

**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

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INTRODUCTORY SECTION

This section contains the following subsections:

LETTER OF TRANSMITTAL

ORGANIZATIONAL CHART

LIST OF ELECTED AND APPOINTED OFFICIALS



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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.

	Assessment 12/31/2009	Increases	Assessment 12/31/2010
Variable			
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	<u>\$ 3,844,989,239</u>	<u>\$ 17,379,807</u>	<u>\$ 3,862,369,046</u>
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, Annaquatucket 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 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 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 (FYE 2000 through FYE 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.

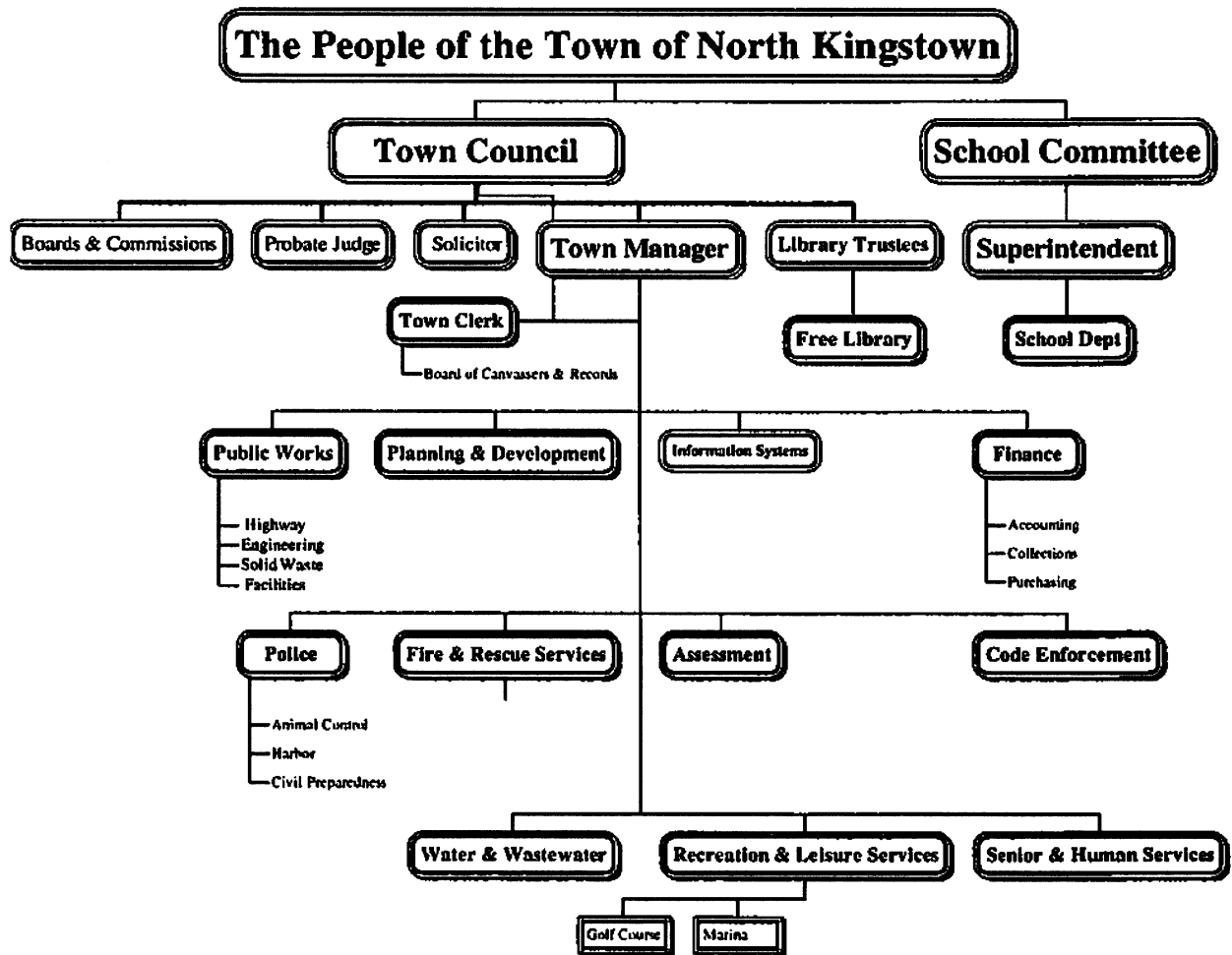
Appreciation is also expressed to the Town Council and all Town employees for their cooperation and assistance throughout the year in matters pertaining to the financial affairs of the Town.

Sincerely,

A handwritten signature in black ink, reading "Patricia A. Sunderland". The signature is written in a cursive, flowing style with a large, stylized "P" and "S".

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. Davison

President

Jeffrey R. Enen

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.

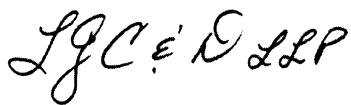
In accordance with Government Auditing Standards, we have also issued our report dated January 31, 2013 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other 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.

A handwritten signature in black ink, appearing to read "LGC & D LLP". The signature is written in a cursive, flowing style.

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>	-3.17%
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>	-7.51%
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	12,796,663	15,754,856	6,733,829	5,971,817	19,530,492	21,726,673	
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>	0.63%

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.

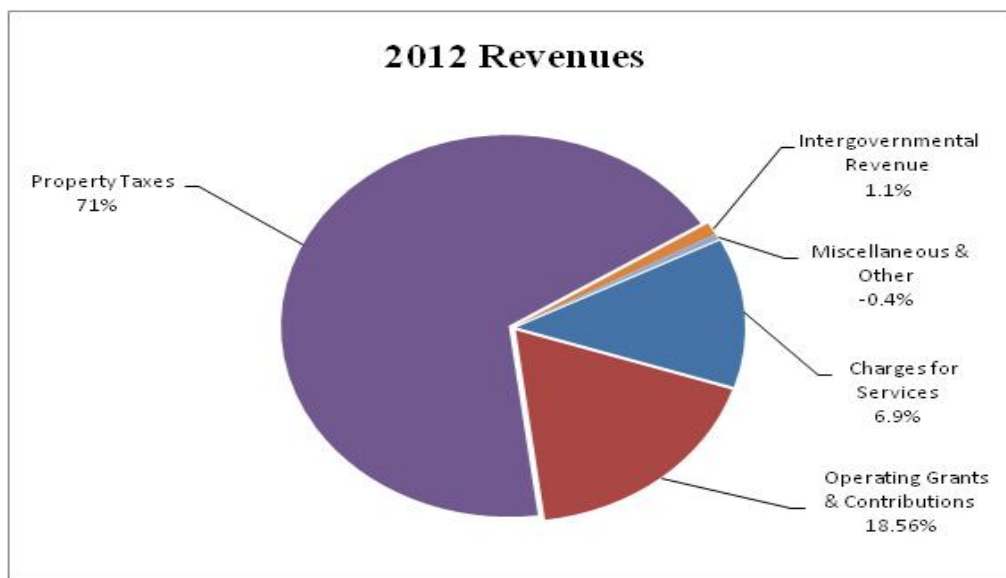
The Town of North Kingstown, at the end of the fiscal year, is able to report positive balances in all three categories of net assets: Assets/Liabilities/Net Assets, in both the governmental and business-type activities. However, the Nutrition Fund, a business-type activity, continues to require a transfer 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)

	Changes in Net Assets (in millions)						Total Percentage Change
	Governmental Activities		Business-Type Activities		Total		
	2012	2011	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 Contributor	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%



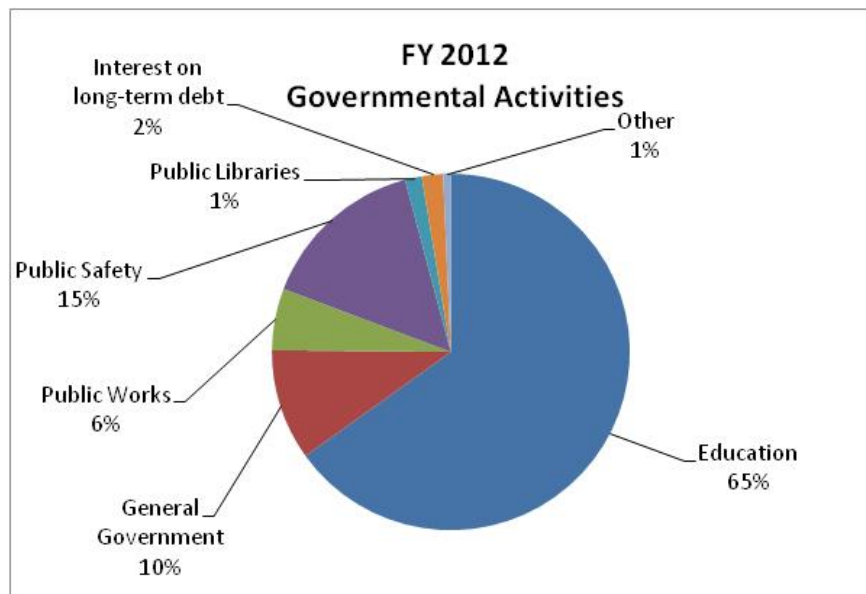
Major revenue factors over the prior year included:

- 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.

	Beg Fund Balance 2012	Ending Fund Balance 2012	Change\$	Change %
Major Funds Governmental				
General Fund	12,729,351	13,358,962	629,611	4.9%
School Unrestricted Fund	<u>3,268,643</u>	<u>1,917,739</u>	<u>(1,350,904)</u>	<u>-41.3%</u>
	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	<u>2,755,602</u>	<u>2,102,758</u>	<u>(652,844)</u>	<u>-23.7%</u>
	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
	Governmental	Business-type	Total	North Kingstown
	Activities	Activities		Free Library
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
Total net assets	<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.

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2012

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets				Component Unit North Kingstown Free Library
	Program Revenues			Total	
	Expenses	Charges for Services	Operating Grants and Contributions		
Governmental activities:					
General government	\$ 9,974,165	\$ 2,107,218	\$ 2,921,286	\$ (4,945,661)	\$ (4,945,661)
Public safety	14,892,924	1,202,739	17,511	(13,672,674)	(13,672,674)
Public works	5,473,361	638,723		(4,834,638)	(4,834,638)
Education	64,204,131	2,670,209	15,467,343	(46,066,579)	(46,066,579)
Public libraries	1,485,486	288,221	44,356	(1,152,909)	(1,152,909)
Senior services	585,405		59,611	(525,794)	(525,794)
Amortization	99,859			(99,859)	(99,859)
Interest on long-term debt	1,900,192			(1,900,192)	(1,900,192)
Total governmental activities	98,615,523	6,907,110	18,510,107	(73,198,306)	(73,198,306)
Business-type activities:					
Water	1,376,463	3,764,056		\$ 2,387,593	2,387,593
Quonset/Davisville Recreation	1,934,804	1,741,758		(193,046)	(193,046)
Water Capital Reserve Fund	1,268,737			(1,120,324)	(1,120,324)
Other business-type activities	1,479,657	670,163	445,432	(364,062)	(364,062)
Total business-type activities	6,059,661	6,324,390	445,432	710,161	710,161
Total	\$ 104,675,184	\$ 13,231,500	\$ 18,955,539	(73,198,306)	(72,488,145)
Component Unit:					\$ (9,174)
North Kingstown Free Library	\$ 32,696	\$ -	\$ 23,522		
<i>General revenues:</i>					
Property taxes				70,999,114	70,999,114
Unrestricted investment earnings				14,102	66,929
Unrestricted intergovernmental revenue				1,182,646	1,182,646
Other				596,518	596,518
Transfers				(400,999)	-
Total general revenues and transfers				72,430,106	72,845,207
Change in Net Assets				(768,200)	357,062
Net Assets - beginning, as restated				13,606,915	78,346,546
Net Assets - ending				\$ 63,971,431	\$ 78,703,608
				\$ 14,732,177	\$ 231,447

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	<u>\$ 17,444,721</u>	<u>\$ 4,207,144</u>	<u>\$ 741,314</u>	<u>\$ 6,734,789</u>	<u>\$ 29,127,968</u>
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	<u>4,085,759</u>	<u>2,289,405</u>	<u>-</u>	<u>4,296,772</u>	<u>10,671,936</u>
<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	<u>13,358,962</u>	<u>1,917,739</u>	<u>741,314</u>	<u>2,438,017</u>	<u>18,456,032</u>
Total liabilities and fund balances	<u>\$ 17,444,721</u>	<u>\$ 4,207,144</u>	<u>\$ 741,314</u>	<u>\$ 6,734,789</u>	<u>\$ 29,127,968</u>

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>	(54,525,307)
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	447,793	51,376		695,680	1,194,849
Total expenditures	<u>24,948,332</u>	<u>62,772,120</u>	<u>5,493,086</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	629,611	(1,350,904)	154,509	(1,689,099)	(2,255,883)
Fund balance, beginning of year, as restated	12,729,351	3,268,643	586,805	4,127,116	20,711,915
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> (2,043,920)
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					
	Water		Quonset/ Davisville Recreation	Nonmajor Enterprise Funds	Total	Internal Service Funds
	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
Total net assets	<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				Internal Service Funds
	Water	Quonset/ Davisville Recreation	Nonmajor Enterprise Funds	Totals	
	Operations	Capital Reserve			
Operating revenues:					
Charges for usage and service	\$ 3,517,906		\$ 1,738,816	\$ 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>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	659,871	
<i>Total operating expenses</i>	<u>1,239,737</u>	<u>1,268,737</u>	<u>1,928,432</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>853,259</u>	<u>(1,361)</u>
Nonoperating revenues (expenses):					
Investment income	10,336	3,104	562	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>(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>724,263</u>	<u>377</u>
Transfers In	192,880	464,376		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>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>1,125,262</u>	<u>(99,623)</u>
Total net assets, beginning of year	8,128,555	2,755,602	2,042,364	13,078,135	1,097,164
Restatement	528,780			528,780	
Total net assets, beginning of year, as restated	<u>8,657,335</u>	<u>2,755,602</u>	<u>2,042,364</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>\$ 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
<i>Assets:</i>			
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>
<i>Liabilities:</i>			
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>
<i>Net Assets:</i>			
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	\$ 454	\$ 981
<i>Net investment earnings</i>	454	981
Change in net assets	454	981
Net assets, beginning of year	298,631	37,922
Net assets, end of year	\$ 299,085	\$ 38,903

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 expensed 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
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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		12,679,444	12,679,444
		<u>\$ 28,228,593</u>	<u>\$ 27,555,231</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	\$ 3,476,745	\$ 617
School Department:		
School Unrestricted Fund	1,297,695	214,289
21st Century Learning		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
RIHL		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	78	6,250
	<u>1,304,498</u>	<u>967,431</u>
Debt Service Fund	50,334	-
Other Governmental Funds:		
\$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	5,000	
	<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
Enterprise Funds:		
Major:		
Quonset/Davisville Recreation		\$ 857,000
Water Capital Reserve	\$ 464,376	
Water Fund	192,880	485,673
	<u>657,256</u>	<u>1,342,673</u>
Non-Major:		
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>
Total Enterprise Funds	<u>868,889</u>	<u>1,474,000</u>
Internal Service Funds		<u>100,000</u>
Agency Funds:		
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
General Fund	<u>\$ 877,877</u>	<u>\$ 49,256,086</u>
School Department:		
School Unrestricted Fund	<u>43,420,838</u>	<u>208,119</u>
Debt Service Fund	<u>4,506,023</u>	
Other Governmental Funds:		
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>
Major Enterprise Funds:		
Water Fund	192,880	464,376
Water Capital Reserve fund	<u>464,376</u>	
	<u>657,256</u>	<u>464,376</u>
Nonmajor Enterprise Funds:		
School Nutrition	<u>208,119</u>	
Internal Service Funds		<u>100,000</u>
Totals	<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:	<u>Beginning balances (as restated)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balances</u>
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	54,122			54,122
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	67,508,842	1,339,681		68,848,523
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	(44,506,190)	(2,084,205)		(46,590,395)
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>\$ 97,573,980</u>	<u>\$ (2,043,920)</u>	<u>\$ -</u>	<u>\$ 95,530,060</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	68,125
	<u>\$ 4,275,868</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	<u>3,239,854</u>	<u>\$ 48,248</u>	<u>(1,158,199)</u>	<u>2,129,903</u>
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	<u>102,974</u>	<u>64,273</u>	<u>(1,400)</u>	<u>165,847</u>
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	<u>(61,362)</u>	<u>(36,875)</u>		<u>(98,237)</u>
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>\$ 10,901,804</u>	<u>\$ 1,360,594</u>	<u>\$ (1,159,599)</u>	<u>\$ 11,102,799</u>
Depreciation was charged to functions as follows:				
Business-type activities:				
Water		\$ 406,060		
Quonset/Davisville Recreation		249,322		
Nutrition Fund		<u>501</u>		
		<u>\$ 655,883</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	(1,398,972)		(1,398,972)
	44,452,844	3,347,823	47,800,667
Accrued compensated absences	2,195,500	194,247	2,389,747
Pollution remediation obligation	1,660,000		1,660,000
	48,308,344	3,542,070	51,850,414
Less portion due within one year	4,076,115	226,241	4,302,356
	<u>\$ 44,232,229</u>	<u>\$ 3,315,829</u>	<u>\$ 47,548,058</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 \$33M	30,360,000	3.0 - 5.0%	10/1/2026	20,380,000		1,840,000	18,540,000	1,420,000
\$7M 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	Open Space	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	Facilities, Open Space, and Library	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)		(33,150)	(216,060)	
\$960M GOB	12/15/2009	O/D Recreation Asset Protection	960,000	1.25-3.50%	12/15/2019	860,000		95,000	765,000	100,000
\$2.003M GOB	12/15/2009	School Athletics	2,003,000	1.25-3.50%	12/15/2019	1,960,000		235,000	1,725,000	230,000
		Farmland/Open Space								
Deferred amounts:			66,037,484			48,975,790	-	3,566,850	45,408,940	3,527,240
Bond premiums			760,817			488,609		45,733	442,876	
Deferred charges			(2,140,544)			(1,518,516)		(119,544)	(1,398,972)	
						(1,029,907)		(73,811)	(956,096)	-
Total general obligation bonds payable						47,945,883		3,493,039	44,452,844	3,527,240
Compensated absences						2,516,669	1,415,672	1,736,841	2,195,500	548,875
Pollution remediation obligation						1,510,000	150,000		1,660,000	
Total long-term obligations						\$ 51,972,552	\$ 1,265,672	\$ 5,229,880	\$ 48,308,344	\$ 4,076,115

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	Q/D Recreation Asset Protection	\$ 282,516	1.25-3.50%	12/15/2019	\$ 249,210	\$ -	\$ (33,150)	\$ 216,060	\$ 32,760
\$4.8 RICWFA Bond *	11/19/2009	Renovations, Additions and Improvements	4,800,000	3.013%	9/1/2030	3,043,240	234,049	(145,526)	3,131,763	148,062
						3,292,450	234,049	(178,676)	3,347,823	180,822
Total general obligation bonds payable			\$ 5,082,516			181,678	115,403	102,834	194,247	45,419
Compensated absences						\$ 3,474,128	\$ 349,452	\$ (75,842)	\$ 3,542,070	\$ 226,241
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:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<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	1,925,000	136,272	2,061,272
	<u>\$ 45,408,940</u>	<u>\$ 14,171,306</u>	<u>\$ 59,580,246</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	318,603	42,163	360,766
	<u>\$ 3,347,823</u>	<u>\$ 1,355,538</u>	<u>\$ 4,703,361</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	209,753
	<hr/>
	3,423,065
	<hr/>

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	10,336
	<hr/>
	4,567,027
	<hr/>

(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
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General Fund:

Non-Spendable:

Advance to Quonset/Davisville Recreation for Golf Course Irrigation	742,730
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Deposit – School Rhode Island Interlocal Trust	118,957
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	861,687
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Unassigned:

Not designated for future expenditures	9,456,219
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	\$ 18,456,032
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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.

	<u>2012</u>	<u>2011</u>	<u>2010</u>
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	(198,330)
Annual OPEB cost	3,201,523
Contributions made during the year	(1,380,037)
Increase in net OPEB obligation	1,821,486
Net OPEB obligation at beginning of year	4,536,412
Net OPEB obligation at end of year	\$ 6,357,898

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	44,162 107,511 13,378	3,338 3,455 3,338	General Fund, Operating Budget State Grants 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 35,365 1,200	- - 5,769	Town Capital Reserve Funds State Grants General Fund, Operating Budget
IT Consolidation Study	10,079	7,921	General Fund, Operating Budget
PC Lifecycle Replacements	25,973 7,102	8,282 4,898	General Fund, Operating Budget Technology Fund
Road Line Striping	8,737 -	15,263 24,000	General Fund, Operating Budget General Fund, Operating Budget
Revaluation of Real Property	10,486 1,281	316,914 38,719	General Fund, Operating Budget Tax Revaluation Fund
Stony Fort Road Reconstruction	-	240,000	General Fund, Operating Budget
Main Street Improvements	148,092 994,145 120,000	- - 114,989	Town Capital Reserve Funds State Grants \$ 6M Public Facilities Bond
Saw Mill Pond Improvements	49,913	53,197	State Grants
Davisville Middle School Roof Replacement	30,522 2,481 3,500 -	12,003 11,084 - 3,745	\$6.4M School Improvement Bond \$6.4M School Improvement Bond \$6.4M School Improvement Bond \$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	1,281,663 683,102	- 56,317	Water Fund, Operating Budget 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 Saunderstown	-	468,413	Water Fund, Capital Reserve
Grand Totals	<u>\$ 6,490,874</u>	<u>\$ 2,261,541</u>	

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	28,318
	<hr/>
Governmental activities net assets at July 1, 2011, as restated	<u><u>\$ 64,739,631</u></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	(213,944)
	<hr/>
Water operations fund net assets at July 1, 2011, as restated	<u><u>\$ 8,657,335</u></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	Actuarial Accrued Liability (AAL) Entry Age	AAL (UAAL) Funding Excess (deficit)	Funded Ratio	Covered Payroll	AAL (UAAL) Funding Excess (deficit) Percentage of 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	\$ -	\$ 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	(1,593,667)
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	<u>73,850,401</u>	<u>73,130,401</u>	<u>73,953,089</u>	<u>822,688</u>
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	<u>24,514,211</u>	<u>24,913,300</u>	<u>25,308,304</u>	<u>(395,004)</u>
Excess of revenues over expenditures	<u>49,336,190</u>	<u>48,217,101</u>	<u>48,644,785</u>	<u>427,684</u>
Other financing sources (uses):				
Transfers from fund balance	-	618,985	618,985	-
Transfers in	100,000	820,000	851,277	31,277
Transfers out	<u>(49,436,190)</u>	<u>(49,656,086)</u>	<u>(49,656,086)</u>	<u>-</u>
Net other financing sources (uses)	<u>(49,336,190)</u>	<u>(48,217,101)</u>	<u>(48,185,824)</u>	<u>31,277</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>-</u>	<u>\$ 458,961</u>	<u>\$ 458,961</u>

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	<u>3,608,151</u>	<u>3,608,151</u>	<u>3,608,151</u>	<u>-</u>
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	<u>(125,981)</u>	<u>(125,981)</u>	<u>-</u>	<u>125,981</u>
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							Seized and Forfeited Property Escrow
	Willet Library Fund	Champlin Foundation Fund	Davisville Library Fund	Library Fund	Juniper Hill Tank Grant	Miscellaneous State Grants	State Grants - Police Department	
<i>Assets</i>								
Cash and cash equivalents	\$ -	\$ 68,432	\$ 4,640	\$ 148,903	\$ 23,559	\$ -	\$ 3,076	\$ 14,605
Due from other governments						1,311,930	(1,298)	
Due from other funds						7,276		
Other receivables	\$ -	\$ 68,432	\$ 4,640	\$ 148,903	\$ 23,559	\$ 1,319,206	\$ 1,778	\$ 14,605
<i>Liabilities</i>								
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	-	68,432	4,640	81,707	23,559	(1,291,613)	1,778	14,605
Assigned								
Unassigned	-	68,432	4,640	81,707	23,559	(1,291,613)	1,778	14,605
<i>Total Fund Balances</i>	-	68,432	4,640	148,903	23,559	1,319,206	1,778	14,605
<i>Total Liabilities and Fund Balances</i>	\$ -	\$ 68,432	\$ 4,640	\$ 148,903	\$ 23,559	\$ 1,319,206	\$ 1,778	\$ 14,605

(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	State Council on the Arts Grant	RI Foundation Grant
<i>Assets</i>	\$ 709	\$ 4,500	\$ 45,179 (3,822) 616	\$ 201,908	\$ -	\$ 90,152	\$ 10,697	\$ -
	\$ 709	\$ 4,500	\$ 41,973	\$ 201,908	\$ -	\$ 90,152	\$ 10,697	\$ -
<i>Liabilities</i>	\$ -	\$ -	\$ 1,675	\$ 18,761 748	\$ -	\$ -	\$ -	\$ -
					123			597
<i>Total Liabilities</i>			1,675	19,509	123	-	-	597
<i>Fund Balances</i>								
Restricted	709	4,500	40,298	182,399	(123)	90,152	10,697	(597)
Assigned								
Unassigned	709	4,500	40,298	182,399	(123)	90,152	10,697	(597)
<i>Total Fund Balances</i>								
<i>Total Liabilities and Fund Balances</i>		\$ 709	\$ 41,973	\$ 201,908	\$ -	\$ 90,152	\$ 10,697	\$ -

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
COMBINING BALANCE SHEET - 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
<i>Assets</i>								
Cash and cash equivalents	\$ 358	\$ 27,904	\$ 2,100	\$ 24,169	\$ 1,779	\$ (3,312)	\$ 524,140	\$ 132,637
Due from other governments								6,922
Due from other funds						41,020		
Other receivables	<u>\$ 358</u>	<u>\$ 27,904</u>	<u>\$ 2,100</u>	<u>\$ 24,169</u>	<u>\$ 1,779</u>	<u>\$ 37,708</u>	<u>\$ 524,140</u>	<u>\$ 139,559</u>
<i>Liabilities</i>								
Accounts payable and accrued liabilities	\$ -	\$ 19,355	\$ -	\$ 939	\$ 159	\$ -	\$ 4,411	
Due to other funds							519,729	\$ 139,559
Deferred revenue							-	-
<i>Total Liabilities</i>	<u>-</u>	<u>19,355</u>	<u>-</u>	<u>939</u>	<u>159</u>	<u>-</u>	<u>524,140</u>	<u>139,559</u>
<i>Fund Balances</i>								
Restricted	358	8,549	2,100	23,230	1,620		-	-
Assigned						37,708		
Unassigned							-	-
<i>Total Fund Balances</i>	<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>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 358</u>	<u>\$ 27,904</u>	<u>\$ 2,100</u>	<u>\$ 24,169</u>	<u>\$ 1,779</u>	<u>\$ 37,708</u>	<u>\$ 524,140</u>	<u>\$ 139,559</u>
								(continued)

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TOWN OF NORTH KINGSTOWN, RHODE ISLAND
COMBINING BALANCE SHEET - 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 Revaluation Reserve Fund	Infrastructure Replacement				
<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		<u>\$ 2,626</u>	<u>\$ 2,582</u>	<u>\$ 860</u>	<u>\$ 8,948</u>	<u>\$ 1,743</u>	<u>\$ 13,855</u>	<u>\$ 60,313</u>	<u>\$ 228,300</u>				
									11,997				
<i>Liabilities</i>													
Accounts payable and accrued liabilities													
Due to other funds	\$	-	\$ -	\$ -	\$ -	\$ -	\$ 2,206	\$ 395	\$ 197,880				
Deferred revenue													
<i>Total Liabilities</i>													
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,206</u>	<u>395</u>	<u>197,880</u>				
<i>Fund Balances</i>													
Restricted		2,626	2,582	860	8,948	1,743	11,649		30,420				
Assigned								59,918					
Unassigned													
<i>Total Fund Balances</i>		<u>2,626</u>	<u>2,582</u>	<u>860</u>	<u>8,948</u>	<u>1,743</u>	<u>11,649</u>	<u>59,918</u>	<u>30,420</u>				
<i>Total Liabilities and Fund Balances</i>		<u>\$ 2,626</u>	<u>\$ 2,582</u>	<u>\$ 860</u>	<u>\$ 8,948</u>	<u>\$ 1,743</u>	<u>\$ 13,855</u>	<u>\$ 60,313</u>	<u>\$ 228,300</u>				
									(continued)				

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TOWN OF NORTH KINGSTOWN, RHODE ISLAND
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

SPECIAL REVENUE FUNDS									
	URI Septic Loan Program	Ann Ward Wallou Memorial Garden	Senior Citizens Center	Senior Citizens Bus Gasoline Escrow	Arts Council	Senior Outreach Escrow	Project Dare	Fireworks Donation	
Assets	\$ 40,204	\$ -	\$ 46,454	\$ 61	\$ 22,133	\$ 1,227	\$ 4,844	\$ -	
	5,000								
	\$ 45,204	\$ -	\$ 46,454	\$ 61	\$ 22,133	\$ 1,227	\$ 4,844	\$ -	
Liabilities	\$ -	\$ 901	\$ 3,199	\$ -	\$ 4,192	\$ -	\$ -	\$ -	
		901	3,199	-	4,192	-	-	-	
Fund Balances	45,204	(901)	43,255	61	17,941	1,227	4,844	-	
	45,204	(901)	43,255	61	17,941	1,227	4,844	-	
	\$ 45,204	\$ -	\$ 46,454	\$ 61	\$ 22,133	\$ 1,227	\$ 4,844	\$ -	
Total Liabilities and Fund Balances									
									(continued)

(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
<i>Assets</i>							
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	\$ 894	\$ 900	\$ 31,532	\$ 144	\$ 80,968	177,864 \$ 276,103	\$ 11,475
<i>Liabilities</i>							
Accounts payable and accrued liabilities	\$ 205	\$ -	\$ 248	\$ 144	\$ 16,206	\$ 10,758	\$ -
Due to other funds						272,568	
Deferred revenue							
<i>Total Liabilities</i>	205	-	248	144	16,206	283,326	-
<i>Fund Balances</i>							
Restricted	689	900	31,284	-	64,762		11,475
Assigned						(7,223)	
Unassigned						(7,223)	
<i>Total Fund Balances</i>	689	900	31,284	-	64,762		11,475
<i>Total Liabilities and Fund Balances</i>	\$ 894	\$ 900	\$ 31,532	\$ 144	\$ 80,968	\$ 276,103	\$ 11,475
							(continued)

(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	4M Senior Center Complex Fund
<i>Assets</i>								
Cash and cash equivalents	\$ -	\$ 1,293,438	\$ -	\$ -	\$ 750,684	\$ 374,121	\$ 182,411	\$ 8,775
Due from other governments								
Due from other funds	112,204						1,006	
Other receivables	<u>\$ 112,204</u>	<u>\$ 1,293,438</u>	<u>\$ -</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	\$ 110,868	30,522			\$ 162,538	
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>-</u>	<u>162,538</u>	<u>-</u>
<i>Fund Balances</i>								
Restricted	32,732	1,279,701	(110,868)	(37,141)	750,684	374,121	20,879	8,775
Assigned								
Unassigned	32,732	1,279,701	(110,868)	(37,141)	750,684	374,121	20,879	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>20,879</u>	<u>8,775</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 112,204</u>	<u>\$ 1,293,438</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750,684</u>	<u>\$ 374,121</u>	<u>\$ 183,417</u>	<u>\$ 8,775</u>
(continued)								

(continued)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

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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	Tri-Centennial Park	400th Anniversary	Henry Reynolds Outside Poor Fund	John J. Spink Outside Poor Fund	John B. Spink 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)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	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
Due from other governments							\$ 5,340
Due from other funds							\$ 5,064,074
Other receivables							1,313,732
							167,122
							189,861
	\$ 2,004	\$ 5,013	\$ 6,906	\$ 8,742	\$ 5,785	\$ 4,213	\$ 268
							\$ 5,340
							\$ 6,734,789
Liabilities							
Accounts payable and accrued liabilities	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds							\$ 217,742
Deferred revenue							2,886,669
<i>Total Liabilities</i>	-	4	-	-	-	-	-
							1,192,361
							4,296,772
Fund Balances							
Restricted	2,004	5,009	6,906	8,742	5,785	4,213	268
Assigned							\$ 5,340
Unassigned							2,235,487
<i>Total Fund Balances</i>	2,004	5,009	6,906	8,742	5,785	4,213	268
							209,753
							(7,223)
	\$ 2,004	\$ 5,013	\$ 6,906	\$ 8,742	\$ 5,785	\$ 4,213	\$ 268
<i>Total Liabilities and Fund Balances</i>							\$ 5,340
							\$ 6,734,789

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							Seized and Forfeited Property Escrow
	Willet Library Fund	Champlin Foundation Fund	Davisville Library Fund	Library Fund	Juniper Hill Tank Grant	Miscellaneous State Grants	State Grants - Police Department	
Revenues:								
Interest and investment income	\$ -	\$ 103	\$ -	\$ -	\$ -	\$ -	\$ 5,700	\$ -
Intergovernmental	39,725	2,508	18,559	227,429		254,257		
Departmental				41,187				
Other				6,608				6,703
<i>Total Revenues</i>	<u>39,725</u>	<u>2,611</u>	<u>18,559</u>	<u>275,224</u>	<u>-</u>	<u>254,257</u>	<u>5,700</u>	<u>6,703</u>
Expenditures:								
General government		2,508				1,613,172	4,678	8,121
Public safety								
Per trust agreements								
Education								
Public libraries	31,111		13,919	1,371,269				
Senior services								
Capital and special appropriations								
<i>Total Expenditures</i>	<u>31,111</u>	<u>2,508</u>	<u>13,919</u>	<u>1,371,269</u>	<u>-</u>	<u>1,613,172</u>	<u>4,678</u>	<u>8,121</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>8,614</u>	<u>103</u>	<u>4,640</u>	<u>(1,096,045)</u>	<u>-</u>	<u>(1,358,915)</u>	<u>1,022</u>	<u>(1,418)</u>
Other financing sources (uses):								
Transfers in	-	-	-	1,132,589	-	-	-	-
Transfers out				(26,600)				
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,105,989</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>8,614</u>	<u>103</u>	<u>4,640</u>	<u>9,944</u>	<u>-</u>	<u>(1,358,915)</u>	<u>1,022</u>	<u>(1,418)</u>
Fund balance, beginning of year	<u>(8,614)</u>	<u>68,329</u>	<u>-</u>	<u>71,763</u>	<u>23,559</u>	<u>67,302</u>	<u>756</u>	<u>16,023</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 68,432</u>	<u>\$ 4,640</u>	<u>\$ 81,707</u>	<u>\$ 23,559</u>	<u>\$ (1,291,613)</u>	<u>\$ 1,778</u>	<u>\$ 14,605</u>
								(continued)

(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							
	Beachwood House Senior Center Equipment Escrow	RIDEM Potowomut Pond Clean-up	RI Emergency Management	Town Municipal Court	State Elderly Affairs Grant	Land Dedication Escrow	State Council on the Arts Grant	RI Foundation Grant
Revenues:								
Interest and investment income	\$ -	\$ -	\$ -	\$ 299	\$ -	\$ 134	\$ -	\$ -
Intergovernmental			137,136	252,995	8,311			
Departmental								
Other	-	-	137,136	253,294	8,311	134	-	-
<i>Total Revenues</i>								
Expenditures:								
General government	-	-		253,930		-	-	1,485
Public safety			75,444					
Per trust agreements								
Education					8,434			
Public libraries								
Senior services								
Capital and special appropriations	-	-	75,444	253,930	8,434	-	-	1,485
<i>Total Expenditures</i>								
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	-	-	61,692	(636)	(123)	134	-	(1,485)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>								
Excess (deficiency) of revenues over expenditures	-	-	61,692	(636)	(123)	134	-	(1,485)
Fund balance, beginning of year	709	4,500	(21,394)	183,035	-	90,018	10,697	888
Fund balance, end of year	\$ 709	\$ 4,500	\$ 40,298	\$ 182,399	\$ (123)	\$ 90,152	\$ 10,697	\$ (597)

(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	-	30,226	17,511		50,000	1,300	37,708	-	333,981
<i>Total Revenues</i>		30,226	17,511		50,000	1,300	37,708	503,802	333,981
Expenditures:									
General government	-	37,096	18,120				-	25,093	333,981
Public safety									
Per trust agreements									
Education									
Public libraries									
Senior services				28,990		798			
Capital and special appropriations				28,990		798		25,093	333,981
<i>Total Expenditures</i>	-	37,096	18,120	28,990		798	-	25,093	333,981
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	-	(6,870)	(609)	21,010		502	37,708	478,709	-
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	(38,260)	(478,709)	-
Transfers out	-	-	-	-	-	-	(38,260)	(478,709)	-
<i>Total Other Financing Sources (Uses)</i>	-	-	-	-	-	-	(76,520)	(957,418)	-
Excess (deficiency) of revenues over expenditures	-	(6,870)	(609)	21,010		502	(552)	-	-
Fund balance, beginning of year	358	15,419	2,709	2,220		1,118	38,260	-	-
Fund balance, end of year	\$ 358	\$ 8,549	\$ 2,100	\$ 23,230	\$ 1,620	\$ 37,708	\$ -	\$ -	\$ -
									(continued)

(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 Revaluation Reserve Fund	Infrastructure Replacement
Revenues:								
Interest and investment income	\$ -	\$ 4	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ 188
Intergovernmental				3,169			62	182,728
Departmental								
Other	-	4	-	3,179	-	7,555	62	182,916
<i>Total Revenues</i>								
Expenditures:								
General government	1,595	-			694	6,581	1,282	-
Public safety						2,636		
Per trust agreements			550					
Education				1,062				
Public libraries								
Senior services								
Capital and special appropriations								
<i>Total Expenditures</i>	1,595	-	550	1,062	694	9,217	1,282	-
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	(1,595)	4	(550)	2,117	(694)	(1,662)	(1,220)	182,916
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	20,000	(192,880)
Transfers out	-	-	-	-	-	-	20,000	(192,880)
<i>Total Other Financing Sources (Uses)</i>								
Excess (deficiency) of revenues over expenditures	(1,595)	4	(550)	2,117	(694)	(1,662)	18,780	(9,964)
Fund balance, beginning of year	4,221	2,578	1,410	6,831	2,437	13,311	41,138	40,384
Fund balance, end of year	\$ 2,626	\$ 2,582	\$ 860	\$ 8,948	\$ 1,743	\$ 11,649	\$ 59,918	\$ 30,420
								(continued)

(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							
	URI Septic Loan Program	Ann Ward Wallou Memorial Garden	Senior Citizens Center	Senior Citizens Bus Gasoline Escrow	Arts Council	Senior Outreach Escrow	Project Date	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>	<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>60,000</u>	<u>-</u>	<u>88,620</u>	<u>-</u>	<u>27,737</u>	<u>-</u>	<u>70</u>	<u>934</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>(59,897)</u>	<u>-</u>	<u>20,463</u>	<u>-</u>	<u>79</u>	<u>-</u>	<u>(70)</u>	<u>(934)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>(59,897)</u>	<u>-</u>	<u>20,463</u>	<u>-</u>	<u>79</u>	<u>-</u>	<u>(70)</u>	<u>(934)</u>
Excess (deficiency) of revenues over expenditures	<u>105,101</u>	<u>(901)</u>	<u>22,792</u>	<u>61</u>	<u>17,862</u>	<u>1,227</u>	<u>4,914</u>	<u>934</u>
Fund balance, beginning of year								
Fund balance, end of year	<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>	<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					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	1,132									
Other	1,132	-	7,113	-	261,725	608,551	-	-	-	1,904
<i>Total Revenues</i>										
Expenditures:										
General government	1,152	-	4,147	-	281,278	333,301	-	-	-	
Public safety										
Per trust agreements										
Education										
Public libraries										
Senior services										
Capital and special appropriations	1,152	-	4,147	-	281,278	333,301	-	111,371	304,215	
<i>Total Expenditures</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)	-	
<i>Total Other Financing Sources (Uses)</i>										
Excess (deficiency) of revenues over expenditures	(20)	-	2,966	-	(19,553)	2,682	-	62,967	(87,415)	
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)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

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	4.5M Public Safety Facilities	4M Farmland Open Space Fund
Revenues:								
Interest and investment income	\$ -	\$ -	\$ 1,187	\$ 562	\$ 326	\$ -	\$ -	\$ 544
Intergovernmental			79,420		-			
Departmental								
Other								
<i>Total Revenues</i>	-	-	80,607	562	326	-	-	544
Expenditures:								
General government								
Public safety			5,946	-	-	-	35,616	-
Per trust agreements								
Education								
Public libraries								
Senior services								
Capital and special appropriations								
<i>Total Expenditures</i>	182,953	37,141	5,946	-	-	-	35,616	-
	182,953	37,141						
	(182,953)	(37,141)	74,661	562	326	-	(35,616)	544
Excess (deficiency) of revenues over expenditures before other financing sources (uses)								
Other financing sources (uses):								
Transfers in	-	-	-	-	1,006	-	-	-
Transfers out					(175,344)			
<i>Total Other Financing Sources (Uses)</i>					(174,338)			
Excess (deficiency) of revenues over expenditures	(182,953)	(37,141)	74,661	562	(174,012)	-	(35,616)	544
Fund balance, beginning of year	72,085		676,023	373,559	194,891	8,775	57,556	362,126
Fund balance, end of year	\$ (110,868)	\$ (37,141)	\$ 750,684	\$ 374,121	\$ 20,879	\$ 8,775	\$ 21,940	\$ 362,670

(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. Spink Outside Poor Fund	John B. Spink Outside Poor Fund	Thomas Casey Outside Poor Fund	Elizabeth Miller Library 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>	<u>-</u>
Expenditures:								
General government								
Public safety								
Per trust agreements								
Education								
Public libraries								
Senior services								
Capital and special appropriations								
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>28</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>28</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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>	<u>2,004</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>	<u>\$ 2,004</u>
								(continued)

(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							Grand Totals
	William D. Davis Library Fund	Veterans Memorial Scholarship	Hendrick Library Fund	Gardiner Fund	School Updike Fund	School Tennis Fund	Lynette Olson Memorial Fund	
Revenues:								
Interest and investment income	\$ -	\$ 10	\$ 24	\$ 24	\$ 7	\$ -	\$ -	\$ 11,421
Intergovernmental								2,758,791
Departmental								41,187
Other	-	10	24	24	7	-	-	458,064
<i>Total Revenues</i>								3,269,463
Expenditures:								
General government	-	-	-	-	-	-	-	2,956,558
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>								5,317,030
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	-	10	24	24	7	-	-	(2,047,567)
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	1,543,835
Transfers out								(1,185,367)
<i>Total Other Financing Sources (Uses)</i>								358,468
Excess (deficiency) of revenues over expenditures	-	10	24	24	7	-	-	(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	\$ 5,009	\$ 6,906	\$ 8,742	\$ 5,785	\$ 4,213	\$ 268	\$ 5,340	\$ 2,438,017

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 II 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	888,399					\$ 86	
Due from other funds	972,325						
Other receivables							
<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	-	-	237	-	-
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>\$ 3,408,350</u>	<u>\$ 2,862</u>	<u>\$ 11,235</u>	<u>\$ -</u>	<u>\$ 237</u>	<u>\$ 86</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	91-142 Preschool Services	21st Century Learning Center
<i>Assets</i>								
Cash and cash equivalents	\$ 369,514	\$ 876	\$ (126) 217,817	\$ -	\$ 1,022	\$ 42,956	\$ 10,618	\$ 64,950
Due from other governments								
Due from grantor								
Due from other funds								
Other receivables	1,372							
<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>	<u>\$ 10,618</u>	<u>\$ 64,950</u>
<i>Liabilities</i>								
Accounts payable and accrued liabilities								
Due to other funds	\$ 17,363			\$ -	\$ -	\$ 42,956	\$ 128	\$ 64,950
Due to other governments	353,523	\$ 876	\$ 217,691				10,491	
Other payables								
Deferred revenue								
<i>Total Liabilities</i>	<u>\$ 370,886</u>	<u>\$ 876</u>	<u>\$ 217,691</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,956</u>	<u>\$ 10,619</u>	<u>\$ 64,950</u>
<i>Fund Balances</i>								
Nonspendable								
Restricted	-	-	-	-	1,022	-	(1)	-
Committed								
Assigned								
Unassigned								
<i>Total Fund Balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022</u>	<u>\$ -</u>	<u>\$ (1)</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>	<u>\$ 10,618</u>	<u>\$ 64,950</u>

(continued)

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

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
<i>Assets</i>								
Cash and cash equivalents	\$ 237	\$ 245	\$ 2,222	\$ 6,263	\$ 8,033	\$ 2,350	\$ 2,000	\$ 755
Due from other governments								
Due from grantor						2,494		
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>\$ 4,844</u>	<u>\$ 2,000</u>	<u>\$ 755</u>
<i>Liabilities</i>								
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								
Restricted	237	(66)	466	-	3,888	-	-	745
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>								

(continued)

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

JUNE 30, 2012

		SPECIAL REVENUE FUNDS						
	COZ Miscellaneous Donations	Siemens Foundation	Use of Buildings	Feinstein Foundation	Nickelodeon	Donations- Coaches	RIPIN	School/Town Substance Abuse
<i>Assets</i>								
Cash and cash equivalents	\$ 12,376	\$ 1,000		\$ 280	\$ 1,535		\$ -	\$ 66
Due from other governments								
Due from grantor			\$ 78			\$ 4,145		
Due from other funds			6,802					
Other receivables	500		6,880	280	1,535	4,145	-	66
<i>Total Assets</i>	<u>\$ 12,876</u>	<u>\$ 1,000</u>	<u>\$ 6,880</u>	<u>\$ 280</u>	<u>\$ 1,535</u>	<u>\$ 4,145</u>	<u>\$ -</u>	<u>\$ 66</u>
<i>Liabilities</i>								
Accounts payable and accrued liabilities								
Due to other funds	\$ -	\$ -	\$ 30	\$ -	\$ -	\$ 4,145	\$ -	\$ -
Due to other governments			6,250					
Other payables								
Deferred revenue								
<i>Total Liabilities</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,145</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Fund Balances</i>								
Nonspendable								
Restricted	12,876	1,000	600	280	1,535	-	-	66
Committed								
Assigned								
Unassigned								
<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>	<u>\$ -</u>	<u>\$ 66</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>	<u>\$ -</u>	<u>\$ 66</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	Education Jobs Fund	
<i>Assets</i>									
Cash and cash equivalents	\$ 738	\$ 166	\$	\$ 1,239	\$ -	\$ -	\$ -	\$ 8,721	
Due from other governments			\$ 2,488						
Due from grantor									
Due from other funds									
Other receivables									
<i>Total Assets</i>	<u>\$ 738</u>	<u>\$ 166</u>	<u>\$ 2,488</u>	<u>\$ 1,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,721</u>	
<i>Liabilities</i>									
Accounts payable and accrued liabilities									
Due to other funds	\$ -	\$ -	\$ 913	\$ -	\$ -	\$ -	\$ -	\$ 8,721	
Due to other governments									
Other payables									
Deferred revenue									
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>913</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,721</u>	
<i>Fund Balances</i>									
Nonspendable									
Restricted	738	166	1,575	1,239	-	-	-	-	
Committed									
Assigned									
Unassigned									
<i>Total Fund Balances</i>	<u>738</u>	<u>166</u>	<u>1,575</u>	<u>1,239</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<i>Total Liabilities and Fund Balances</i>	<u>\$ 738</u>	<u>\$ 166</u>	<u>\$ 2,488</u>	<u>\$ 1,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,721</u>	

(continued)

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

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
<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							895,202
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			\$ -	\$ -	\$ -	\$ 1,321,974
Due to other funds	3,143	\$ 6,196	\$ 2,637				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	(4,456)	-	-	-	-	-	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	\$ -					
Intergovernmental	12,858,244		\$ 37,473	\$ 20,919	\$ 750	\$ 4,854	\$ 2,232
Departmental							
On behalf pension contribution	2,361,865						
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							
Transfers in	43,420,838	-	-	-	-	-	-
Transfers out	(208,119)						
<i>Total other financing sources (uses)</i>	<u>43,212,719</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,363,505)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237</u>	<u>-</u>	<u>-</u>
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)							

(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	963,313	3,115	613,953	645		203,818	28,375	166,723
Departmental								
On behalf pension contribution								
Other								
<i>Total Revenues</i>	<u>963,313</u>	<u>3,115</u>	<u>613,953</u>	<u>645</u>	<u>-</u>	<u>203,818</u>	<u>28,375</u>	<u>166,723</u>
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>	<u>963,313</u>	<u>3,115</u>	<u>613,953</u>	<u>645</u>	<u>-</u>	<u>203,818</u>	<u>28,376</u>	<u>166,723</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	-	-	-	-	-	-	(1)	-
Other Financing Sources (Uses):								
Proceeds from bond issuance	-	-	-	-	-	-	-	-
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>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	1,022	-	(1)	-
Fund balance, beginning of year	-	-	-	-	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022</u>	<u>\$ -</u>	<u>\$ (1)</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							
	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>	<u>750</u>	<u>900</u>	<u>1,665</u>	<u>21,200</u>	<u>8,033</u>	<u>17,942</u>	<u>-</u>	<u>500</u>
Expenditures:								
General government								
Public safety								
Per trust agreements								
Education	513	966	1,399	21,200	4,145	17,942	2,000	1,750
Public libraries								
Senior services								
On behalf pension contribution								
Capital and special appropriations								
<i>Total Expenditures</i>	<u>513</u>	<u>966</u>	<u>1,399</u>	<u>21,200</u>	<u>4,145</u>	<u>17,942</u>	<u>2,000</u>	<u>1,750</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>237</u>	<u>(66)</u>	<u>266</u>	<u>-</u>	<u>3,888</u>	<u>-</u>	<u>(2,000)</u>	<u>(1,250)</u>
Other Financing Sources (Uses):								
Proceeds from bond issuance								
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>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>237</u>	<u>(66)</u>	<u>266</u>	<u>-</u>	<u>3,888</u>	<u>-</u>	<u>(2,000)</u>	<u>(1,250)</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>1,995</u>
Fund balance, end of year	<u>\$ 237</u>	<u>\$ (66)</u>	<u>\$ 466</u>	<u>\$ -</u>	<u>\$ 3,888</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 745</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							
	COZ Miscellaneous Donations	Siemens Foundation	Use of Buildings	Feinstein Foundation	Nickelodeon	Donations- Coaches	RIPIN	School/Town Substance Abuse
Revenues:								
Interest and investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	9,727	-	-	-	-	5,222	907	500
Departmental								
On behalf pension contribution								
Other								
<i>Total Revenues</i>	<u>9,727</u>	<u>-</u>	<u>51,976</u>	<u>-</u>	<u>-</u>	<u>5,222</u>	<u>907</u>	<u>500</u>
Expenditures:								
General government								
Public safety								
Per trust agreements								
Education	1,486	-	-	-	-	5,222	907	434
Public libraries								
Senior services								
On behalf pension contribution								
Capital and special appropriations								
<i>Total Expenditures</i>	<u>1,486</u>	<u>-</u>	<u>51,376</u>	<u>-</u>	<u>-</u>	<u>5,222</u>	<u>907</u>	<u>434</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>8,241</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66</u>
Other Financing Sources (Uses):								
Proceeds from bond issuance								
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>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>8,241</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66</u>
Fund balance, beginning of year	<u>4,635</u>	<u>1,000</u>	<u>-</u>	<u>280</u>	<u>1,535</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 12,876</u>	<u>\$ 1,000</u>	<u>\$ 600</u>	<u>\$ 280</u>	<u>\$ 1,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66</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							
	21st Century Donation	Amgen Foundation	Substance Abuse Taskforce	Spirit Day	ARRA IDEA Part B	ARRA IDEA Preschool	ARRA-EZT2- MCI	Education Jobs Fund
Revenues:								
Interest and investment income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	738	-	31,475	2,693	84,872	16,540	100,033	493,996
Departmental								
On behalf pension contribution								
Other								
<i>Total Revenues</i>	<u>738</u>	<u>-</u>	<u>31,475</u>	<u>2,693</u>	<u>84,872</u>	<u>16,540</u>	<u>100,033</u>	<u>493,996</u>
Expenditures:								
General government	-	-	-	-	-	-	-	-
Public safety								
Per trust agreements								
Education			29,900	2,624	84,872	16,540	100,033	493,996
Public libraries								
Senior services								
On behalf pension contribution								
Capital and special appropriations								
<i>Total Expenditures</i>	<u>-</u>	<u>-</u>	<u>29,900</u>	<u>2,624</u>	<u>84,872</u>	<u>16,540</u>	<u>100,033</u>	<u>493,996</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>738</u>	<u>-</u>	<u>1,575</u>	<u>69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):								
Proceeds from bond issuance								
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>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>738</u>	<u>-</u>	<u>1,575</u>	<u>69</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year		166		1,170	-	-	-	-
Fund balance, end of year	<u>738</u>	<u>\$ 166</u>	<u>\$ 1,575</u>	<u>\$ 1,239</u>	<u>\$ -</u>	<u>\$ -</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							
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 257
Intergovernmental	11,132	7,923	25,341	8,964	177	20,043	15,775,687
Departmental							-
On behalf pension contribution							2,361,865
Other							70,688
<i>Total Revenues</i>	<u>11,132</u>	<u>7,923</u>	<u>25,341</u>	<u>8,964</u>	<u>177</u>	<u>20,043</u>	<u>18,208,497</u>
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							-
On behalf pension contribution							2,361,865
Capital and special appropriations							51,376
<i>Total Expenditures</i>	<u>11,131</u>	<u>7,923</u>	<u>25,341</u>	<u>8,964</u>	<u>177</u>	<u>20,043</u>	<u>62,772,120</u>
Excess (deficiency) of revenues over expenditures before other financing sources (uses)	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,563,623)</u>
Other Financing Sources (Uses):							
Proceeds from bond issuance							-
Transfers in	-	-	-	-	-	-	43,420,838
Transfers out							(208,119)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,212,719</u>
Excess (deficiency) of revenues over expenditures	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,350,904)</u>
Fund balance, beginning of year	<u>(4,457)</u>						<u>3,268,643</u>
Fund balance, end of year	<u>\$ (4,456)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,917,739</u>

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

	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
ASSETS:											
Current assets:											
Cash and cash equivalents	\$ 63,474	\$ -	\$ -	\$ 14,226	\$ 4,734	\$ 23,386	\$ 19,644	\$ 5,785	\$ (1,487)	\$ (258,264)	\$ (128,502)
Prepays						11,942			2,714		14,656
Other receivables				1,690						88,655	90,345
Inventory										19,468	19,468
Due from other funds					1,098					210,535	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										2,006	2,006
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	-	-	-	65	1,970	-		41,756	47,800
Deferred revenue		109,583			3,000	31,708			1,098	20,644	34,708
Due to other funds					2						131,327
Total current liabilities	-	113,592	-	-	3,002	31,773	1,970	-	1,098	62,400	213,835
NET ASSETS:											
Invested in capital assets	63,474	(113,592)	-	15,916	2,830	3,555	17,674	5,785	129	2,006	2,006
Unrestricted										(2,006)	(6,235)
Total net assets	\$ 63,474	\$ (113,592)	\$ -	\$ 15,916	\$ 2,830	\$ 3,555	\$ 17,674	\$ 5,785	\$ 129	\$ -	\$ (4,229)

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	\$ (113,592)	\$ -	\$ 15,916	\$ 2,830	\$ 3,555	\$ 17,674	\$ 5,785	\$ 129	\$ -	\$ (4,229)

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

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
Cash flows from operating activities:											
Cash received from customers	\$ -	\$ -	\$ -	\$ 20,843	\$ 41,763	\$ 11,330	\$ 29,928	\$ 5,785	\$ 1,125	\$ 484,400	\$ 595,174
Cash received from other sources										445,432	445,432
Cash payments to suppliers for goods and services	(20,600)	\$ (109,583)	-	(12,122)	2,777	31,059	(23,480)		(50)	(493,123)	(625,122)
Cash payments to employees for services				(3,271)	(37,062)	(43,644)	(7,210)		(6,169)	(716,697)	(814,053)
Net cash provided by (used in) operating activities	(20,600)	(109,583)	-	5,450	7,478	(1,255)	(762)	5,785	(5,094)	(279,988)	(398,569)
Cash flows from noncapital financing activities:											
Federal grant receipts									-	37,509	37,509
State matching funds receipts										(224,463)	(137,910)
Interfund borrowings	-	109,583	(610)	(1,622)	(2,744)	(36,844)	20,406		(1,616)	208,119	208,119
Transfer from other funds											
Transfer to other funds	-	109,583	(610.00)	(1,622.00)	(2,744)	(36,844)	20,406	-	(1,616)	21,165	107,718
Net cash provided by (used in) noncapital financing activities	-	109,583	(610.00)	(1,622.00)	(2,744)	(36,844)	20,406	-	(1,616)	21,165	107,718
Cash flows from investing activities:											
Interest on investments	100	-	-	-	-	-	-	-	-	-	100
Net cash provided by investing activities	100	-	-	-	-	-	-	-	-	-	100
Net increase (decrease) in cash and cash equivalents	(20,500)		(610)	3,828	4,734	(38,099)	19,644	5,785	(6,710)	(258,823)	(290,751)
Cash and cash equivalents, July 1, 2011	83,974	-	610	10,398	-	61,485	-	-	5,223	559	162,249
Cash and cash equivalents, June 30, 2012	\$ 63,474	\$ -	\$ -	\$ 14,226	\$ 4,734	\$ 23,386	\$ 19,644	\$ 5,785	\$ (1,487)	\$ (258,264)	\$ (128,502)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:											
Operating income (loss)	\$ (20,600)	\$ (113,592)	\$ -	\$ 8,140	\$ 4,523	\$ (33,028)	\$ (2,077)	\$ 5,785	\$ (5,094)	\$ (208,119)	\$ (364,062)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:											
Depreciation										501	501
(Increase) decrease in other receivable				810						(75,797)	(74,987)
(Increase) decrease in inventory										11,838	11,838
(Increase) decrease in due from other funds					3,000	31,708					
Increase (decrease) in deferred revenue											
Increase (decrease) in due to other funds					(45)	65	1,315			(8,411)	
Increase (decrease) in accounts payable		4,009		(3,500)							
Net cash provided by (used in) operating activities	\$ (20,600)	\$ (109,583)	\$ -	\$ 5,450	\$ 7,478	\$ (1,255)	\$ (762)	\$ 5,785	\$ (5,094)	\$ (279,988)	\$ (398,569)

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	

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)

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)

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	J. Oliviera	Doris Horowitz
<i>Assets</i>						
Cash	\$ 8,323	\$ 2,615	\$ 607	\$ 229	\$ 5,713	\$ 958
<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>\$ 958</u>

(CONTINUED)

COMBINING STATEMENT OF NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

JUNE 30, 2012

	Probate Funds				Grand Totals
	Lillian Mattia	Arthur Tarchis	Georgia Andrews	Probate 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)

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	\$ -
	-	-	-	-	5	-
Deductions:						
Operating expense per trust agreement	-	-	-	-	-	-
	-	-	-	-	-	-
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)

COMBINING STATEMENT OF CHANGES IN NET ASSETS

PRIVATE PURPOSE TRUST FUNDS

YEAR ENDED JUNE 30, 2012

	Burial Funds						
	B.H. Davis	Urdike	Mary Carpenter	Smith- Lawton	Old Baptist Cemetery	Smith	Burial Totals
Additions:							
Investment income	\$ -	\$ 2	\$ 1	\$ 3	\$ 1	\$ 1	\$ 13
	-	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	\$ 501	\$ 1,585	\$ 1,003	\$ 4,615	\$ 702	\$ 1,003	\$ 19,502

(CONTINUED)

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	<u>8,318</u>	<u>2,611</u>	<u>606</u>	<u>229</u>	<u>5,704</u>	<u>957</u>
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.

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	\$ 389,770	\$ 467,900	\$ 517,504	\$ 340,166
<i>Liabilities</i>				
Due to student groups	\$ 389,770	\$ 467,900	\$ 517,504	\$ 340,166
<u>PAYROLL FUND</u>				
<i>Assets</i>				
Cash	\$ 66,358	\$ -	\$ 27,466	\$ 38,892
<i>Liabilities</i>				
Accounts payable	\$ 27,730		\$ 27,730	\$ -
Payroll withholdings	38,628		29,311	9,317
Due to other funds		\$ 29,575		29,575
<i>Total liabilities</i>	\$ 66,358	\$ 29,575	\$ 57,041	\$ 38,892
<u>SCHOOL PAYROLL FUND</u>				
<i>Assets</i>				
Cash	\$ 423,680	\$ 251,308	\$ -	\$ 674,988
Other Receivables				-
<i>Total assets</i>	\$ 423,680	\$ 251,308	\$ -	\$ 674,988
<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>	\$ 423,680	\$ 278,277	\$ 26,969	\$ 674,988
<u>SUNSHINE FUND</u>				
<i>Assets</i>				
Cash	\$ 1,228	\$ -	\$ 339	\$ 889
<i>Liabilities</i>				
Deposits Held in Custody for Others	\$ 1,228	\$ -	\$ 339	\$ 889

(CONTINUED)

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

	Beginning Balance	Additions	Deductions	Ending Balance
<u>DEVELOPER SURETY ESCROW</u>				
<i>Assets</i>				
Cash	\$ 180,266	\$ 277,711	\$ 245,715	\$ 212,262
<i>Liabilities</i>				
Deposits Held in Custody for Others	\$ 180,266	\$ 149,430	\$ 117,434	\$ 212,262
<u>TOTAL - ALL AGENCY FUNDS</u>				
<i>Assets</i>				
Cash	\$ 1,061,302	\$ 996,919	\$ 791,024	\$ 1,267,197
<i>Total assets</i>	\$ 1,061,302	\$ 996,919	\$ 791,024	\$ 1,267,197
<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	282,487	21,833	29,311	275,009
<i>Total liabilities</i>	\$ 1,061,302	\$ 925,182	\$ 719,287	\$ 1,267,197

(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	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	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
Total governmental activities net assets	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	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
Total primary government net assets	\$ 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						40,748			
Human resources				25,933	30,248				
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										
Restricted	\$ 742,730.00	\$ -								
Committed		1,200,000								
Assigned		304,749								
Unassigned										
Reserved	3,152,790	9,157,720								
Unreserved	9,463,442		\$ 1,817,683	\$ 1,797,399	\$ 2,184,716	\$ 910,280	\$ 773,094	\$ 1,419,288	\$ 1,148,088	\$ 1,566,317
Total General Fund	13,358,962	10,662,469	10,315,751	10,153,114	10,817,979	10,432,990	9,310,242	8,307,409	8,440,188	7,070,034
School Fund										
Non-Spendable										
Restricted	118,957	143,457								
Committed	1,590,226									
Assigned	148,034	2,506,812								
Unassigned	60,522									
Reserved										
Unreserved		-	1,232,902	813,882	1,382,667	846,487	1,206,105	928,823	229,962	2,034,919
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										
Restricted		97,453								
Committed	2,976,801	5,180,939								
Assigned		1,562,007								
Unassigned	209,753	(75,506)								
Reserved	(7,223)		651,665	610,046	13,964,592	679,785	884,321	1,138,700	1,667,297	1,445,923
Unreserved, reported in:										
Special revenue funds										
Capital project funds			2,689,199	3,403,954	6,218,839	2,758,265	2,935,006	2,776,413	2,602,830	1,187,037
Permanent funds			2,940,721	8,223,602	5,635,662	2,414,376	5,688,318	4,083,618	3,136,510	4,412,453
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			395,984	428,107	482,329	581,969	539,812	442,178	355,158	
Investment income	51,089	89,055	164,723	568,801	1,394,171	1,540,098	1,277,430	817,032	403,138	365,601
On behalf pension contribution	2,361,865	2,042,196	2,018,495	2,188,350						
Other	596,518	384,996	402,039	538,960	4,328,119	4,476,803	5,308,497	6,452,149	6,411,041	5,369,664
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										
Public Safety	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 works	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
Parks and recreation	4,111,437	4,096,839	4,047,594	4,542,437	4,320,822	3,875,742	4,158,503	4,530,289	4,330,139	3,316,262
Senior services	10,880	12,363	6,527	317,648	330,658	283,747	499,780	585,699	593,594	376,334
Education	593,228	597,116	511,999	459,838	332,711	340,782	285,376	297,474	286,475	271,638
Public libraries	60,359,429	60,097,643	59,172,692	58,670,436	60,453,700	58,983,401	54,852,418	53,565,325	53,810,038	47,534,281
Per trust agreements	1,417,361	1,472,638	1,394,451	1,392,669	1,311,869	1,304,033	1,223,869			
Human resources		485,692	421,985	355,862	177,801	40,748	101,657	173,407	204,109	184,879
On behalf pension contribution	2,361,865	2,042,196	2,018,495	2,188,350	-	30,248	55,939	35,730	228,162	138,295
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	3,309,190	3,319,190
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	2,725,731
Capital expenditures	1,194,849	965,437	4,919,600	10,185,026	8,164,270	4,145,728	2,313,693	673,545	1,555,726	458,479
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	(1,954,884)	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			6,738,825	9,790,000	11,000,000			30,360,000		
Refunding Debt Escrow Agent			(6,631,737)					(30,660,215)		
Bond premium								606,993		
Bond issuance							2,840,000	(188,635)		
Bond issuance costs										
Lease Proceeds										
Transfers in	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 out	(50,649,572)	(51,679,580)	(51,124,684)	(50,018,335)	(48,561,829)	(46,504,361)	(43,826,199)	(43,269,859)	(41,429,830)	(38,560,448)
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%

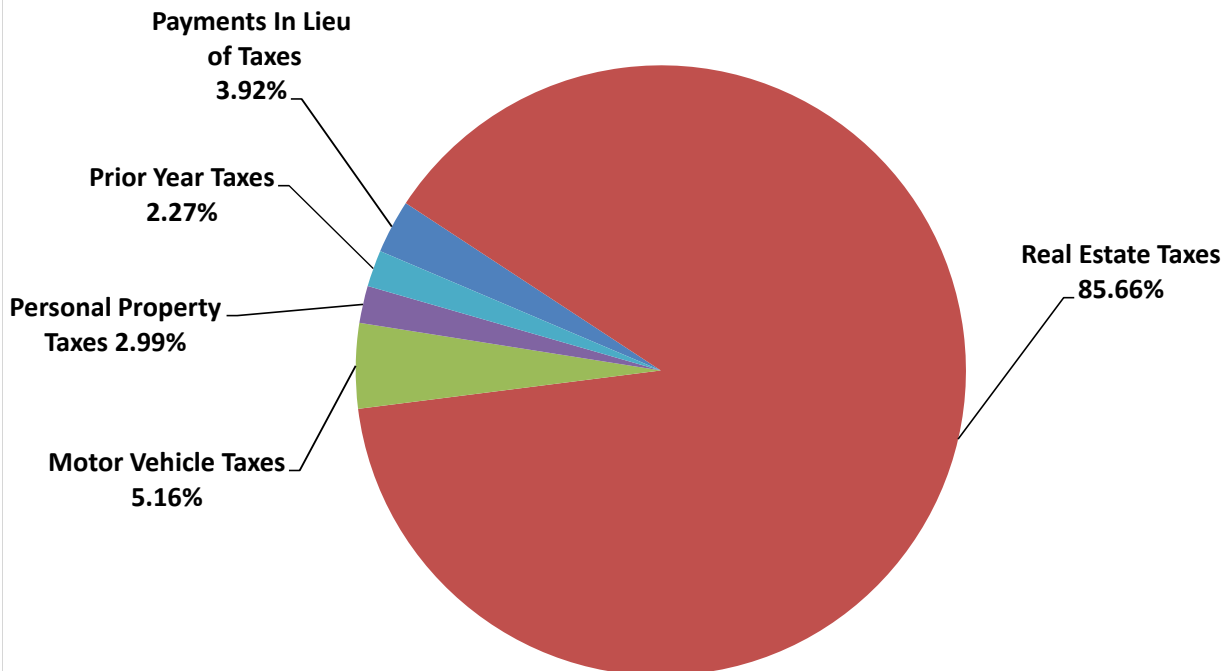
Notes:
Intergovernmental and Departmental revenues were combined until Fiscal Year 2003
Parks and recreation, Senior services and Human resources were combined until Fiscal Year 2003

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**

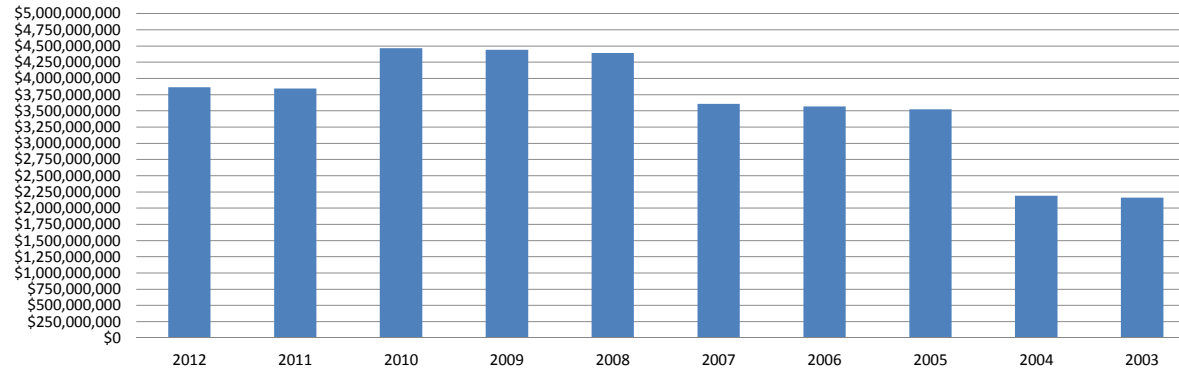


TOWN OF NORTH KINGSTOWN, RHODE ISLAND

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

Fiscal Year Ended June 30	Assessed Value						Total Direct Tax Rate Real Property	Total Direct Tax Rate Motor Vehicle	Total Direct Tax Rate Inventory	Total Direct Tax Rate	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 Taxable Assessed Value						
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
	<u>\$ 3,862,369,046</u>		<u>\$ 67,598,023</u>
Total Assessed Value	\$ 3,862,369,046		
Divided by Total Tax Levy	\$ 67,598,023		
(Times 1,000)			
	<u>\$ 17.50</u>	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			
	Rank	Taxable Assessed Value	Percent of Total Town Taxable Assessed Value	Rank	Taxable Assessed Value	Percent of Total Town Taxable Assessed Value	
NARRAGANSETT ELECTRIC CO	1	\$ 53,240,730	1.19%	1	\$ 26,155,690.00	1.14%	1
PRECISION PARK RHODE ISLAND LLC	2	\$ 14,652,000	0.33%	2	\$ 15,265,600.00	0.66%	2
HOME DEPOT USA INC	3	\$ 14,448,280	0.32%	3	\$ 10,440,700.00	0.45%	3
LISCHIO DEVELOPMENT CO. LLC	4	\$ 14,281,000	0.32%	4	\$ 9,976,370.00	0.43%	4
ZAKOPANE REAL ESTATE ASSOC INC	5	\$ 13,812,800	0.31%	5	\$ 8,187,900.00	0.36%	5
WAL-MART REAL ESTATE BUSINESS TRUST	6	\$ 12,862,800	0.29%	6	\$ 8,017,400.00	0.35%	6
NEW PLAN HUNT RIVER COMMONS LLC	7	\$ 12,284,200	0.28%	7	\$ 6,904,330.00	0.30%	7
HERITAGE PRESERVATION ASSOC	8	\$ 11,020,500	0.25%	8	\$ 6,813,470.00	0.30%	8
MILLCREEK LIMITED LIABILITY CO	9	\$ 10,560,000	0.24%	9	\$ 6,615,770.00	0.29%	9
FUJIFILM ELECTRONIC MATERIALS	10	\$ 9,700,400	0.22%	10	\$ 6,047,120.00	0.26%	10
LOWES HOME CENTERS INV	11	\$ 9,060,430	0.20%	11	\$ 5,779,300.00	0.25%	11
ESSEX VILLAGE COMPANY	12	\$ 7,822,600	0.18%	12	\$ 4,717,400.00	0.21%	12
MEADOWS PROFESSIONAL	13	\$ 7,343,100	0.16%	13	\$ 4,582,300.00	0.20%	13
QUIDNESSETT CNTRY CLUB INC	14	\$ 7,121,600	0.16%	14	\$ 4,506,800.00	0.20%	14
WEST DAVISVILLE REALTY CO LLC	15	\$ 6,930,900	0.16%	15	\$ 4,086,300.00	0.18%	15
KOHL'S DEPT STORES	16	\$ 6,706,130	0.15%	16	\$ 4,082,100.00	0.18%	16
KINGSTOWN PLAZA LIMITED PARTN	17	\$ 6,672,600	0.15%	17	\$ 3,964,600.00	0.17%	17
DOMINION DIAGNOSTICS LLC	18	\$ 6,645,270	0.15%	18	\$ 3,870,900.00	0.17%	18
WICKFORD VILLAGE REALTY	19	\$ 6,561,980	0.15%	19	\$ 3,797,000.00	0.17%	19
WICKFORD SHIPYARD INC	20	\$ 6,419,800	0.14%	20	\$ 3,637,900.00	0.16%	20
GOLDLINE PROPERTIES	21	\$ 6,307,200	0.14%	21	\$ 3,619,500.00	0.16%	21
HIGH LEA PROPERTIES LLC	22	\$ 6,196,500	0.14%	22	\$ 3,125,500.00	0.14%	22
WICKBAY PROPERTIES INC	23	\$ 6,130,100	0.14%	23	\$ 2,861,900.00	0.12%	23
TORAY PLASTICS AMERICA INC	24	\$ 6,016,710	0.13%	24	\$ 2,683,400.00	0.12%	24
KINGS GRANT CO	25	\$ 5,793,400	0.13%	25	\$ 2,628,000.00	0.11%	25

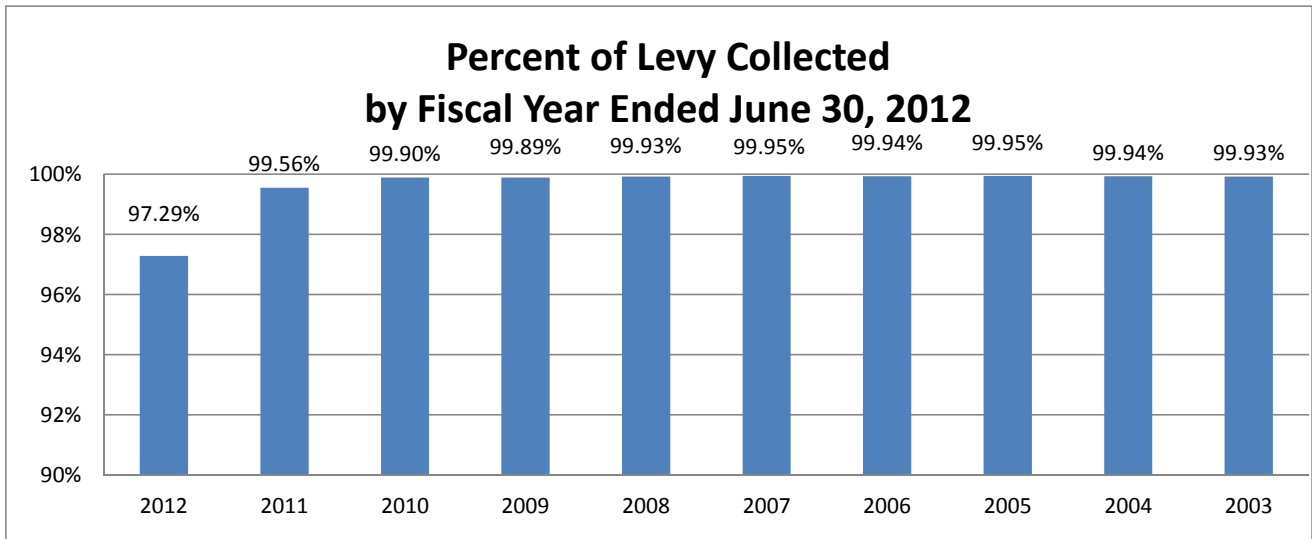
Source: Town of North Kingstown Tax Assessor

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%

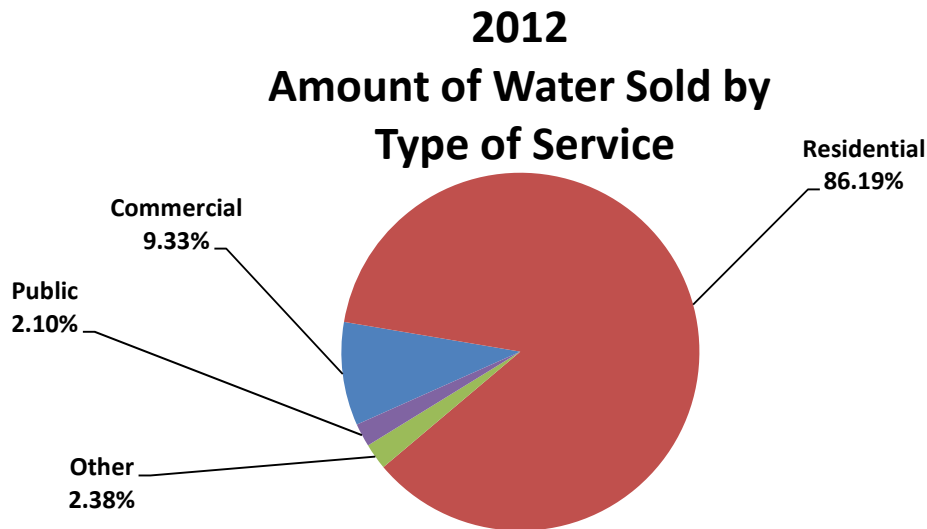
Source: Town of North Kingstown Tax Assessor and Finance Departments



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	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Net Bonded Debt per Capita	Taxable Assessed Value	Net Bonded Debt as % of Taxable Assessed Value				
		General Obligation Bonds	Water Bonds	Davisville Recreation Bonds	Quonset/ Bonds									
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	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
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
Debt applicable to limit:										
Q/D 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,198	\$ 222,261	\$ 324,448	\$ 421,079	\$ 512,456
Bonded Debt Subject to Limit	\$ 216,060	\$ 249,210	\$ 282,516	\$ 306,916	\$ 368,533	\$ 513,540	\$ 652,409	\$ 785,428	\$ 912,869	\$ 1,035,056
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	\$ 65,975,175	\$ 65,218,657
Total net debt applicable to the limit	\$ 216,060	\$ 249,210	\$ 282,516	\$ 306,916	\$ 368,533	\$ 513,540	\$ 114,198	\$ 222,261	\$ 326,448	\$ 512,456
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	0.19%	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 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	Estimated 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**

2012

2002

Employer	Employees	Rank	Percentage of Total Town		Employer	Employees	Rank	Percentage of Total Town	
			Employment	Employment				Employment	Employment
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%	
134d AIR WING, RIANG	303	6	1.96%		THE HOME DEPOT	250	6	1.64%	
TOWN OF NORTH KINGSTOWN	300	7	1.94%		THE STOP & SHOP CO., INC	225	7	1.47%	
HOME DEPOT	250	8	1.62%		WAL-MART	200	8	1.31%	
NORTH ATLANTIC DISTRIBUTIONS INC	248	9	1.60%		SENESCO	160	9	1.05%	
THE STOP & SHOP CO., INC.	225	10	1.46%		SO COUNTY NURSING CTR	150	10	0.98%	
STAR GAS SERVICE	212	11	1.37%		GREGG'S	150	11	0.98%	
HEXAGON METROLOGY	200	12	1.29%		CUSTOM DESIGN INC	150	12	0.98%	
WAL-MART	200	13	1.29%		ANVIL INTERNATIONAL, INC	134	13	0.88%	
CUSTOM DESIGN	150	14	0.97%		SCALABRINI VILLA	120	14	0.78%	
GREGG'S	150	15	0.97%		ARCH CHEMICALS, INC	120	15	0.78%	
SO COUNTY NURSING & REHAB.	150	16	0.97%		DAVE'S MARKETPLACE OF WICKFORD	100	16	0.65%	
GREATER PROVIDENCE YMCA	130	17	0.84%		DAVE'S MARKETPLACE OF NO KINGSTOWN	100	17	0.65%	
ANVIL INTERNATIONAL	122	18	0.79%		ADECCO STAFFING	100	18	0.65%	
ARCH CHEMICAL	120	19	0.78%		NORTH ATLANTIC DISTRIBUTION INC	100	19	0.65%	
SCALABRINI VILLA	120	20	0.78%		ICON INTERNATIONAL INC	94	20	0.61%	
ADECCO EMPLOYMENT SERVICE	100	21	0.65%		RI BEVERAGE PACKAGING CO	90	21	0.59%	
DAVE'S MARKETPLACE NORTH KINGSTOW	100	22	0.65%		EMAC TRANSPORT & LEASING CO., INC	90	22	0.59%	
DAVE'S MARKETPLACE WICKFORD	100	23	0.65%		COMMUNITY CARE NURSES INC	85	23	0.56%	
QUIDNESSETT COUNTRY CLUB	100	24	0.65%		ROBERTS HEALTH CENTRE, INC	82	24	0.54%	
ALL AMERICAN MEATS & SEAFOOD	78	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 InSite 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