
| 2003 | \$ 49,090,096 | \$ 45,626,201 | 92.94% | \$ 34,030 | \$ 3,429,865 | \$ 49,056,066 | 99.93% |

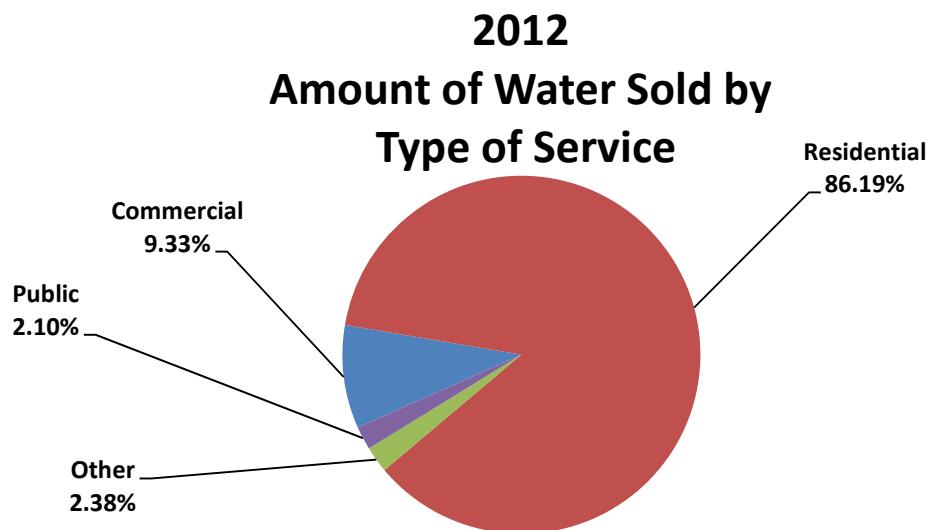
Source: Town of North Kingstown Tax Assessor and Finance Departments



TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**Schedule 10
Water Sold by Type of Service
Last Ten Calendar Years**

| Fiscal Year | Type of Service | | | | Total |
|--------------------|------------------------|--------------------|--------------|---------------|---------------|
| | Commercial | Residential | Other | Public | |
| 2012 | 63,070,940 | 582,696,249 | 16,087,950 | 14,196,238 | 676,051,377 |
| 2011 | 153,245,450 | 692,475,957 | 18,734,980 | 15,855,300 | 880,311,687 |
| 2010 | 66,144,706 | 597,828,414 | 15,831,630 | 12,976,533 | 692,781,283 |
| 2009 | 76,761,854 | 667,485,803 | 21,045,040 | 16,443,472 | 781,736,169 |
| 2008 | 69,827,939 | 737,898,130 | 58,583,363 | 17,347,062 | 883,656,494 |
| 2007 | 75,213,320 | 666,404,419 | 10,694,594 | 11,236,260 | 763,548,593 |
| 2006 | 59,812,660 | 566,963,705 | 6,010,500 | 10,111,350 | 642,898,215 |
| 2005 | 71,331,330 | 727,902,558 | 8,847,020 | 22,658,056 | 830,738,964 |
| 2004 | 64,643,680 | 568,184,747 | 8,499,400 | 7,993,173 | 649,321,000 |
| 2003 | 49,583,850 | 872,035,060 | 13,862,625 | 121,555,750 | 1,057,037,285 |



Town of North Kingstown, Rhode Island

**Schedule 11
Water Rates
Last Ten Fiscal Years**

| Fiscal Year | Base Rate | Rate per 1,000 Gallons |
|----------------|--------------|------------------------------|
| 2012 | \$ 14.260 | \$ 3.280 |
| 2011 | \$ 14.260 | \$ 3.000 |
| 2010 | \$ 14.260 | \$ 3.000 |
| 2009 | \$ 14.260 | \$ 2.800 |
| 2008 | \$ 13.720 | \$ 2.920 |
| 2007 | \$ 18.300 | \$ 2.500 |
| 2006 | \$ 13.490 | \$ 2.400 |
| 2005 | \$ 13.260 | \$ 2.200 |
| 2004 | \$ 13.030 | \$ 2.050 |
| 2003 | \$ 12.410 | \$ 1.935 |

Source: North Kingstown Water Department

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 12
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

| Fiscal Year June 30, | Governmental Activities General Obligation Bonds | Business-Type Activities | | | | Net Bonded Debt as % of Taxable Assessed Value |
|-------------------------|---|--------------------------|------------------|------------------|----------------------------|--|
| | | Water Bonds | Recreation Bonds | Davisville Bonds | Quonset/ Government Income | |
| 2012 | \$ 45,408,940 | \$ 3,131,763 | \$ 216,060 | \$ 48,756,763 | 1043.24% | \$ 1,841 \$ 3,862,369,046 1.26% |
| 2011 | \$ 48,975,790 | \$ 3,775,726 | \$ 249,210 | \$ 53,000,726 | 1134.04% | \$ 2,013 \$ 3,844,989,239 1.38% |
| 2010 | \$ 52,662,484 | \$ 4,800,000 | \$ 282,516 | \$ 57,745,000 | 1235.56% | \$ 2,193 \$ 4,464,015,447 1.29% |
| 2009 | \$ 56,352,917 | \$ - | \$ 306,916 | \$ 56,659,833 | 1212.34% | \$ 2,152 \$ 4,440,612,995 1.28% |
| 2008 | \$ 49,702,276 | \$ - | \$ 337,724 | \$ 50,040,000 | 1070.69% | \$ 1,901 \$ 4,393,110,092 1.14% |
| 2007 | \$ 41,996,465 | \$ - | \$ - | \$ 41,996,465 | 898.59% | \$ 1,595 \$ 3,607,374,032 1.16% |
| 2006 | \$ 45,405,657 | \$ 513,540 | \$ 114,198 | \$ 46,033,395 | 984.97% | \$ 1,749 \$ 3,568,483,661 1.29% |
| 2005 | \$ 46,184,851 | \$ 652,409 | \$ 222,261 | \$ 47,059,521 | 1006.92% | \$ 1,788 \$ 3,525,604,088 1.33% |
| 2004 | \$ 47,904,043 | \$ 785,428 | \$ 324,448 | \$ 49,013,919 | 1048.74% | \$ 1,862 \$ 2,189,162,245 2.24% |
| 2003 | \$ 51,213,233 | \$ 912,869 | \$ 421,079 | \$ 52,547,181 | 1124.34% | \$ 1,996 \$ 2,161,079,284 2.43% |

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements
*See Schedule 16 for personal income and population data.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 13
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year June 30, | Governmental Activities General Obligation Bonds | Percentage of Actual Taxable Value of Property | Per Capita* |
|----------------------------|--|--|----------------|
| 2012 | \$ 45,408,940 | 1.18% | \$ 1,714.45 |
| 2011 | \$ 48,975,790 | 1.27% | \$ 1,849.12 |
| 2010 | \$ 52,662,484 | 1.18% | \$ 2,000.40 |
| 2009 | \$ 56,352,917 | 1.27% | \$ 2,140.58 |
| 2008 | \$ 49,702,276 | 1.13% | \$ 1,887.95 |
| 2007 | \$ 41,996,465 | 1.18% | \$ 1,595.25 |
| 2006 | \$ 45,400,659 | 1.29% | \$ 1,724.56 |
| 2005 | \$ 46,184,851 | 2.11% | \$ 1,754.34 |
| 2004 | \$ 47,904,043 | 2.22% | \$ 1,819.65 |
| 2003 | \$ 51,213,233 | 2.40% | \$ 1,945.35 |

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

^ See Schedule 6 for property value data.

* Population data can be found in Schedule 16.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 14
Legal Debt Margin Information
Last Ten Fiscal Years

| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total assessed value | \$ 3,862,369,046 | \$ 3,844,989,239 | \$ 4,464,015,447 | \$ 4,440,612,995 | \$ 4,393,110,092 | \$ 3,568,483,661 | \$ 3,525,604,088 | \$ 2,189,162,245 | \$ 2,161,079,284 | \$ 2,136,496,317 |
| Rhode Island General Law debt limitation as % of assessed value | \$ 115,871,071 | \$ 115,349,677 | \$ 133,920,463 | \$ 133,218,390 | \$ 131,793,303 | \$ 107,054,510 | \$ 105,768,123 | \$ 65,674,867 | \$ 64,832,379 | \$ 64,094,890 |
| Debt applicable to limit: | | | | | | | | | | |
| QD Recreation Issue | \$ 216,060 | \$ 249,210 | \$ 282,516 | \$ 306,916 | \$ 368,533 | \$ 399,342 | \$ 430,148 | \$ 460,980 | \$ 491,790 | \$ 522,600 |
| Water Tower Issue | \$ 216,060 | \$ 249,210 | \$ 282,516 | \$ 306,916 | \$ 368,533 | \$ 399,342 | \$ 430,148 | \$ 460,980 | \$ 491,790 | \$ 522,600 |
| Bonded Debt Subject to Limit | | | | | | | | | | |
| Legal debt limit | \$ 115,871,071 | \$ 115,349,677 | \$ 133,920,463 | \$ 133,218,390 | \$ 131,793,303 | \$ 107,054,510 | \$ 105,768,123 | \$ 65,674,867 | \$ 64,832,379 | \$ 64,094,890 |
| Total net debt applicable to the limit | \$ 216,060 | \$ 249,210 | \$ 282,516 | \$ 306,916 | \$ 368,533 | \$ 399,342 | \$ 430,148 | \$ 460,980 | \$ 491,790 | \$ 522,600 |
| Legal debt margin | \$ 115,655,011 | \$ 115,100,467 | \$ 133,637,947 | \$ 132,911,474 | \$ 131,424,770 | \$ 106,540,970 | \$ 105,653,925 | \$ 65,452,606 | \$ 65,648,727 | \$ 64,706,201 |
| Total net debt applicable to the limit as a percentage of debt limit | 0.10% | 0.22% | 0.21% | 0.23% | 0.28% | 0.48% | 0.62% | 1.20% | 1.41% | 1.61% |

Note: The Town has only one debt issue outstanding under the Maximum Aggregate Indebtedness provision (3% Debt Limit) - Rhode Island General Law 45-12-2.

All other Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

The State Legislature may by special act permit the Town to incur indebtedness in excess of the three percent (3%) limit in accordance with Rhode Island General Law 45-12-11. The Town of North Kingstown has never requested authorization under the Authority for the issuance of Indebtedness Excess - Rhode Island General Law 45-12-11.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 15
Pledged Revenue Coverage
Water Bonds
Last Ten Fiscal Years

| Fiscal Year June 30, | Gross Revenue | Less: Operating Expenses | Net Available Revenue | Debt Service | | Coverage | |
|----------------------------|------------------|--------------------------------|-----------------------------|--------------|------------|----------------|------------|
| | | | | Principal | Interest | Dollars | Percentage |
| 2012 | \$ 3,502,897 | \$ 2,793,045 | \$ 709,852 | \$ 145,526 | \$ 136,726 | \$ 427,600 | 151.50% |
| 2011 | \$ 3,611,243 | \$ 2,260,300 | \$ 1,350,943 | \$ 500 | \$ 114,550 | \$ 1,235,893 | 1074.22% |
| 2010 | \$ 3,268,486 | \$ 4,888,182 | \$ (1,619,696) | \$ - | \$ - | \$ (1,619,696) | 0.00% |
| 2009 | \$ 3,332,808 | \$ 2,936,959 | \$ 395,849 | \$ - | \$ 6,566 | \$ 389,283 | 5928.77% |
| 2008 | \$ 3,281,482 | \$ 2,702,281 | \$ 579,201 | \$ 114,197 | \$ 6,566 | \$ 458,438 | 379.62% |
| 2007 | \$ 2,953,358 | \$ 2,114,824 | \$ 838,534 | \$ 108,063 | \$ 12,780 | \$ 717,691 | 593.90% |
| 2006 | \$ 2,876,360 | \$ 2,539,562 | \$ 336,798 | \$ 102,187 | \$ 18,656 | \$ 215,955 | 178.71% |
| 2005 | \$ 2,534,054 | \$ 2,241,119 | \$ 292,935 | \$ 96,631 | \$ 24,212 | \$ 172,092 | 142.41% |
| 2004 | \$ 2,266,601 | \$ 1,920,257 | \$ 346,344 | \$ 91,377 | \$ 29,466 | \$ 225,501 | 186.61% |
| 2003 | \$ 2,320,485 | \$ 1,805,529 | \$ 514,956 | \$ 86,408 | \$ 34,435 | \$ 394,113 | 326.14% |

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

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 16
Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year June 30, | Population | Per Capita Personal Income | Total Personal Income (thousands) | School Enrollment | Unemployment Rate |
|-------------------------|------------|-------------------------------------|--|----------------------|----------------------|
| 2012 | 26,486 | \$ 42,579 | \$ 1,127,747 | 4,239 | (3) 8.2 |
| 2011 | 26,486 | \$ 42,579 | \$ 1,127,747 | 4,367 | (3) 8.4 |
| 2010 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,309 | (3) 12.0 |
| 2009 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,401 | (2) 10.2 |
| 2008 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,453 | (2) 6.4 |
| 2007 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,484 | (2) 3.7 |
| 2006 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,561 | (2) 4.2 |
| 2005 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,570 | (2) 4.1 |
| 2004 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,680 | (2) 4.7 |
| 2003 | 26,326 | \$ 46,736 | \$ 1,230,372 | 4,536 | (2) 3.8 |

(1) Population and Per Capita Personal Income from the U.S. Department of Commerce, Bureau of the Census 2010.

(2) School Enrollment: Based on an Average Daily Membership (ADM) using 180 days of school as a base (ie. if a student is only enrolled in a school for 175 days of the 180 day base, the ADM for the student would be $(175 \text{ day enrollment} \div 180 \text{ day base} = .97 \text{ ADM})$). Enrollment also includes resident students tuitioned out and Jamestown students attending the High School

(3) School Enrollment: Based on an Average Daily Membership (ADM) using 180 days of school as a base (ie. if a student is only enrolled in a school for 175 days of the 180 day base, the ADM for the student would be $(175 \text{ day enrollment} \div 180 \text{ day base} = .97 \text{ ADM})$). Enrollment also includes resident students tuitioned out and Jamestown students attending the High School but does NOT include Charter School and Out of District Vocational students

(4) Unemployment Rate from Rhode Island Department of Labor and Training.

Town of North Kingstown, Rhode Island

Schedule 17
Principal Employers
Current Year and Ten Years Ago

| Employer | Employees | Rank | 2012 | | 2002 | | Employees | Rank | Percentage of Total Town Employment | Percentage of Total Town Employment |
|------------------------------------|-----------|------|-------------------------------------|------------------------------------|-------------------------------------|----------|-----------|------|-------------------------------------|-------------------------------------|
| | | | Percentage of Total Town Employment | Employer | Percentage of Total Town Employment | Employer | | | | |
| GENERAL DYNAMICS ELECTRIC BOAT | 2100 | 1 | 13.58% | ELECTRIC BOAT CORPORATION | 2000 | 1 | 13.08% | | | |
| PERSPECTIVES CORP | 850 | 2 | 5.50% | TORAY PLASTICS AMERICA INC | 695 | 2 | 4.55% | | | |
| TORAY PLASTICS OF AMERICA | 600 | 3 | 3.88% | PERSPECTIVES CORP | 600 | 3 | 3.92% | | | |
| OCEAN STATE JOBBERS | 505 | 4 | 3.27% | BROWN & SHARPE MFG. CO. | 350 | 4 | 2.29% | | | |
| SENESCO Marine LLC | 350 | 5 | 2.26% | OCEAN STATE JOBBERS INC | 300 | 5 | 1.96% | | | |
| 1344 AIR WING, RIANG | 303 | 6 | 1.96% | THE HOME DEPOT | 250 | 6 | 1.64% | | | |
| TOWN OF NORTH KINGSTOWN HOME DEPOT | 300 | 7 | 1.94% | THE STOP & SHOP CO., INC | 225 | 7 | 1.47% | | | |
| NORTH ATLANTIC DISTRIBUTIONS INC | 250 | 8 | 1.62% | WAL-MART | 200 | 8 | 1.31% | | | |
| THE STOP & SHOP CO., INC. | 248 | 9 | 1.60% | SENESCO | 160 | 9 | 1.05% | | | |
| STAR GAS SERVICE | 225 | 10 | 1.46% | SO COUNTY NURSING CTR | 150 | 10 | 0.98% | | | |
| HEXAGON METROLOGY | 212 | 11 | 1.37% | GREGG'S | 150 | 11 | 0.98% | | | |
| WAL-MART | 200 | 12 | 1.29% | CUSTOM DESIGN INC | 150 | 12 | 0.98% | | | |
| CUSTOM DESIGN | 200 | 13 | 1.29% | ANVIL INTERNATIONAL, INC | 134 | 13 | 0.88% | | | |
| GREGG'S | 150 | 14 | 0.97% | SCALABRINI VILLA | 120 | 14 | 0.78% | | | |
| SO COUNTY NURSING & REHAB. | 150 | 15 | 0.97% | ARCH CHEMICALS, INC | 120 | 15 | 0.78% | | | |
| GREATER PROVIDENCE YMCA | 150 | 16 | 0.97% | DAVE'S MARKETPLACE OF WICKFORD | 100 | 16 | 0.65% | | | |
| ANVIL INTERNATIONAL | 130 | 17 | 0.84% | DAVE'S MARKETPLACE OF NO KINGSTOWN | 100 | 17 | 0.65% | | | |
| ARCH CHEMICAL | 122 | 18 | 0.79% | ADECCO STAFFING | 100 | 18 | 0.65% | | | |
| SCALABRINI VILLA | 120 | 19 | 0.78% | NORTH ATLANTIC DISTRIBUTION INC | 100 | 19 | 0.65% | | | |
| ADECCO EMPLOYMENT SERVICE | 120 | 20 | 0.78% | ICON INTERNATIONAL INC | 94 | 20 | 0.61% | | | |
| DAVE'S MARKETPLACE NORTH KINGSTOW | 100 | 21 | 0.65% | RI BEVERAGE PACKAGING CO | 90 | 21 | 0.59% | | | |
| DAVE'S MARKETPLACE WICKFORD | 100 | 22 | 0.65% | EMAC TRANSPORT & LEASING CO., INC | 90 | 22 | 0.59% | | | |
| QUIDNESSET COUNTRY CLUB | 100 | 23 | 0.65% | COMMUNITY CARE NURSES INC | 85 | 23 | 0.56% | | | |
| ALL AMERICAN MEATS & SEAFOOD | 78 | 24 | 0.50% | ROBERTS HEALTH CENTRE, INC | 82 | 24 | 0.54% | | | |
| | | 25 | 0.50% | ALL AMERICAN MEATS & SEAFOOD | 80 | 25 | 0.52% | | | |

Source: Rhode Island Department of Economic Development

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 18
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

| | Fiscal Year | | | | | | | | | |
|--|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Town Council | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Town Manager | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Town Clerk/Bd. Of Canvassers | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Finance/Data Processing | 8 | 6 | 6 | 9 | 9 | 7 | 8 | 8 | 9 | 10 |
| Assessor | 2 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Fire | 68 | 77 | 76 | 81 | 81 | 81 | 71 | 71 | 74 | 72 |
| Police/Animal Control | 56 | 61 | 61 | 63 | 63 | 59 | 58 | 58 | 61 | 66 |
| Planning | 4 | 4 | 4 | 4 | 4 | 5 | 6 | 6 | 6 | 5 |
| Public Works | 26 | 29 | 29 | 33 | 33 | 33 | 34 | 34 | 34 | 33 |
| Welfare | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 1 |
| Senior Citizens | 4 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Code Enforcement | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Recreation | 0 | 0 | 0 | 1 | 1 | 2 | 2 | 2 | 2 | 2 |
| Library | 14 | 14 | 14 | 14 | 14 | 12 | 12 | 12 | 12 | 12 |
| Municipal Court | 1 | 1 | | | | | | | | |
| Quonset/Davisville Recreation Fund/Golf Course/Allens Harbor | 8 | 8 | 8 | 7 | 7 | 6 | 7 | 7 | 8 | 8 |
| Water Fund | 14 | 14 | 14 | 14 | 16 | 13 | 13 | 13 | 13 | 13 |
| Total | 220 | 235 | 233 | 249 | 251 | 241 | 235 | 235 | 243 | 245 |

Public Education by UCOA Job Class:

| | | | | | | | | | | |
|------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 1000 - Teachers | 372 | 373 | 367 | 372 | 377 | 378 | 383 | 398 | 384 | 371 |
| 2000 - Executive Administration | 16 | 18 | 19 | 19 | 19 | 19 | 20 | 19 | 20 | 20 |
| 3000 - Mid Level Administration | 11 | 11 | 12 | 13 | 12 | 12 | 13 | 11 | 13 | 14 |
| 4000 - Non-Certified Support Staff | 206 | 205 | 208 | 222 | 232 | 242 | 236 | 234 | 248 | 228 |
| | 604 | 607 | 606 | 626 | 641 | 651 | 651 | 662 | 665 | 632 |

NOTE: School Full Time Equivalent (FTE) Counts are now categorized by Uniform Chart of Accounts (UCOA) Job Classification Code

Job Classification Examples

- 1000 - Teachers, Guidance, Social Workers, Psychologist, PT, PTA, OT, COTA, Nurse, etc
- 2000 - Superintendent, Asst Superintendent, Directors, Asst Director, Principals, Asst. Principals
- 3000 - Supervisors, Controller, Coordinators, Athletic Director, Food Service Director
- 4000 - Clerical, Paraprofessionals, Bus Drivers/Para's, Admin. Assistant, Truant Officer, Custodial, Maintenance, Food Service, Computer Techs

Source: Town of North Kingstown Municipal and School InSite and UCOA Full Time Equivalent (FTE) Reports

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 19
Operating Indicators by Function/Program
Last Ten Years

| Function/Program | Fiscal Year | | | | | | | | | |
|--|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Police | | | | | | | | | | |
| Calls for Service | 33,316 | 30,111 | 29,791 | 32,092 | 35,745 | 32,192 | 16,342 | 32,095 | 30,867 | 28,783 |
| Arrests | 961 | 1,268 | 849 | 878 | 904 | 901 | 579 | 1,182 | 1,229 | 1,306 |
| Prosecutions | 4,801 | 4,637 | 4,554 | 4,910 | 6,155 | 6,133 | 4,013 | 9,227 | 4,597 | 1,905 |
| Fire | | | | | | | | | | |
| Medical Calls/Rescue Runs | 4,761 | 4,790 | 4,789 | 4,716 | 2,633 | 2,461 | 1,108 | 2,144 | 2,014 | 2,358 |
| Residential Inspections | 414 | 410 | 412 | 401 | 408 | 430 | 605 | 301 | 445 | 722 |
| Public Works | | | | | | | | | | |
| Miles Resurfaced | 13.1 | 2.2 | - | - | 2.7 | 6 | 2.4 | 2.5 | 2.8 | 3.4 |
| Plowed Miles | 155 | 155 | 161 | 161 | 159 | 159 | 158.4 | 158.2 | 157.9 | 155.6 |
| Refuse collection | | | | | | | | | | |
| Refuse collected (tons/day, avg) | 7,751 | 7,466 | 7,730 | 8,405 | 8,471 | 8,399 | 8,325.5 | 8,044.7 | 8,077.6 | 7,665.4 |
| Recyclables collected (tons/day, avg) | 3,018 | 3,164 | 3,474 | 3,557 | 3,953 | 3,677 | 3,651.5 | 3,670.6 | 3,594.2 | 3,475.1 |
| Recreation | | | | | | | | | | |
| Bussing ages 6-13 | 12,500 | 13,000 | 13,650 | 9,750 | 8,600 | 6,825 | 4,900 | 9,500 | 9,500 | 8,250 |
| Summer Playground Part. | 280 | 360 | 670 | 550 | 500 | 500 | 450 | 900 | 900 | 900 |
| Human Services | | | | | | | | | | |
| Meals on Wheels | 6,371 | 5,880 | 5,183 | 5,888 | 6,980 | 10,579 | 5,206 | 10,927 | 11,596 | 8,587 |
| # of Sr. Serv. Calls | 42,776 | 34,301 | 28,631 | 10,500 | 10,859 | 2,538 | 3,404 | 7,314 | 9,178 | 10,644 |
| # of Other Service Calls | 2,114 | 2,064 | 3,369 | 1,645 | 1,629 | 793 | 5 | 28 | 28 | 26 |
| # of Heat Cases | 33 | 30 | 32 | 41 | 22 | 37 | 5 | 22 | 20 | 24 |
| # of Electric Shutoffs | 24 | 17 | 23 | 36 | 9 | 9 | | | | |
| # of Transportation Calls | 9,466 | 8,906 | 15,909 | 12,146 | 7,675 | 7,064 | | | | |
| Library | | | | | | | | | | |
| Person visits | 187,133 | 187,828 | 193,897 | 183,803 | 179,216 | 170,164 | 88,002 | 180,481 | 192,959 | 186,090 |
| # of users at IT workstations | 31,032 | 32,061 | 32,669 | 25,207 | 22,216 | 20,280 | 10,363 | 19,283 | 18,918 | 17,817 |
| Public Service transactions | 21,827 | 20,889 | 28,326 | 29,681 | 34,429 | 37,403 | 23,841 | 51,760 | 61,373 | 40,941 |
| Number of items borrowed | 348,010 | 363,989 | 363,609 | 342,834 | 319,711 | 332,191 | | | | |
| Water Dept | | | | | | | | | | |
| Metered services | 9,325 | 9,375 | 9,366 | 9,308 | 9,301 | 9,268 | 9,197 | 9,157 | 9,068 | 9,047 |
| Annual Production (million gallons) | 925 | 965 | 926 | 900 | 1,100 | 1,106 | 1,224 | 1,287 | 1,272 | 1,266 |

Sources: various Town departments

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 20
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

| Function/Program | Fiscal Year | | | | | | | | | | |
|--------------------------|-------------|---------|---------|---------|---------|---------|------|------|-------|-------|--|
| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | |
| Police | | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Patrol Units | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | |
| Fire Stations | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 | |
| Public Works | | | | | | | | | | | |
| Road Miles | 151 | | 159 | 159 | 157 | 157 | 156 | 156 | 155.7 | 153.4 | |
| Acres Maintained | 480 | | 480 | 480 | 479 | 479 | 479 | 479 | 479 | 479 | |
| Recreation | | | | | | | | | | | |
| Baseball/softball fields | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | |
| Soccer fields | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | |
| Multi use parks | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | |
| Football fields | 1 | 1 | 1 | 1 | 1 | 1 | - | - | - | - | |
| Senior Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Library | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | |
| Size of collection | 123,812 | 136,592 | 129,011 | 129,890 | 129,576 | 125,967 | - | - | - | - | |
| Water Dept | | | | | | | | | | | |
| Water mains (miles) | 177 | 177 | 177 | 177 | 176 | 175 | 170 | 168 | 168 | 156 | |
| Water towers | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | |
| Hydrants | 1,048 | 1,048 | 1,043 | 1,042 | 1,041 | 1,024 | 995 | 994 | 994 | 980 | |

Sources: various Town departments

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

Schedule 21
School Building Information
Last Ten Fiscal Years

| | Fiscal Year | | | | | | | | | |
|--------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 |
| Davisville Elementary (1954) | | | | | | | | | | |
| Square Feet | 31,737 | 31,737 | 31,737 | 31,737 | 31,737 | 31,737 | 31,737 | 31,737 | 31,737 | 31,737 |
| Capacity | 0 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 | 284 |
| Enrollment | 0 | 0 | 192 | 188 | 168 | 183 | 164 | 143 | 179 | 211 |
| Fishing Cove Elementary (1957) | | | | | | | | | | |
| Square Feet | 46,160 | 46,160 | 46,160 | 46,160 | 46,160 | 46,160 | 46,160 | 46,160 | 46,160 | 46,160 |
| Capacity | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 |
| Enrollment | 266 | 246 | 286 | 270 | 285 | 321 | 307 | 264 | 280 | 15 |
| Forest Park Elementary (1962) | | | | | | | | | | |
| Square Feet | 31,812 | 31,812 | 31,812 | 31,812 | 31,812 | 31,812 | 31,812 | 31,812 | 31,812 | 31,812 |
| Capacity | 275 | 275 | 275 | 275 | 275 | 275 | 275 | 275 | 275 | 275 |
| Enrollment | 248 | 246 | 199 | 207 | 209 | 223 | 217 | 224 | 266 | 260 |
| Hamilton Elementary (1962) | | | | | | | | | | |
| Square Feet | 49,274 | 49,274 | 49,274 | 49,274 | 49,274 | 49,274 | 49,274 | 49,274 | 49,274 | 49,274 |
| Capacity | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| Enrollment | 425 | 421 | 354 | 368 | 376 | 374 | 410 | 414 | 433 | 426 |
| Quidnessett Elementary (1971) | | | | | | | | | | |
| Square Feet | 43,544 | 43,544 | 43,544 | 43,544 | 43,544 | 43,544 | 43,544 | 43,544 | 43,544 | 43,544 |
| Capacity | 383 | 383 | 383 | 383 | 383 | 383 | 383 | 383 | 383 | 383 |
| Enrollment | 344 | 333 | 214 | 246 | 270 | 272 | 289 | 240 | 258 | 355 |
| Stony Lane Elementary (1971) | | | | | | | | | | |
| Square Feet | 49,319 | 49,319 | 49,319 | 49,319 | 49,319 | 49,319 | 49,319 | 49,319 | 49,319 | 49,319 |
| Capacity | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| Enrollment | 404 | 432 | 375 | 389 | 392 | 456 | 419 | 386 | 423 | 448 |
| Wickford Elementary (1907)* | | | | | | | | | | |
| Square Feet | 32,952 | 32,952 | 32,952 | 32,952 | 32,952 | 32,952 | 32,952 | 32,952 | 32,952 | 32,952 |
| Capacity | 252 | 252 | 252 | 252 | 252 | 252 | 252 | 252 | 252 | 252 |
| Enrollment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 208 | 235 | 282 |
| Davisville Middle (1967) | | | | | | | | | | |
| Square Feet | 96,748 | 96,748 | 96,748 | 96,748 | 96,748 | 96,748 | 96,748 | 96,748 | 96,748 | 96,748 |
| Capacity | 680 | 680 | 680 | 680 | 680 | 680 | 680 | 680 | 680 | 680 |
| Enrollment | 537 | 541 | 565 | 542 | 571 | 602 | 644 | 627 | 630 | 629 |
| Wickford Middle (1932) | | | | | | | | | | |
| Square Feet | 63,129 | 63,129 | 63,129 | 63,129 | 63,129 | 63,129 | 63,129 | 63,129 | 63,129 | 63,129 |
| Capacity | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 | 465 |
| Enrollment | 394 | 431 | 457 | 477 | 485 | 511 | 472 | 490 | 446 | 452 |
| North Kingstown High (2001) | | | | | | | | | | |
| Square Feet | 253,600 | 253,600 | 253,600 | 253,600 | 253,600 | 253,600 | 253,600 | 253,600 | 253,600 | 253,600 |
| Capacity | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Enrollment | 1,507 | 1,603 | 1,640 | 1,628 | 1,578 | 1,536 | 1,532 | 1,519 | 1,475 | 1,398 |
| Administration (1968) | | | | | | | | | | |
| Square Feet | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| Data Center (1971) | | | | | | | | | | |
| Square Feet | 10,440 | 10,440 | 10,440 | 10,440 | 10,440 | 10,440 | 10,440 | 10,440 | 10,440 | 10,440 |
| Maintenance (1978) | | | | | | | | | | |
| Square Feet | 5,390 | 5,390 | 5,390 | 5,390 | 5,390 | 5,390 | 5,390 | 5,390 | 5,390 | 5,390 |

Source: North Kingstown School Department Business Office

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

School Department

**Schedule 22
Operating Statistics
Last Ten Years**

| Fiscal Year | Expenses | ADM Enrollment | Cost | | |
|----------------|---------------|----------------|--------------|----------------------|--|
| | | | Per Pupil | Percentage Change | |
| 2012 | \$ 61,703,133 | 4,239 (2) | \$ 14,556 | 4.04% | |
| 2011 | \$ 61,099,845 | 4,367 (2) | \$ 13,991 | -1.93% | |
| 2010 | \$ 61,467,578 | 4,309 (2) | \$ 14,266 | 4.11% | |
| 2009 | \$ 60,303,276 | 4,401 (1) | \$ 13,702 | 2.07% | |
| 2008 | \$ 59,780,254 | 4,453 (1) | \$ 13,425 | 2.83% | |
| 2007 | \$ 58,537,478 | 4,484 (1) | \$ 13,055 | 8.97% | |
| 2006 | \$ 54,648,440 | 4,561 (1) | \$ 11,980 | 2.30% | |
| 2005 | \$ 53,518,998 | 4,570 (1) | \$ 11,711 | 2.00% | |
| 2004 | \$ 53,736,575 | 4,680 (1) | \$ 11,482 | 7.37% | |
| 2003 | \$ 48,506,136 | 4,536 (1) | \$ 10,694 | 11.12% | |

Source: North Kingstown School Department In\$ite and UCOA Reports

ADM Enrollment

- (1) School Enrollment: Based on an Average Daily Membership (ADM) using 180 days of school as a base (ie. if a student is only enrolled in a school for 175 days of the 180 day base, the ADM for the student would be $(175 \text{ day enrollment} \div 180 \text{ day base} = .97 \text{ ADM})$). Enrollment also includes resident students tuitioned out and Jamestown students attending the High School

- (2) School Enrollment: Based on an Average Daily Membership (ADM) using 180 days of school as a base (ie. if a student is only enrolled in a school for 175 days of the 180 day base, the ADM for the student would be $(175 \text{ day enrollment} \div 180 \text{ day base} = .97 \text{ ADM})$). Enrollment also includes resident students tuitioned out and Jamestown students attending the High School but does NOT include Charter School and Out of District Vocational students

Cost per Pupil: Total Expenses \div ADM Enrollment = Cost Per Pupil

Source: North Kingstown School Department Business Office