
TOWN OF JAMESTOWN

FINANCIAL STATEMENTS

***FOR THE FISCAL YEAR ENDED
June 30, 2013***

***Bruce R. Keiser
Town Administrator***

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

Prepared by: Finance Department

JAMESTOWN, RHODE ISLAND

**TOWN OF JAMESTOWN, RHODE ISLAND
AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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Concluded

INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF JAMESTOWN, RHODE ISLAND
Listing of Town Officials
For the Year Ended June 30, 2013

TOWN COUNCIL

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

TOWN ADMINISTRATOR

Bruce R. Keiser

FINANCE DIRECTOR

Christina D. Collins

SCHOOL COMMITTEE

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

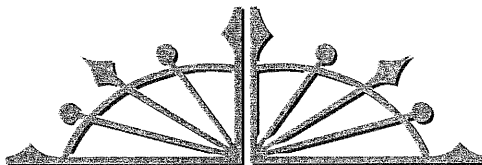
SCHOOL DIRECTOR OF FINANCE

Jane Littlefield

FINANCIAL SECTION

This Section Contains the Following Subsections:

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



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Jamestown, Rhode Island (Town) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Town of Jamestown, Rhode Island as of June 30, 2013, and the respective changes in financial position thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-13 and 68-76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Jamestown, Rhode Island's basic financial statements. The introductory section, combining nonmajor fund financial statements, the combining fiduciary fund financial statements, other supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2013 on our consideration of the Town of Jamestown, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Jamestown, Rhode Island's internal control over financial reporting and compliance.



Baxter Dansereau & Associates, LLP

West Warwick, Rhode Island

December 18, 2013

MANAGEMENTS' DISCUSSION AND ANALYSIS

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

Our discussion and analysis of the Town of Jamestown, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2013.

The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions* in 2012. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. See Note 1 Summary of Significant Accounting Policies in the Notes to the Financial Statements.

Financial Highlights

- ❖ The Town's primary government net position increased in the amount of \$385,054 as a result of this current year's operations. On a government-wide basis the assets of the Town of Jamestown exceeded its liabilities at the close of the most recent fiscal year by \$26,416,394. Net position of business activities decreased by \$45,738 or (0.63)% while the current net position of Governmental Activities increased by \$430,792 or 2.3%.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$25,361,826 while revenues collected were \$25,746,880 for the 12 month fiscal year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,435,968. Over 38% of this amount, \$3,272,517 is unassigned and available for use within the Town's designation and fiscal policies.
- ❖ At the end of the current fiscal year, the general funds unassigned fund balance was \$3,585,628, which equals 16.5% of the total general fund expenditures for the fiscal year. The current fiscal year's revenues exceeded expenditures and transfers by \$496,242. On a budgetary basis revenues exceeded expenditures and transfers by \$808,417.

Overview of the Financial Statements

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

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

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

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

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

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

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

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

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

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

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

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

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

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary Information is presented on pages 68 through 76.

The combining statements referred to earlier in connection with non-major governmental funds, and proprietary funds are presented on pages 77 through 111.

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

Government-wide Financial Analysis

Analysis of the Town of Jamestown's Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The Town of Jamestown, governmental activities assets exceeded liabilities by \$19,224,513 as of June 30, 2013. This reflects an overall net increase of \$628,616 from the previous year. See page 3 financial highlights for a further explanation.

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

	<i>Town of Jamestown</i>					
	<i>Net Position</i>					
	<u>June 30, 2012</u>			<u>June 30, 2013</u>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 11,255,206	\$ 494,399	\$ 11,749,605	\$ 11,016,944	\$ 421,302	\$ 11,438,246
Capital assets	20,889,952	17,450,155	38,340,107	21,278,609	16,809,250	38,087,859
Total Assets	<u>32,145,158</u>	<u>17,944,554</u>	<u>50,089,712</u>	<u>32,295,553</u>	<u>17,230,552</u>	<u>49,526,105</u>
Other Liabilities	1,943,745	202,931	2,146,676	1,764,845	207,120	1,971,965
Long-Term Liabilities	11,605,516	10,504,004	22,109,520	11,306,195	9,831,551	21,137,746
Total Liabilities	<u>13,549,261</u>	<u>10,706,935</u>	<u>24,256,196</u>	<u>13,071,040</u>	<u>10,038,671</u>	<u>23,109,711</u>
Net Position:						
Net investment in capital assets	11,554,452	7,040,823	18,595,275	12,603,109	7,080,551	19,683,660
Restricted for:						
Education programs	1,964,205	-	1,964,205	1,130,399	-	1,130,399
Public safety programs	47,760	-	47,760	102,305	-	102,305
Unrestricted	5,029,480	196,796	5,226,276	5,388,700	111,330	5,500,030
Total Net Position	<u>\$ 18,595,897</u>	<u>\$ 7,237,619</u>	<u>\$ 25,833,516</u>	<u>\$ 19,224,513</u>	<u>\$ 7,191,881</u>	<u>\$ 26,416,394</u>

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

The portion of the Town's governmental activities net position of \$12,603,109 consists of its net investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

As of June 30, 2013 the Town of Jamestown reports positive balances in both categories of net position for the government as a whole.

Analysis of the Town of Jamestown's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2013. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year February 29, 2004. Therefore, comparative data is available and is presented in the following schedules. Current year Governmental activities increased the Town's net position by \$430,792 or 2.3%, while business-type activities decreased the Town's net position by \$45,738 accounting for (0.63)% for a total increase in the primary governments net position of \$385,054.

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

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

Town of Jamestown
Changes in Net Position

	June 30, 2012			June 30, 2013		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Revenues						
Program revenues						
Charges for services	\$ 1,229,036	\$ 2,181,230	\$ 3,410,266	\$ 1,267,089	\$ 2,235,138	\$ 3,502,227
Federal/State grants	1,932,043	-	1,932,043	1,571,434	-	1,571,434
General Revenues						
Property taxes	18,180,043	-	18,180,043	18,583,993	-	18,583,993
Investment earnings	120,587	3,420	124,007	142,839	3,457	146,296
State aid	714,529	-	714,529	731,485	-	731,485
Miscellaneous	1,173,497	217,864	1,391,361	1,017,032	194,413	1,211,445
<i>Special item - gain on sale of building</i>	-	350,611	350,611	-	-	-
Total revenues	<u>23,349,735</u>	<u>2,753,125</u>	<u>26,102,860</u>	<u>23,313,872</u>	<u>2,433,008</u>	<u>25,746,880</u>
Expenses						
Legislative/judicial/admin	2,043,669	-	2,043,669	2,577,859	-	2,577,859
Financial Administrative	299,135	-	299,135	323,446	-	323,446
Public Safety	2,427,474	-	2,427,474	2,468,740	-	2,468,740
Public Works	1,952,441	-	1,952,441	2,031,242	-	2,031,242
Public Welfare	3,964	-	3,964	3,964	-	3,964
Public Health	279,296	-	279,296	278,621	-	278,621
Tree Warden	34,879	-	34,879	29,480	-	29,480
Library	357,584	-	357,584	391,181	-	391,181
Parks & Recreation	481,623	-	481,623	518,289	-	518,289
Other	1,297,091	-	1,297,091	1,787,507	-	1,787,507
Education	12,454,292	-	12,454,292	12,162,790	-	12,162,790
Interest	396,940	-	396,940	384,542	-	384,542
Harbor Management Fund	-	207,576	207,576	-	238,203	238,203
Water Fund	-	1,045,296	1,045,296	-	1,018,776	1,018,776
On-Site Wastewater Fund	-	32,661	32,661	-	35,613	35,613
Sewer Fund	-	1,089,904	1,089,904	-	1,111,573	1,111,573
Total expenses	<u>22,028,388</u>	<u>2,375,437</u>	<u>24,403,825</u>	<u>22,957,661</u>	<u>2,404,165</u>	<u>25,361,826</u>
Transfers	(8,000)	8,000	-	74,581	(74,581)	-
Change in net position	1,313,347	385,688	1,699,035	430,792	(45,738)	385,054
Net position beginning	17,282,550	6,851,931	24,134,481	18,595,897	7,237,619	25,833,516
Prior period adjustment	-	-	-	197,824	-	197,824
Net position ending	<u>\$ 18,595,897</u>	<u>\$ 7,237,619</u>	<u>\$ 25,833,516</u>	<u>\$ 19,224,513</u>	<u>\$ 7,191,881</u>	<u>\$ 26,416,394</u>

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

Financial Analysis of the Town of Jamestown's Funds

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

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$8,435,968. Over 38% of the total amount, or \$3,272,517 constituted unassigned fund balances. The remainder of the fund balance is categorized at various commitment levels as follows.

TOWN OF JAMESTOWN, RHODE ISLAND
Fund Balance Categories

<i>Nonspendable:</i>	
Inventories	\$ 10,511
Prepays	35,811
<i>Restricted for:</i>	
Educational programs	1,130,399
Public safety programs	102,305
<i>Committed for:</i>	
Public works programs	350,733
2014 Budgeted operations	150,000
Capital programs	271,697
Post employment healthcare	1,500,000
Compensated absences	756,983
<i>Assigned for:</i>	
Public safety programs	34,234
Public welfare programs	95,315
Public works programs	358,149
Culture and recreation	367,314
<i>Unassigned:</i>	<u>3,272,517</u>
Total fund balances	<u><u>\$ 8,435,968</u></u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

General Fund Budgetary Highlights

Revenues:

Real Estate and Tangible Taxes - were over budget by \$390,867 due to high collection rate and payment of previous year's taxes.

License and Permits - were over budget \$31,299 due to higher than anticipated recordings and construction.

Intergovernmental & Departmental - were over budget \$227,228 due to higher than anticipated activities in various departments and unbudgeted Federal Stabilization Funds.

Interests on Investments - were under budget due to continued low interest rates on investments.

Expenses:

Financial administration and Tax Assessor - we over budget \$24,320 as a result of various unanticipated expenses.

Public Safety - was under budget \$34,963 due to various cost savings.

Parks and Recreation - was under budget \$29,484, due to various costs savings.

Debt Service - was over budget \$71,312 due to fiscal year 2009-2010 warrant which had certain debt being paid from the undesignated fund balance.

Other – was over budget due to the General Fund using undesignated Fund Balance to repair East Ferry Seawall and Dumpling Drive. The outlay from the General Fund Undesignated Fund Balance for the 2 projects was \$484,036.58 and \$43,880.56 respectively. The Marine Development Fund will reimburse approximately \$40,000 per year for 50% (\$242,018.29) of the East Ferry Seawall; \$38,700 for FY13 was reimbursed.

The Town of Jamestown's Capital Assets

The Town of Jamestown's investment in capital assets for its governmental and business-type activities amounts to \$38,087,859 net of accumulated depreciation at June 30, 2013. Included are land, building and improvements, construction in progress, motor vehicles, infrastructure, furniture and equipment.

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

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

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

	June 30, 2012			June 30, 2013		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land & Development Rights	\$ 6,818	\$ 55	\$ 6,873	\$ 6,818	\$ 55	\$ 6,873
Construction in Progress	21	-	21	540	-	540
Buildings and improvements	8,147	16,951	25,098	8,220	16,470	24,690
Infrastructure	4,374	-	4,374	4,296	-	4,296
Mains, wells, pumps & hydrants	-	357	357	-	260	260
Machinery and equipment	1,530	87	1,617	1,405	24	1,429
Total	\$ 20,890	\$ 17,450	\$ 38,340	\$ 21,279	\$ 16,809	\$ 38,088

The Town of Jamestown's Debt Administration

At the end of the current fiscal year, the Town of Jamestown's Governmental Activities had a total bonded debt of \$8,675,500. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

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

	June 30, 2012			June 30, 2013		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
General Obligation Bonds	\$ 9,336	\$ 240	\$ 9,576	\$ 8,676	\$ 190	\$ 8,866
Notes Payable	-	10,174	10,174	-	9,543	9,543
Totals	\$ 9,336	\$ 10,414	\$ 19,750	\$ 8,676	\$ 9,733	\$ 18,409

TOWN OF JAMESTOWN, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2013
(Un-audited)

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

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2011 was Aa3. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Jamestown's limit is \$60,629,310 at year-end. The Town's outstanding general obligation debt is \$8,675,500 at year-end, which is \$51,953,810 under the State imposed limitation.

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

Economic Factors and Next Year's Budgets and Rates

For the fiscal year ending June 30, 2014 the Town of Jamestown has adopted a total general fund budget of \$21,717,582. Of the Town's 2014 budget, \$11,988,502 or 55.20% is budgeted for educational purposes and \$9,729,080 or 44.80% is budgeted for General Fund purposes.

The State of Rhode Island is budgeted to contribute \$412,712 to the Town's education department for the fiscal year ending June 30, 2014.

The Town's tax rate for fiscal 2013 was \$9.35, with 38.65% allocated for general government and 61.35% allocated for education. For fiscal 2014 the Town's tax rate is \$8.75, with 40.23% allocated for general government and 59.77% allocated for education.

Request for Information

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

Christina D. Collins
Finance Director

BASIC FINANCIAL STATEMENTS

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

Government Wide Financial Statements

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

TOWN OF JAMESTOWN, RHODE ISLAND

Statement of Net Position

June 30, 2013

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,812,196	\$ 581,828	\$ 9,394,024
Accounts receivable:			
Accounts receivable - net	357,817	292,370	650,187
Due from other governments	235,090	-	235,090
Other receivables	109,322	4,505	113,827
Internal balances	592,930	(592,930)	-
Inventory at cost	-	57,029	57,029
Other Assets - net	909,589	78,500	988,089
Capital assets:			
Property, plant and equipment - net	20,738,992	16,809,250	37,548,242
Construction in progress	539,617	-	539,617
Total capital assets	21,278,609	16,809,250	38,087,859
TOTAL ASSETS	32,295,553	17,230,552	49,526,105
LIABILITIES			
Accounts payable	638,605	101,662	740,267
Accrued expenses	821,924	105,458	927,382
Unearned revenue	304,316	-	304,316
Long-term liabilities			
Due within one year	675,000	700,749	1,375,749
Due in more than one year	10,631,195	9,130,802	19,761,997
Total liabilities	13,071,040	10,038,671	23,109,711
NET POSITION			
Net investment in capital assets	12,603,109	7,080,551	19,683,660
<i>Restricted for:</i>			
Education programs	1,130,399	-	1,130,399
Public safety programs	102,305	-	102,305
Unrestricted	5,388,700	111,330	5,500,030
Total net position	\$ 19,224,513	\$ 7,191,881	\$ 26,416,394

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Activities
For the Fiscal Year Ended June 30, 2013

Functions/ Programs	Program revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government						
Governmental activities:						
Legislative, judicial and general administrative	\$ 2,577,859	\$ 314,105	\$ -	\$ (2,263,754)		\$ (2,263,754)
Financial administration and tax assessor	323,446	25,878	11,855	(285,713)		(285,713)
Public safety	2,468,740	304,458	107,055	(2,057,227)		(2,057,227)
Public works	2,031,242	138,559	55,710	(1,836,973)		(1,836,973)
Public welfare	3,964	-	426,650	422,686		422,686
Public health	278,621	-	131,920	(146,701)		(146,701)
Tree warden	29,480	-	-	(29,480)		(29,480)
Library	391,181	6,276	162,359	(222,546)		(222,546)
Parks & recreation	518,289	477,813	106,527	66,051		66,051
Other	1,787,507	-	182,765	(1,604,742)		(1,604,742)
Education	12,162,790	-	386,593	(11,776,197)		(11,776,197)
Interest	384,542	-	-	(384,542)		(384,542)
Total governmental activities	<u>22,957,661</u>	<u>1,267,089</u>	<u>1,571,434</u>	<u>(20,119,138)</u>		<u>(20,119,138)</u>
Business type activities:						
Harbor management fund	238,203	307,316	-	-	\$ 69,113	69,113
Water fund	1,018,776	861,868	-	-	(156,908)	(156,908)
On-site wastewater fund	35,613	35,760	-	-	147	147
Sewer fund	1,111,573	1,030,194	-	-	(81,379)	(81,379)
Total business-type activities	<u>2,404,165</u>	<u>2,235,138</u>	<u>-</u>	<u>-</u>	<u>(169,027)</u>	<u>(169,027)</u>
Total primary government	<u>\$ 25,361,826</u>	<u>\$ 3,502,227</u>	<u>\$ 1,571,434</u>	<u>(20,119,138)</u>	<u>(169,027)</u>	<u>(20,288,165)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes				18,583,993	-	18,583,993
Unrestricted investment earnings				142,839	3,457	146,296
State aid				731,485	-	731,485
Miscellaneous				1,017,032	194,413	1,211,445
Transfers				74,581	(74,581)	-
Total general revenues				<u>20,549,930</u>	<u>123,289</u>	<u>20,673,219</u>
Change in net assets				<u>430,792</u>	<u>(45,738)</u>	<u>385,054</u>
Net position-beginning				<u>18,595,897</u>	<u>7,237,619</u>	<u>25,833,516</u>
Prior period adjustment note 18				<u>197,824</u>	<u>-</u>	<u>197,824</u>
Net position-beginning restated				<u>18,793,721</u>	<u>7,237,619</u>	<u>26,031,340</u>
Net position-ending				<u>\$ 19,224,513</u>	<u>\$ 7,191,881</u>	<u>\$ 26,416,394</u>

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

Fund Financial Statements

TOWN OF JAMESTOWN, RHODE ISLAND

Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Capital Improvement Fund	Other Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 8,538,913	\$ 12,896	\$ 260,387	\$ 8,812,196
Accounts receivable:				
Property tax receivable net	357,817	-	-	357,817
Due from other governments	-	-	235,090	235,090
Other receivables	109,094	228	-	109,322
Internal balances	6,327,180	1,279,836	1,395,777	9,002,793
Other Assets - net	46,322	-	-	46,322
TOTAL ASSETS	<u>\$ 15,379,326</u>	<u>\$ 1,292,960</u>	<u>\$ 1,891,254</u>	<u>\$ 18,563,540</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 462,711	\$ 154,445	\$ 21,449	\$ 638,605
Accrued expenses	709,173	6,661	-	715,834
Internal balances	6,707,459	1,205,814	496,590	8,409,863
Unearned revenue	58,954	-	304,316	363,270
Total liabilities	<u>7,938,297</u>	<u>1,366,920</u>	<u>822,355</u>	<u>10,127,572</u>
Fund balances:				
<i>Nonspendable:</i>				
Inventories	10,511	-	-	10,511
Prepays	35,811	-	-	35,811
<i>Restricted for:</i>				
Educational programs	1,130,399	-	-	1,130,399
Public safety programs	-	-	102,305	102,305
<i>Committed for:</i>				
Public works programs	-	-	350,733	350,733
2014 Budgeted operations	150,000	-	-	150,000
Capital programs	271,697	-	-	271,697
Post employment healthcare	1,500,000	-	-	1,500,000
Compensated absences	756,983	-	-	756,983
<i>Assigned for:</i>				
Public safety programs	-	-	34,234	34,234
Public welfare programs	-	-	95,315	95,315
Public works programs	-	-	358,149	358,149
Culture and recreation	-	-	367,314	367,314
<i>Unassigned:</i>	3,585,628	(73,960)	(239,151)	3,272,517
Total fund balances	<u>7,441,029</u>	<u>(73,960)</u>	<u>1,068,899</u>	<u>8,435,968</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,379,326</u>	<u>\$ 1,292,960</u>	<u>\$ 1,891,254</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Note 7)	21,278,609
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 7)	21,372
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note 7)	(10,511,436)
Net assets of governmental activities	<u>\$ 19,224,513</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2013

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Property tax	\$ 18,740,741	\$ -	\$ -	\$ 18,740,741
Intergovernmental and departmental revenue	2,038,361	-	1,012,221	3,050,582
License and permits	920,299	-	-	920,299
Fines and interest on late payments	153,282	-	-	153,282
Interest on investments	25,784	-	-	25,784
Other revenues	92,574	-	482,948	575,522
Total revenues	<u>21,971,041</u>	<u>-</u>	<u>1,495,169</u>	<u>23,466,210</u>
Expenditures				
Legislative, judicial and general administrative	2,053,235	-	-	2,053,235
Financial administration and tax assessor	323,446	-	-	323,446
Public safety	2,225,342	-	-	2,225,342
Public works	1,613,248	-	-	1,613,248
Public welfare	3,964	-	-	3,964
Public health	278,621	-	-	278,621
Tree warden	29,480	-	-	29,480
Library	391,181	-	-	391,181
Parks & recreation	463,278	-	-	463,278
Other	608,357	575,140	1,126,760	2,310,257
Education	11,498,206	-	497,861	11,996,067
Capital outlay	-	506,171	45,038	551,209
Debt service:				
Principal	660,000	-	-	660,000
Interest	384,007	-	-	384,007
Total expenditures	<u>20,532,365</u>	<u>1,081,311</u>	<u>1,669,659</u>	<u>23,283,335</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>1,438,676</u>	<u>(1,081,311)</u>	<u>(174,490)</u>	<u>182,875</u>
Other financing sources (uses)				
Transfers from other funds	232,581	1,061,722	(44,707)	1,249,596
Transfers to other funds	(1,175,015)	-	-	(1,175,015)
Total other financing sources (uses)	<u>(942,434)</u>	<u>1,061,722</u>	<u>(44,707)</u>	<u>74,581</u>
Excess of revenues and other sources over(under) expenditures and other uses	<u>496,242</u>	<u>(19,589)</u>	<u>(219,197)</u>	<u>257,456</u>
Fund balances - beginning	<u>6,944,787</u>	<u>(54,371)</u>	<u>1,288,096</u>	<u>8,178,512</u>
Fund balances - ending	<u>\$ 7,441,029</u>	<u>\$ (73,960)</u>	<u>\$ 1,068,899</u>	<u>\$ 8,435,968</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2013

Net change in fund balances-total governmental funds	\$	257,456
<p>Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures because:</p> <p>Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital additions exceed depreciation expense in the current period.</p>		
Capital Outlay	1,250,802	
Depreciation Expense	<u>(1,059,969)</u>	190,833
Reductions in deferred revenue that provide current financial resources to governmental funds are not reported as revenues in the statement of activities.		(156,748)
Some expenditures reported in the governmental funds that require the use of current financial resources are not reported as expenditures in the statement of activities. This is the net effect of those activities.		(535)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which principal was reduced.		660,000
Other certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities.		<u>(520,214)</u>
Change in net assets of governmental activities	\$	<u><u>430,792</u></u>

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Net Assets
Proprietary Funds
June 30, 2013

	<u>Enterprise Funds</u>				
	<u>Harbor Management Fund</u>	<u>Water Fund</u>	<u>On-Site Wastewater Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 4,761	\$ 154,745	\$ -	\$ 422,322	\$ 581,828
Accounts receivable - net:					
Water and sewer user fees	-	66,178	-	226,192	292,370
Other receivables	-	-	-	4,505	4,505
Internal balances	176,384	-	1,235	-	177,619
Inventory	-	57,029	-	-	57,029
Total current assets	<u>181,145</u>	<u>277,952</u>	<u>1,235</u>	<u>653,019</u>	<u>1,113,351</u>
Non-current assets					
Property, plant and equipment					
Reservoirs and land	-	55,200	-	-	55,200
Plant facilities	-	7,797,870	-	12,039,702	19,837,572
Extensions and mains	-	2,727,800	-	2,058,866	4,786,666
Equipment	108,196	110,752	-	155,849	374,797
Total property, plant and equipment	<u>108,196</u>	<u>10,691,622</u>	<u>-</u>	<u>14,254,417</u>	<u>25,054,235</u>
Less accumulated depreciation	<u>70,770</u>	<u>2,772,014</u>	<u>-</u>	<u>5,402,201</u>	<u>8,244,985</u>
Net property, plant and equipment	<u>37,426</u>	<u>7,919,608</u>	<u>-</u>	<u>8,852,216</u>	<u>16,809,250</u>
Other assets	<u>-</u>	<u>57,375</u>	<u>-</u>	<u>21,125</u>	<u>78,500</u>
TOTAL ASSETS	<u>218,571</u>	<u>8,254,935</u>	<u>1,235</u>	<u>9,526,360</u>	<u>18,001,101</u>
LIABILITIES					
Current liabilities					
Accounts payable	4,968	52,980	-	43,714	101,662
Accrued expenses	4,849	69,383	-	31,226	105,458
Internal balances	-	28,366	-	742,183	770,549
Current portion of bonds and notes payable	-	309,000	-	391,749	700,749
Total current liabilities	<u>9,817</u>	<u>459,729</u>	<u>-</u>	<u>1,208,872</u>	<u>1,678,418</u>
Non-current liabilities					
Compensated absences payable	-	47,373	-	50,974	98,347
Bonds and notes payable long term portion	-	4,865,000	-	4,167,455	9,032,455
Total non-current liabilities	<u>-</u>	<u>4,912,373</u>	<u>-</u>	<u>4,218,429</u>	<u>9,130,802</u>
Total liabilities	<u>9,817</u>	<u>5,372,102</u>	<u>-</u>	<u>5,427,301</u>	<u>10,809,220</u>
Net Assets					
Invested in Capital assets, net of related debt	37,426	2,745,608	-	4,297,517	7,080,551
Unrestricted	171,328	137,225	1,235	(198,458)	111,330
Total Net Assets	<u>\$ 208,754</u>	<u>\$ 2,882,833</u>	<u>\$ 1,235</u>	<u>\$ 4,099,059</u>	<u>\$ 7,191,881</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	Enterprise Funds				Total
	Harbor Management Fund	Water Fund	On-Site Wastewater Fund	Sewer Fund	
Operating revenues					
Assessments and user fees	\$ 307,316	\$ 861,868	\$ 35,760	\$ 1,030,194	\$ 2,235,138
Other revenues	-	190,125	-	4,288	194,413
Total operating revenues	<u>307,316</u>	<u>1,051,993</u>	<u>35,760</u>	<u>1,034,482</u>	<u>2,429,551</u>
Operating expenses					
Salaries and benefits	82,771	367,712	30,034	367,529	848,046
Materials and supplies	143,619	266,960	5,579	216,161	632,319
Depreciation and amortization	11,813	195,238	-	450,302	657,353
Total operating expenses	<u>238,203</u>	<u>829,910</u>	<u>35,613</u>	<u>1,033,992</u>	<u>2,137,718</u>
Operating income (loss)	<u>69,113</u>	<u>222,083</u>	<u>147</u>	<u>490</u>	<u>291,833</u>
Non-operating revenues (expenses)					
Interest income	-	3,457	-	-	3,457
Interest expense	-	(188,866)	-	(77,581)	(266,447)
Transfer-in/(out)	(82,581)	-	-	8,000	(74,581)
Total non-operating (expenses)	<u>(82,581)</u>	<u>(185,409)</u>	<u>-</u>	<u>(69,581)</u>	<u>(337,571)</u>
Change in Net Assets	<u>(13,468)</u>	<u>36,674</u>	<u>147</u>	<u>(69,091)</u>	<u>(45,738)</u>
Total Net Assets - beginning	<u>222,222</u>	<u>2,846,159</u>	<u>1,088</u>	<u>4,168,150</u>	<u>7,237,619</u>
Total Net Assets - ending	<u>\$ 208,754</u>	<u>\$ 2,882,833</u>	<u>\$ 1,235</u>	<u>\$ 4,099,059</u>	<u>\$ 7,191,881</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Cash Flows-Proprietary Funds
For the Fiscal Year Ended June 30, 2013

	Enterprise Funds				
	Harbor Management Fund	Water Fund	On-Site Wastewater Fund	Sewer Fund	Total
Cash flows from operating activities					
Cash received from customers	\$ 406,348	\$ 1,047,992	\$ 35,760	\$ 1,028,697	\$ 2,518,797
Cash payments to suppliers for goods and services	(191,909)	(254,113)	(5,579)	(191,175)	(642,776)
Cash payments to employees for services	(82,603)	(358,641)	(30,034)	(363,890)	(835,168)
Net cash provided by (used for) operating activities	<u>131,836</u>	<u>435,238</u>	<u>147</u>	<u>473,632</u>	<u>1,040,853</u>
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	-	(16,448)	-	-	(16,448)
Principal paid on bonds, notes and loans	-	(296,000)	-	(384,133)	(680,133)
Interest paid on bonds, notes and loans	-	(191,843)	-	(79,617)	(271,460)
Net cash provided (used for) capital and related financing activities	<u>-</u>	<u>(504,291)</u>	<u>-</u>	<u>(463,750)</u>	<u>(968,041)</u>
Cash flows from non-capital financing activities					
Interfund transfers	(234,214)	(269,541)	(147)	242,299	(261,603)
Net cash provided by (used for) non-capital financing activities	<u>(234,214)</u>	<u>(269,541)</u>	<u>(147)</u>	<u>242,299</u>	<u>(261,603)</u>
Cash flows from investing activities					
Interest on investments	-	3,457	-	-	3,457
Net cash provided by (used for) investing activities	<u>-</u>	<u>3,457</u>	<u>-</u>	<u>-</u>	<u>3,457</u>
Net increase (decrease) in cash and cash equivalents	(102,378)	(335,137)	-	252,181	(185,334)
Cash and cash equivalents at beginning of year	107,139	489,882	-	170,141	767,162
Cash, (cash overdrafts recorded as payables) and cash equivalents at end of year	<u>\$ 4,761</u>	<u>\$ 154,745</u>	<u>\$ -</u>	<u>\$ 422,322</u>	<u>\$ 581,828</u>
Reconciliation of operating income to net cash provided by operating activities					
Operating income (Loss)	\$ 69,113	\$ 222,083	\$ 147	\$ 490	\$ 291,833
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	11,813	195,238	-	450,302	657,353
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	99,032	(4,001)	-	(5,786)	89,245
(Increase) decrease in inventory	-	(14,959)	-	-	(14,959)
Increase (decrease) in accounts payable	(45,215)	27,763	-	24,986	7,534
Increase (decrease) in accrued expenses	(2,907)	9,114	-	3,640	9,847
Total adjustments	<u>62,723</u>	<u>213,155</u>	<u>-</u>	<u>473,142</u>	<u>749,020</u>
Net cash provided by operating activities	<u>\$ 131,836</u>	<u>\$ 435,238</u>	<u>\$ 147</u>	<u>\$ 473,632</u>	<u>\$ 1,040,853</u>

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

	<u>Employee Retirement Plan</u>	<u>Private-purpose Trusts</u>	<u>Agency Funds</u>
ASSETS			
Cash	\$ 593,691	\$ 143,539	\$ 34,311
Receivables:			
Accrued interest and dividends	37,347	-	-
Total receivables	<u>37,347</u>	<u>-</u>	<u>-</u>
Investments, at fair value:			
Government obligations	1,067,600	-	-
Domestic corporate bonds	2,274,238	-	-
Mutual funds	1,802,506	-	752,145
Equities	3,298,699	-	-
Total investments	<u>8,443,043</u>	<u>-</u>	<u>752,145</u>
Total Assets	<u>9,074,081</u>	<u>143,539</u>	<u>786,456</u>
LIABILITIES			
Deposits held in custody for others	-	-	786,456
Total liabilities	<u>-</u>	<u>-</u>	<u>\$ 786,456</u>
NET ASSETS			
Held in trust for pension benefits and other purposes	<u>\$ 9,074,081</u>	<u>\$ 143,539</u>	

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

TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

	Employee Retirement Plan	Private-purpose Trusts
Additions		
Contributions		
Employer	\$ 141,330	\$ -
Plan members	63,604	-
Total contributions	204,934	-
Investment earnings		
Net increase/(decrease) in fair value of investments	341,115	-
Interest and dividends	321,838	357
Total investment earnings	662,953	357
Total additions	867,887	357
Deductions		
Benefits paid	423,507	-
Scholarships	-	2,000
Plan cost	48,455	-
Total deductions	471,962	2,000
Change in net assets	395,925	(1,643)
Net assets beginning of year July 1, 2012	8,678,156	145,182
Net assets end of year June 30, 2013	\$ 9,074,081	\$ 143,539

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

Notes to Financial Statements

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

THE FINANCIAL REPORTING ENTITY

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

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

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

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

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

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

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

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

The following entities were considered for classification as component units for the fiscal year ended 2013:

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF PRESENTATION

Recently Issued Accounting Standards

The Town implemented the following accounting pronouncements for the year ended June 30, 2013:

- GASB Statement No. 60 - Accounting and Financial Reporting for Service Concession Arrangements, effective for the Town's fiscal year ending June 30, 2013.
- GASB Statement No. 61 - The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34, effective for the Town's fiscal year ending June 30, 2013.
- GASB Statement No. 62 - Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, effective for the Town's fiscal year ending June 30, 2013.
- GASB Statement No. 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position effective for the Town's fiscal year ending June 30, 2013.

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

- GASB Statement No. 65 – Items Previously Reported as Assets and Liabilities effective for the Town’s fiscal year ending June 30, 2014.
- GASB Statement No. 66 – Technical Corrections – 2012 an amendment of GASB Statements No. 10 and No. 62 effective for the Town’s fiscal year ending June 30, 2014.
- GASB Statement No. 67 – Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25 effective for the Town’s fiscal year ending June 30, 2014.
- GASB Statement No. 68 - Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27 effective for the Town’s fiscal year ending June 30, 2015.

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

Government-Wide Financial Statements

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

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

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

GOVERNMENTAL FUND TYPES:

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PROPRIETARY FUND TYPES:

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

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

FIDUCIARY FUND TYPES:

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

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

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

BASIS OF ACCOUNTING

Measurement Focus – Government Wide Financial Statements

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING (continued)

Measurement Focus – Fund Financial Statements

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

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING (continued)

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

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

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

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

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BASIS OF ACCOUNTING (continued)

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

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

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

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

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications

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

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 1 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property Taxes - The Town is permitted by State law to levy property taxes. Current tax collections for the Town were approximately 98.5 % of the total 2012-2013 levy. The Town Council establishes the tax rate for the Town and it is then voted on at the annual Financial Town Meeting.

The Town's 2013 property taxes were levied on the first Monday of June 2012 on assessed valuations as of December 31, 2011. Upon levy, taxes are billed quarterly and are due in September, December, March and June. Failure to make payments by due dates will result interest being charged on the unpaid balance. Failure to pay taxes owed will result in the sale of the property for taxes, interest and legal fees.

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

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

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

Unearned Revenues - Represent funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years. Unearned revenue includes property tax revenues due at fiscal year-end, which has not been collected within sixty days following the end of the Town's fiscal year.

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 2- STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Legal Debt Limit - The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$60,629,310. As of June 30, 2013, the Town's debt was under the debt limit by \$51,953,810. The long-term debt reported in the Water and Sewer Funds are exempt from the three percent limitation.

Deposits With Financial Institutions - Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits which are time deposits with maturity's greater than sixty (60) days. Any of these institutions, which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposit, regardless of maturity. There were no violations of the requirements noted in the year. At June 30, 2013 the Town's uncollateralized deposits with an institution are \$3,065,392.

NOTE 3 – CASH AND INVESTMENTS

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 3 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2013, \$3,065,392 of the Town's bank balance of \$10,717,171 was uninsured and uncollateralized.

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

Cash and investments of the Town consist of the following at June 30, 2013

<i>Cash and Cash Equivalents</i>	
Deposits with financial institutions	\$ 10,165,565
<i>Investments</i>	
Mutual Funds	2,554,651
Equities	3,298,699
Government Bonds	1,067,600
Domestic Corporate Bonds & Fixed Income	<u>2,274,238</u>
Total Pension Investments	<u>9,195,188</u>
<i>Total Cash and Investments</i>	<u><u>\$ 19,360,753</u></u>

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

<i>Statement of Net Assets</i>	
Cash and cash equivalents	\$ 9,394,024
<i>Fiduciary Funds</i>	
Cash	771,541
Investments	<u>9,195,188</u>
	<u>9,966,729</u>
<i>Total Cash and Investments</i>	<u><u>\$ 19,360,753</u></u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 3 – CASH AND INVESTMENTS (continued)

Custodial Credit Risk

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

Type of Investment	Investment Maturities (in Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Government Securities	\$ 1,067,600	-	\$ 54,528	\$ 508,350	\$ 504,722
Corporate Bonds	2,274,238	168,061	1,143,227	962,950	-
Total	<u>\$ 3,341,838</u>	<u>\$ 168,061</u>	<u>\$ 1,197,755</u>	<u>\$ 1,471,300</u>	<u>\$ 504,722</u>

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

Average Rating	Bonds
Aaa	\$ 57,874
Aa1	110,970
Aa2	104,007
A1	551,447
A2	414,884
A3	425,220
Baa1	471,126
Baa2	138,710
	<u>\$ 2,274,238</u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 4 – PROPERTY TAXES

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

NOTE 5 – INTERFUND RECEIVABLES

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

Interfund receivable and payable balances at June 30, 2013 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund:		
Total General Fund	\$ 6,327,180	\$ 6,707,459
Special Revenue Funds:		
Total Special Revenue Funds	1,024,352	496,590
Capital Project Funds:		
Town Capital Project Funds	1,296,699	1,205,814
School Capital Improvement	354,562	-
Total Capital Project Funds	1,651,261	1,205,814
Enterprise Funds:		
Harbor Management Fund	176,384	-
Water Fund	-	28,366
On-site Wastewater Fund	1,235	-
Sewer Fund	-	742,183
Total Enterprise Funds	177,619	770,549
TOTALS	\$ 9,180,412	\$ 9,180,412

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 6. INFORMATION ABOUT CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Adjustments	
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 3,318,316	\$ -	\$ -	\$ 3,318,316
Development Rights	3,500,000	-	-	3,500,000
Construction in Progress	20,975	518,642	-	539,617
Total capital assets not being depreciated	<u>6,839,291</u>	<u>518,642</u>	<u>-</u>	<u>7,357,933</u>
Other capital assets:				
Buildings and improvements	16,040,772	293,786	149,060	16,185,498
Infrastructure	10,314,499	301,918	-	10,616,417
Machinery, equipment and furniture	5,042,236	136,456	92,299	5,086,393
Total other capital assets at historical cost	<u>31,397,507</u>	<u>732,160</u>	<u>241,359</u>	<u>31,888,308</u>
Less accumulated depreciation for:				
Buildings and improvements	7,893,287	424,750	352,286	7,965,751
Infrastructure	5,940,080	380,344	-	6,320,424
Machinery, equipment and furniture	3,513,479	254,875	86,897	3,681,457
Total accumulated depreciation	<u>17,346,846</u>	<u>1,059,969</u>	<u>439,183</u>	<u>17,967,632</u>
Governmental activities capital assets, net	<u>\$ 20,889,952</u>	<u>\$ 190,833</u>	<u>\$ (197,824)</u>	<u>\$ 21,278,609</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Public safety	\$ 243,398
Public works	417,994
Parks and recreation	55,011
Public education	166,723
Other	176,843
Total governmental activities depreciation expense	<u>\$ 1,059,969</u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 6. INFORMATION ABOUT CAPITAL ASSETS (continued)

Capital asset activity for the fiscal year ended June 30, 2013 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 55,200	\$ -	\$ -	\$ 55,200
Total capital assets not being depreciated	<u>55,200</u>	<u>-</u>	<u>-</u>	<u>55,200</u>
Other capital assets:				
Plant facilities	22,489,926	-	-	22,489,926
Mains, wells, pumps and hydrants	2,127,709	16,448	-	2,144,157
Equipment and machinery	364,952	-	-	364,952
Total other capital assets at historical cost	<u>24,982,587</u>	<u>16,448</u>	<u>-</u>	<u>24,999,035</u>
Less accumulated depreciation for:				
Plant facilities	5,539,213	481,073	-	6,020,286
Mains, wells, pumps and hydrants	1,770,436	113,596	-	1,884,032
Equipment and machinery	277,983	62,684	-	340,667
Total accumulated depreciation	<u>7,587,632</u>	<u>657,353</u>	<u>-</u>	<u>8,244,985</u>
Business-type activities capital assets, net	<u>\$ 17,450,155</u>	<u>\$ (640,905)</u>	<u>\$ -</u>	<u>\$ 16,809,250</u>

Depreciation expense was charged to functions as follows:

Business-type activities:	
Water Fund	\$ 195,238
Harbor Fund	11,813
Sewer Fund	<u>450,302</u>
Total business-type activities depreciation expense	<u>\$ 657,353</u>

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

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

"Total fund balances" of the town's governmental funds \$8,435,968 differs from "net position" of governmental activities \$19,224,513 reported in the statement of net assets. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

Balance Sheet/Statement of Net Position

	Total Governmental Funds	Long-term Assets/ Liabilities (1)	Reclassifications and Eliminations	Statement Net Position Totals
Assets				
Cash and cash equivalents	\$ 8,812,196	\$ -	\$ -	\$ 8,812,196
Accounts receivable:				
Accounts receivable net	357,817	-	-	357,817
Due from other governments	235,090	-	-	235,090
Other receivables	109,322	-	-	109,322
Internal balances	9,002,793	-	(8,409,863)	592,930
Other Assets - net	46,322	863,267	-	909,589
Capital assets - net	-	21,278,609	-	21,278,609
Total assets	18,563,540	22,141,876	(8,409,863)	32,295,553
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	638,605	-	-	638,605
Accrued expenses	715,834	106,090	-	821,924
Internal balances	8,409,863	-	(8,409,863)	-
Unearned revenue	363,270	(58,954)	-	304,316
Long-term liabilities				
Due within one year	-	675,000	-	675,000
Due in more than one year	-	10,631,195	-	10,631,195
Total liabilities	10,127,572	11,353,331	(8,409,863)	13,071,040
Fund Balances/Net Position				
Total fund balances/net position	8,435,968	10,788,545	-	19,224,513
Total liabilities and fund balances/net position	\$ 18,563,540	\$ 22,141,876	\$ (8,409,863)	\$ 32,295,553

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

Cost of capital assets	\$ 39,246,241
Accumulated depreciation	(17,967,632)
	\$ 21,278,609

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

Accrued interest	\$ (37,582)
Adjustment of deferred revenue	58,954
	\$ 21,372

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

Bonds & notes payable	\$ 8,675,500
Bond premium	68,508
Bond issuance cost	(43,288)
Accrued compensated absences	756,983
Net OPEB obligation	1,873,712
Net Pension Benefit	(819,979)
	\$ 10,511,436

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

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

The "net change in the fund balances" for governmental funds \$257,456 differs from the "change in net position" for governmental activities \$430,792 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

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

	<u>Total Governmental Funds</u>	<u>Long-term Revenues/ Expenses (1)</u>	<u>Capital- related Items (2)</u>	<u>Long-term Debt Transactions (3)</u>	<u>Statement of Activities Totals</u>
Revenues					
General property tax	\$ 18,740,741	\$ (156,748)	\$ -	\$ -	\$ 18,583,993
Intergovernmental and departmental revenues	3,050,582	-	-	-	3,050,582
License and permits	920,299	-	-	-	920,299
Fines and penalties	153,282	-	-	-	153,282
Interest on investments	25,784	-	-	-	25,784
Other revenues	575,522	-	-	4,410	579,932
Total revenues	<u>23,466,210</u>	<u>(156,748)</u>	<u>-</u>	<u>4,410</u>	<u>23,313,872</u>
Expenditures					
Current:					
Legislative, judicial and general administrative	2,053,235	-	-	524,624	2,577,859
Financial administration and tax assessor	323,446	-	-	-	323,446
Public safety	2,225,342	-	243,398	-	2,468,740
Public works	1,613,248	-	417,994	-	2,031,242
Public welfare	3,964	-	-	-	3,964
Public health	278,621	-	-	-	278,621
Tree warden	29,480	-	-	-	29,480
Library	391,181	-	-	-	391,181
Parks & recreation	463,278	-	55,011	-	518,289
Other	2,310,257	-	(522,750)	-	1,787,507
Education	11,996,067	-	166,723	-	12,162,790
Capital outlay	551,209	-	(551,209)	-	-
Debt service:					
Principal	660,000	-	-	(660,000)	-
Interest	384,007	535	-	-	384,542
Total expenditures	<u>23,283,335</u>	<u>535</u>	<u>(190,833)</u>	<u>(135,376)</u>	<u>22,957,661</u>
Other financing uses/changes in net position					
Transfers in/(out)	74,581	-	-	-	74,581
Net change for the year	<u>\$ 257,456</u>	<u>\$ (157,283)</u>	<u>\$ 190,833</u>	<u>\$ 139,786</u>	<u>\$ 430,792</u>

TOWN OF JAMESTOWN
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

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

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

Property taxes	\$ (156,748)
	<u>\$ (156,748)</u>

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

Accrued interest	(535)
	<u>\$ (535)</u>

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

Capital outlay	\$ 1,250,802
Depreciation expense	(1,059,969)
Difference	<u>\$ 190,833</u>

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

Amortization bond premium	\$ 4,410
Amortization bond cost	(4,684)
Principal payments made	660,000
	<u>\$ 659,726</u>

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

Net increase in compensated absences	\$ (75,599)
Increase in the OPEB obligation	(285,080)
Net increase in the net pension obligation	(159,261)
Change	<u>\$ (519,940)</u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 9 INFORMATION ABOUT LONG-TERM LIABILITIES

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

Long-term liability activity for the fiscal year ended June 30, 2013 was as follows:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2013</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Governmental Activities					
Bonds & Notes Payable	\$ 9,335,500	\$ -	\$ 660,000	\$ 8,675,500	\$ 675,000
Total bonds payable	<u>9,335,500</u>	<u>-</u>	<u>660,000</u>	<u>8,675,500</u>	<u>675,000</u>
Other liabilities:					
Accrued compensated absences	681,384	75,599	-	756,983	-
Net OPEB Obligation	1,588,632	285,080	-	1,873,712	-
Net Pension Benefit	(979,240)	159,261	-	(819,979)	-
Total other liabilities	<u>1,290,776</u>	<u>519,940</u>	<u>-</u>	<u>1,810,716</u>	<u>-</u>
Governmental Activities long-term liabilities	<u>\$ 10,626,276</u>	<u>\$ 519,940</u>	<u>\$ 660,000</u>	<u>\$ 10,486,216</u>	<u>\$ 675,000</u>
Business-Type Activities					
Water Department bonds payable	\$ 195,000	\$ -	\$ 45,000	\$ 150,000	\$ 50,000
Sewer Department bonds payable	45,000	-	5,000	40,000	5,000
Total bonds payable	<u>240,000</u>	<u>-</u>	<u>50,000</u>	<u>190,000</u>	<u>55,000</u>
Water Department notes payable	5,275,000	-	251,000	5,024,000	259,000
Sewer Department notes payable	4,898,337	-	379,133	4,519,204	386,479
Total notes payable	<u>10,173,337</u>	<u>-</u>	<u>630,133</u>	<u>9,543,204</u>	<u>645,479</u>
Total enterprise funds	<u>\$ 10,413,337</u>	<u>\$ -</u>	<u>\$ 680,133</u>	<u>\$ 9,733,204</u>	<u>\$ 700,479</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds and notes payable	2.75% - 5.00%	\$ 8,675,500	2014-2033
Enterprise Funds bonds and notes payable	1.022% - 5.00%	9,733,204	2014-2028
Total All Funds		<u>\$ 18,408,704</u>	

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 9. INFORMATION ABOUT LONG-TERM LIABILITIES (continued)

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

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	675,000	358,884	1,033,884
2015	625,000	334,158	959,158
2016	635,000	309,914	944,914
2017	645,000	279,214	924,214
2018	655,000	247,967	902,967
2019	665,000	216,013	881,013
2020	665,000	189,723	854,723
2021	665,500	162,832	828,332
2022	420,000	141,020	561,020
Thereafter	3,025,000	578,596	3,603,596
TOTALS	<u>\$ 8,675,500</u>	<u>\$ 2,818,321</u>	<u>\$ 11,493,821</u>

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

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	700,749	254,313	955,062
2015	718,047	236,782	954,829
2016	733,531	218,728	952,259
2017	702,205	201,105	903,310
2018	719,074	183,888	902,962
2019	738,143	166,083	904,226
2020	757,418	147,666	905,084
2021	776,904	128,664	905,568
2022	792,605	109,163	901,768
Thereafter	3,094,527	286,336	3,380,863
TOTALS	<u>\$ 9,733,203</u>	<u>\$ 1,932,728</u>	<u>\$ 11,665,931</u>

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

The Town of Jamestown, Rhode Island participates in the Municipal Employees' Retirement System of the State of Rhode Island ("System"), an agent multiple employer defined benefit plan. The System includes a normal plan for general employees and both a normal and optional plan for police personnel. All full-time Town and non-certified School Department general employees participate in the System. The plan provides retirement, death and disability benefits and an optional cost of living adjustment (COLA) as outlined in Chapter 45-21 and Chapter 45-21.2 for Police and Fire of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly. The System issues a publicly available financial report that includes financial statements and required supplementary information for the Town. The financial report may be obtained by writing to Employees Retirement System of Rhode Island, 50 Service Avenue, Warwick, Rhode Island 02886, by calling (401) 462-7600 or by accessing their website at www.ersri.org.

Legislative Changes

In November 2011, the State enacted The Rhode Island Retirement Security Act of 2011 (the Act), as described in S1111A and H6319A. The Act makes broad changes to ERSRI effective July 1, 2012. The most significant changes 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 COLA 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. This is applied by individual MERS unit.
- Re-amortization of the significantly reduced Unfunded Actuarial Accrued Liability (UAAL) to 25 years from the 19 year schedule as of June 30, 2010.
- Public Safety personnel not covered by Social Security will participate in additional defined contribution allocations equal to 3% member plus 3% employer.

Included within the significant changes noted above, there are certain rules for transitioning from the prior defined benefit structure to the smaller defined benefit plan going forward. Most notably:

- The accumulated benefit multiplier as of June 30, 2012 will be preserved and any changes to accruals will only be made prospectively.
- The final average compensation as calculated on June 30, 2012 will be preserved and any changes to the definition of salary or to the averaging period will not impact the final average compensation used to determine the retirement benefit until after the new calculation is greater than the preserved calculation.
- The calculated accrued benefit as of June 30, 2012 using the accumulated benefit multiplier as of that date and the final average compensation as of that date can be commenced on the date the member would have reached retirement eligibility prior to the Act if the member retires on that retirement date.
- Any past post-retirement benefit adjustments that have been given will be preserved. Only future adjustments will be modified and/or suspended.
- All members currently eligible to retire will retain the ability to retire in accordance with the provisions prior to the Act.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

- Current municipal employees who have five years of service as of June 30, 2012 will have a new retirement age delayed in proportion to the amount of service they have earned as of June 30, 2012 and to their current expected retirement age, but not less than age 59. In no circumstance will the retirement age of the member reduce from the retirement age prior to the Act.
- Current Public Safety personnel who are age 45 with ten years of service as of June 30, 2012, and had a retirement age prior to the Act based on continued service prior to age 52, will have unreduced retirement eligibility at age 52.
- A plan that has had four consecutive benefit adjustments suspended due to the 80% funding criteria will be eligible to receive an adjustment in the fifth year regardless of the funding level.

The changes to the defined benefit plan instituted by the Act have been fully reflected in this actuarial valuation as of June 30, 2012 as the contribution rates from this valuation will be applicable after the new provisions are effective. As noted above for further information the financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at www.ersri.org.

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

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

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

Final Average Compensation (FAC): Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the highest three consecutive annual salaries. Effective July 1, 2012, the average of the member's highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the member's highest three year FAC as of July 1, 2013 or the five year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

Retirement Benefits

General employees: Eligibility

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior Retirement Date, described in Section (e) below, and the retirement age applicable to members hired after June 30, 2012 in (a) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service.
- Members designated as police officers or firefighters may retire at or after age 55 with credit for at least 10 years of service, or at any age with credit for 25 or more years of service. Members may retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elects to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member may retire at any age with 20 or more years of service.

General employees: Monthly Benefit:

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

Police and Fire employees: Eligibility

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

Retirement Benefits

Police and Fire employees: Monthly Benefit

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

Schedule of Funding Progress

Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	8,201,795	10,434,577	2,232,782	79%	3,261,883	68%
2009	8,736,704	11,355,851	2,619,147	77%	3,297,840	79%
2010	9,142,102	13,648,019	4,505,917	67%	3,392,703	133%
2011	9,687,047	11,921,739	2,234,692	81%	3,344,190	67%
2012	10,250,062	12,310,741	2,060,679	83%	3,448,946	60%
2013	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*

*Unavailable at time of report

Actuarial Methods and Assumptions

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

Valuation date	June 30, 2012
Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll – Closed
Remaining amortization period	23 Years
Asset valuation method	5 Year Smoothed Market
Actuarial assumptions:	
Investment rate of return	7.50%, Compounded Annually
Projected salary increases	4.00-8.00%
Cost-of-living adjustments	2.75%
Inflation Rate	2.75% Annually
Post Retirement Benefit Increases	2.00% Of Original Retirement Benefit

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

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

Annual Pension Cost - For 2013, the Town contributed \$ 295,485 to the states MERS plan. The required contribution was determined as part of the June 30, 2010 actuarial valuation using the entry age normal cost method with frozen initial liability. The actuarial value of MERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. MERS unfunded actuarial accrued liability is being amortized using the weighted average method over a 30-year period.

Required contributions:

<u>Fiscal Years Ending</u>	<u>Annual Required Pension Cost</u>	<u>Percentage Contributed</u>
June 30, 2011	442,413	100%
June 30, 2012	408,707	100%
June 30, 2013	295,485	100%

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

All full-time teachers, principals, school nurses and certain other school officials (including the superintendent) in the Town's school system must participate in ERS, a cost-sharing multiple employer defined benefit plan administered by the Employees' Retirement System of Rhode Island (the System). The plan provides retirement, death and disability benefits (as well as annual cost of living allowances if certain conditions have been met) as outlined in Chapters 36-10 and 16-16 of the Rhode Island General Laws (RIGL). The benefits may be amended by the Rhode Island General Assembly. The financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at www.ersri.org.

Legislative Changes

In November 2011, the State enacted The Rhode Island Retirement Security Act of 2011 (the Act), as described in S1111A and H6319A. The Act makes broad changes to ERSRI effective July 1, 2012. The most significant changes 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 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. State employees, teachers, BHDDH nurses, correctional officers, judges (including pay as you go), and state police (including pay as you go) will be aggregated to determine if the 80% requirement has been reached.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

- Re-amortization of the significantly reduced Unfunded Actuarial Accrued Liability (UAAL) to 25 years from the 19 year schedule as of June 30, 2010.
- Teachers and Public Safety personnel not covered by Social Security (except State Police) will participate in additional defined contribution allocations equal to 2% member plus 2% employer for Teachers and 3% member plus 3% employer for Public Safety.

Included within the significant changes noted above, there are certain rules for transitioning from the prior defined benefit structure to the smaller defined benefit plan going forward. Most notably:

- The accumulated benefit multiplier as of June 30, 2012 will be preserved and any changes to accruals will only be made prospectively.
- The final average compensation as calculated on June 30, 2012 will be preserved and any changes to the definition of salary or to the averaging period will not impact the final average compensation used to determine the retirement benefit until after the new calculation is greater than the preserved calculation.
- The calculated accrued benefit as of June 30, 2013 using the accumulated benefit multiplier as of that date and the final average compensation as of that date can be commenced on the date the member would have reached retirement eligibility prior to the Act if the member retires on that retirement date.
- Any past post-retirement benefit adjustments that have been given will be preserved. Only future adjustments will be modified and/or suspended.
- All members currently eligible to retire will retain the ability to retire in accordance with the provisions prior to the Act.
- Current State Employees and Teachers who have five years of service as of June 30, 2012 will have a new retirement age delayed in proportion to the amount of service they have earned as of June 30, 2012 and to their current expected retirement age, but not less than age 59. In no circumstance will the retirement age of the member reduce from the retirement age prior to the Act.
- Current Public Safety personnel who are age 45 with ten years of service as of June 30, 2012, and had a retirement age prior to the Act based on continued service prior to age 52, will have unreduced retirement eligibility at age 52.
- A plan that has had four consecutive benefit adjustments suspended due to the 80% funding criteria will be eligible to receive an adjustment in the fifth year regardless of the funding level.

The changes to the defined benefit plan instituted by the Act have been fully reflected in this actuarial valuation as of June 30, 2012 as the contribution rates from this valuation will be applicable after the new provisions are effective. As noted above for further information the financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at www.ersri.org.

Plan Year: A twelve-month period ending June 30th.

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

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

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

Employee Contributions: State Employees generally contribute 8.75% of their salary per year. Teachers contribute 9.50% per year. The state "picks up" the members' contributions for its employees under the provisions of Internal Revenue Code (IRC) Section 414(h). At their option, the city or town employing a Teacher may also pick up their members' contributions.

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

Employer Contributions: For Teachers, the state contributes 40% of the employer contribution rate and the city, town or other local employer contributes the remaining 60%. (This basic 40-60 split is further adjusted, since the State bears the cost of repaying certain amounts taken from the trust in the early 1990's.) Contributions determined in a given actuarial valuation go into effect two years after the actuarial valuation. In fiscal years beginning after June 30, 2005, if the State's contribution on behalf of State Employees decreases, the State shall appropriate an additional amount to the retirement trust. Such amount shall be equal to 20% of any decrease in expected contributions.

Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods, such as time spent teaching at a public school in another state, by making an additional contribution to purchase the additional service and those costs will be determined at full actuarial value, except for purchases of military service and redeposits of previously refunded contributions. Special rules and limits govern the purchase of additional service and the contribution required.

Final Average Compensation (FAC): For members eligible to retire as of September 30, 2009, their Final Average Compensation (FAC) will be based on the highest three consecutive annual salaries. For members not eligible to retire as of September 30, 2009, their FAC will be based on the highest five consecutive years of salary. Monthly benefits are based on one-twelfth of this amount.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

Retirement Benefits

Eligibility: As of July 1, 2012, retirement eligibility dates will be as follows.

- Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's Article 7 Retirement Date, described in Section 11(c) below, and the retirement age applicable to members hired after June 30, 2012 in (i) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's Article 7 Retirement Date. The minimum retirement age is 59.
- Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their Article 7 Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits you have accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- A member who is within five years of reaching their retirement eligibility date, described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- Nurses (RNs) employed by MHRH are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contributing service. If the Article 7 Retirement Date was prior to June 30, 2012, they retain that eligibility date.
- Correctional officers are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contributing service. If the Article 7 Retirement Date was prior to June 30, 2012, they retain that eligibility date. Correctional officers who do not work for 25 years will not receive their pension benefit until they reach their Social Security normal retirement age.

Article 7 Retirement Date (member's retirement date as of September 30, 2009):

- Grandfathered Schedule A members—members with at least 10 years of contributory service at June 30, 2005 and eligible for retirement at September 30, 2009—are eligible to retire on or after age 60 if they have credit for 10 years of service, or at any age if they have credit for 28 years of service.
 - Correctional officers who have reached age 50 and have credit for 20 years of service as of September 30, 2009 are eligible to retire and are grandfathered.
 - Nurses (RNs) employed by MHRH who have reached age 50 with 25 years of service by September 30, 2009 are eligible to retire and are grandfathered.
 - Schedule B members—members with less than 10 years of contributory service as of June 30, 2005 and members hired on or after that date—are eligible for retirement on or after age 65 if they have credit for 10 years of service, or on or after age 62 if they have credit for 29 years of service. In addition, a member who attains age 62 with at least 20 years of service credit may retire with an actuarially reduced retirement benefit. The reduction is based on the difference between 65 and the member's age at retirement.
 - Correctional officers who are hired after September 30, 2009 become eligible to retire when they have reach age 55 and have credit for 25 years of service.
 - Nurses (RNs) employed by MHRH who are hired after September 30, 2009 become eligible when they have reach age 55 and have credit for 25 years of service.
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TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

Retirement Benefits

- Schedule A members who are not grandfathered, i.e., members who had at least 10 years of creditable service at June 30, 2005 but who were not eligible to retire on September 30, 2009, will be eligible for retirement at an individually determined age. This age is the result of interpolating between the retirement age under the rules applicable to grandfathered employees in (i) above and the retirement age applicable to members hired after September 30, 2009 in (iv) above. The interpolation is based on service as of September 30, 2009 divided by projected service at the retirement age under (i) above.
- Correctional officers hired on or before September 30, 2009 who are not eligible for retirement at that date will have an individually determined retirement age. This age is the result of interpolating between the retirement age for grandfathered employees in (ii) above and the retirement age applicable to members hired after September 30, 2009 in (v) above.
- Similarly, MHRH nurses (RNs) hired on or before September 30, 2009 who are not eligible to retire at that date will have an individually determined retirement age. This age is the result of interpolating between the retirement age for grandfathered employees in (iii) above and the retirement age applicable to members hired after September 30, 2009 in (vi) above.

Monthly Benefit: Upon retirement, members are eligible to commence a benefit determined as the sum of:

- Benefit accrual of 1.0% per year for all service after June 30, 2012, and
- Benefit accruals earned as of June 30, 2012, described in Section (d), below.

For purposes of calculating benefit accruals for service after June 30, 2012, the FAC is determined through retirement. Additionally, Correctional Officers who have completed 25 years of service on or before June 30, 2012 will continue to receive the benefit accrual rate under previous law for years 31 through 35 of service.

Benefit accruals earned as of June 30, 2012: The retirement benefit is a percentage of the member's monthly FAC. This percentage is a function of the member's service as described below. For purposes of determining the benefit accruals earned as of June 30, 2012, the service and FAC are frozen as of June 30, 2012.

- For grandfathered Schedule A members (members with at least 10 years of contributory service at June 30, 2005 and eligible for retirement at September 30, 2009), benefits are based under this schedule (Schedule A):

For Service In:	Years	Benefit Percentage Earned
The first 10 years of service	1 – 10	1.7% per year
The next 10 years of service	11 – 20	1.9% per year
The next 14 years of service	21 – 34	3.0% per year
The next 1 year of service	35	2.0% per year

The maximum benefit is 80% of FAC.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

- For Schedule B members (members with less than 10 years of contributory service as of June 30, 2005) and for all future hires, benefits are based on the following schedule (Schedule B):

For Service In:	Years	Benefit Percentage Earned
The first 10 years of service	1 – 10	1.6% per year
The next 10 years of service	11 – 20	1.8% per year
The next 5 years of service	21 – 25	2.0% per year
The next 5 years of service	26 – 30	2.25% per year
The next 7 years of service	31 – 37	2.50% per year
The next 1 year of service	38	2.25% per year

The maximum benefit is 75% of FAC.

- For Schedule A members who are not grandfathered, i.e., members who had at least 10 years of creditable service at June 30, 2005 but who were not eligible to retire on September 30, 2009, benefits are based on Schedule A (under (i) above) for service through September 30, 2009 and on Schedule B (under (ii) above) for service after September 30, 2009. The maximum benefit is 80% of FAC.
- MHRH nurses receive a benefit determined under the appropriate formula above.
- Correctional Officers receive a benefit computed under a different formula:

For Service In:	Years	Benefit Percentage Earned
The first 30 years of service	1 – 30	2.0% per year
The next 1 year of service	31	6.0% per year
The next 1 year of service	32	5.0% per year
The next 1 year of service	33	4.0% per year
The next 1 year of service	34	3.0% per year
The next 14 years of service	35	2.0% per year

The maximum benefit for correctional officers is 80% of FAC.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

Payment Form: Benefits are paid as a monthly life annuity. Optional forms of payment are available.

Death benefit: After retirement, death benefits are based on the form of annuity elected. If no option is elected, i.e., if payments are made as a life annuity, there is a minimum death benefit equal to the sum of the member's contributions without interest, less the sum of the monthly benefit payments made before the member's death. In addition, a lump-sum death benefit is payable upon the death of any retired member, regardless of option elected. This lump sum is equal to a percentage of the lump-sum death benefit that was available to the member at the time of retirement. The percentage is 100% in the first year of retirement, 75% in the second year, 50% in the third year, and 25% in the fourth and subsequent years of retirement. However, in no event will the lump sum death benefit be less than \$4,000.

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. This resulted in contribution rates paid by the State on behalf of the School Department of 8.18% of non-federally reimbursable payrolls totaling \$359,913 for the fiscal year ended June 30, 2013. These on-behalf payments of fringe benefits have been recognized as revenues and expenditures in the fiscal period. The School Department does not have any investments or related party investment with the State Plan.

Required contributions:

<u>Fiscal Years Ending</u>	<u>Annual Required Pension Cost</u>	<u>Percentage Contributed</u>
June 30, 2011	565,124	100%
June 30, 2012	628,589	100%
June 30, 2013	557,758	100%

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

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

In accordance with GASB 27, "Accounting for Pensions by State and Local Governmental Employers," the Town has determined that there are no assets or liabilities relating to the funding requirements of the plan.

Actuarial Methods and Assumptions

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

Valuation date	June 30, 2012
Actuarial cost method	Entry Age Actual Cost Method
Amortization method	Level Percentage Closed
Remaining amortization period	23 Years
Asset valuation method	5 Year Smoothed Market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	0.00%-12.75%
Cost-of-living adjustments	0.00%-4.00%
Inflation Rate	2.75% Annually

C. POLICE DEPARTMENT PENSION PLAN

Plan Description

The Town of Jamestown administers a separately maintained Police Pension Plan. The pension plan is considered to be a single-employer defined benefit pension plan. The plan's funding is based on actuarial valuations that result in annual employer/employee contributions that include an amount for the past, present, and future benefit. The last actuarial valuation, reported herein, was as of July 1, 2013. The plan's assets are reported in the Town's annual financial report as a Pension Trust Fund.

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

C. POLICE DEPARTMENT PENSION PLAN

Plan Description

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

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

Funding Policy

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

Annual Pension Costs

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

C. POLICE DEPARTMENT PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION
Six-Year Trend Information

Fiscal Year Ending	Annual Pension Cost	Percentage of APC Contributed	Net Pension Benefit
6/30/2008	164,091	127%	(1,196,156)
6/30/2009	187,528	92%	(1,180,556)
6/30/2010	285,616	90%	(1,152,450)
6/30/2011	282,712	71%	(1,071,687)
6/30/2012	233,777	60%	(979,240)
6/30/2013	244,059	35%	(819,979)

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

C. POLICE DEPARTMENT PENSION PLAN

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Excess of Assets (Over) Under AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Excess of Assets Over AAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/08	\$ 8,181,752	\$ 6,261,768	\$ (1,919,984)	130.7%	\$ 704,314	-272.6%
7/1/09	7,162,384	7,137,088	(25,296)	100.4%	764,942	-3.3%
7/1/10	7,917,927	7,975,138	57,211	99.3%	607,806	9.4%
7/1/11	8,822,350	8,051,512	(770,838)	109.6%	648,605	-118.8%
7/1/12	8,678,157	8,037,077	(641,080)	108.0%	677,630	-94.6%
7/1/13	9,074,082	8,737,518	(336,564)	103.9%	828,404	-40.6%

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

Annual required contribution	\$ 182,023
Interest on net pension obligation	(68,547)
Adjustment to annual required contribution	<u>130,583</u>
Annual pension cost	244,059
Contributions made	<u>(84,798)</u>
Increase (decrease) in net pension obligation	159,261
Net pension benefit beginning of year	<u>(979,240)</u>
Net pension benefit end of year	<u>\$ (819,979)</u>

Actuarial Assumptions

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

D. Defined Contribution Plan

Plan Description

The Town of Jamestown participates in the State of Rhode Island Defined Contribution Retirement Plan (the "Plan"). The plan is a defined contribution (money purchase) plan that operates under Section 401(a) of the Internal Revenue Code (IRC). The Plan is established pursuant to Chapter 10.3 of Title 36 of the Rhode Island General Laws. ("RIGL 36-10.3"). The Plan is effective as of July 1, 2012, and contributions to the Plan will begin on the first full payroll cycle in July, 2012. The purpose of the Plan is to provide retirement benefits for participating employees. The Plan issues a publicly available financial report that includes financial statements and required supplementary information. For further information the financial report may be obtained by writing to Employees Retirement System of Rhode Island, 40 Fountain Street, Providence, Rhode Island, 02903-1854, by calling (401) 222-2203 or by accessing their website at www.ersri.org.

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

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

Benefits are provided through:

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

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

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

D. Defined Contribution Plan

Municipalities with teachers that do not contribute to Social Security:

a. Plan Funding Policy

The funding policy is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Active plan members must contribute 5% of his/her compensation and the Town is required to contribute 3%. The plan members and Town contributed \$183,337 and \$36,667 respectively, during the fiscal year ended June 30, 2013

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

b. Plan Funding Policy

The funding policy is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Active non-police and fire members must contribute 5% of his/her compensation and the Town is required to contribute 1%. The plan members and Town contributed \$174,122 and \$35,011 respectively, during the fiscal year ended June 30, 2013.

NOTE 11- FUND EQUITY

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

The following fund balance categories are recorded on the Balance Sheet of Government Funds in the financial statements at June 30, 2013:

- ***Non-spendable*** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories. \$ 46,322
- ***Restricted*** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions. \$ 1,232,704
- ***Committed*** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action. \$ 3,029,413
- ***Assigned*** – are balances intended for a specific purpose by the government’s management and are also appropriations of existing fund balances. \$ 855,012
- ***Unassigned*** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund. \$ 3,272,517

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 12 –OTHER POST RETIREMENT BENEFITS

Plan Description

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

Plan Types

Police Officers

Medical: Blue Cross/Healthmate Coast to Coast

Dental: 100% cost paid by employee

School Employees

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

Dental: Delta Dental

Eligibility

Police Officers:

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

Eligibility

School Employees:

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

Benefit Formula

Police Officers:

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

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

Plan Description

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

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

Funding Policy

Contribution requirements are negotiated between the Town and the respective unions. The Town is required to contribute the cost of medical/drug and dental benefits, less the amount of any applicable co-payment in effect at the time of retirement. For the year-ended June 30, 2013, the plan operated on a pay as you go basis and no provision has been made to fund future benefits to be provided to plan members.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 12 – OTHER POST RETIREMENT BENEFITS (continued)

Annual OPEB Funded Status and net OPEB Obligation- Police Plan

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

Schedule of Funding Progress

Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	-	1,874,075	1,874,075	0%	611,409	307%
2009	-	1,661,060	1,661,060	0%	634,944	262%
2011	-	3,482,971	3,482,971	0%	607,589	573%

Annual OPEB Cost and Net OPEB Obligation: Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2013.

Annual required contribution	\$ 333,454
Interest on NOO	19,356
Adjustment to annual required contribution	<u>(27,984)</u>
Annual OPEB cost	324,826
Contributions made	(97,803)
Allocations for implicit rate study	<u>(52,214)</u>
Increase (decrease) in NOO	<u>174,809</u>
NOO Beginning of Fiscal year	<u>483,906</u>
NOO End of Fiscal Year	<u><u>\$ 658,715</u></u>

Police Department OPEB Trend Information

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 12 –OTHER POST RETIREMENT BENEFITS (continued)

Annual OPEB Funded Status and net OPEB Obligation- School Plan

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

Schedule of Funding Progress

Actuarial Valuation Date July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2008	-	13,129,596	13,129,596	0%	3,944,077	333%
2009	-	14,153,205	14,153,205	0%	3,479,423	407%
2011	-	6,496,005	6,496,005	0%	3,882,728	167%

Annual OPEB Funded Status and net OPEB Obligation- School Plan

Annual OPEB Cost and Net OPEB Obligation: Below are the required pension obligation presentations per GASB 45 for the period ending June 30, 2013.

Annual required contribution	\$ 487,820
Interest on NOO	44,189
Adjustment to annual required contribution	<u>(63,886)</u>
Annual OPEB cost	468,123
Contributions made	(283,620)
Allocations for implicit rate study	<u>(74,232)</u>
Increase (decrease) in NOO	<u>110,271</u>
NOO Beginning of Fiscal year	<u>1,104,726</u>
NOO End of Fiscal Year	<u><u>\$ 1,214,997</u></u>

School Department OPEB Trend Information

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 12 – OTHER POST RETIREMENT BENEFITS (continued)

Actuarial Methods and Assumptions

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

Police Officers Plan

Valuation Date:	July 1, 2011
Discount Rate	4.00%
Healthy Mortality	RP-2000 Male/Female Combined
2011 Medical Trend Rate	8.00% graded 0.5% each year to 4.5% after 10
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

School Employees Plan

Valuation Date:	July 1, 2011
Discount Rate	4.00%
Healthy Mortality	IRS 2011 P.V. Optional Combined Male/Female
2009 Medical Trend Rate	8.50% graded 0.5% each year to 4.5% after 10
Ultimate Medical Trend Rate	4.50%
Amortization Period	30 Years

NOTE 13 - LANDFILL POST-CLOSURE CARE COSTS

State and federal laws and regulations require that the Town of Jamestown perform certain maintenance and monitoring functions for 30 years after its landfill has been closed. The Jamestown landfill was closed during fiscal year 1983. The full liability for landfill post-closure care costs cannot be estimated at this time. Additional costs that might arise from changes in post-closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by additional charges in future years. For the fiscal year ended June 30, 2013 the town's landfill maintenance cost was \$40,201.

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. Litigation

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

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES *(continued)*

B. Federally Assisted Programs - Compliance Audits

The Town participates in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2013 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditor's reports thereon are presented in the Single Audit Report. Management believes that the amounts, if any, of expenditures, which may be disallowed, will not be material to the financial position of the Town.

NOTE 15 - RISK MANAGEMENT

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

The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust, retains internally for payment from the pooled contributions of its Members. Under the participation agreement, the Town is insured for a maximum of \$2,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. It is not anticipated that the risks will exceed the trust coverage in the current year. There are no claims incurred for which the insurance pool has denied coverage. Therefore there are no incurred but not recorded liabilities at June 30, 2013.

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

NOTE 16 - DEFICIT FUND BALANCE OF INDIVIDUAL FUNDS

The following individual funds had deficit fund equity balances as of June 30, 2013:

Governmental Funds

Special Revenue Funds

Landfill Closure Fund	\$ 120,540	*
FEMA Storm 2010	105,854	*
School Route Grant	9,981	*
Historic Preservation Fund	2,290	*
Byrne Grant	486	*

Capital Project Funds

Capital Improvement Fund	73,960	*
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<i>Total</i>	\$ 313,111	
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* The deficits will be eliminated by future reimbursements from either the State or the Federal Government.

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 18, 2013, the date the financial statements were available to be issued.

In July of 2013 the Town issued bonds in the amount of \$1,000,000 and \$1,570,000. These bonds were for landfill closure cost and refunding of prior debt issues respectively.

NOTE 18 – PRIOR PERIOD ADJUSTMENT

Some School Department capital assets are being restated due to errors in prior years. These adjustments reflect errors that were discovered when the School Department transferred their capital assets to a new capital assets reporting system.

Required Supplementary Information

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

	GENERAL FUND			
	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
Property tax	\$ 18,349,874	\$ 18,349,874	\$ 18,740,741	\$ 390,867
Intergovernmental and departmental revenue	1,522,181	1,522,181	1,715,235	193,054
License and permits	889,000	889,000	920,299	31,299
Fines and interest on late payments	155,000	155,000	153,282	(1,718)
Interest on investments	50,000	50,000	25,784	(24,216)
Other revenues	127,835	127,835	170,319	42,484
TOTAL REVENUES	21,093,890	21,093,890	21,725,660	631,770
EXPENDITURES				
Legislative, judicial, and general administrative	2,046,554	2,046,554	2,053,235	(6,681)
Financial administration and tax assessor	299,126	299,126	323,446	(24,320)
Public safety	2,260,305	2,260,305	2,225,342	34,963
Public works	1,617,343	1,617,343	1,613,248	4,095
Public welfare	5,464	5,464	3,964	1,500
Public health	292,128	292,128	278,621	13,507
Tree Warden	31,400	31,400	29,480	1,920
Library	381,322	381,322	391,181	(9,859)
Parks & recreation	506,114	506,114	463,278	42,836
Education	11,923,787	11,923,787	11,252,825	670,962
Other	53,500	53,500	608,357	(554,857)
Debt service				
Principal	660,000	660,000	660,000	-
Interest	384,007	384,007	384,007	-
TOTAL EXPENDITURES	20,461,050	20,461,050	20,286,984	174,066
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	<u>632,840</u>	<u>632,840</u>	<u>1,438,676</u>	<u>805,836</u>
OTHER FINANCING SOURCES (USES)				
Use of prior year accumulated surplus	312,175	312,175	312,175	-
Transfer in from other funds	150,000	150,000	232,581	82,581
Transfer to other funds	-	-	(80,000)	(80,000)
Transfer to other funds	(162,175)	(162,175)	(162,175)	-
Transfer to Capital Improvement Fund	(932,840)	(932,840)	(932,840)	-
TOTAL OTHER FINANCING USES	(632,840)	(632,840)	(630,259)	2,581
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 808,417</u>	<u>\$ 808,417</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Revenues
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
GENERAL PROPERTY TAXES				
Real estate and personal property taxes	\$ 18,349,874	18,349,874	\$ 18,740,741	\$ 390,867
TOTAL GENERAL PROPERTY TAXES	<u>18,349,874</u>	<u>18,349,874</u>	<u>18,740,741</u>	<u>390,867</u>
INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES				
Library state aid	137,118	137,118	137,116	(2)
State Education Aid	395,764	395,764	402,079	6,315
Medicaid reimbursement	90,000	90,000	126,465	36,465
Certificate of occupancy	1,000	1,000	950	(50)
State of Rhode Island MV excise	461,685	461,685	581,077	119,392
Ambulance - 3rd party billing	95,000	95,000	108,288	13,288
Meal Tax Reimbursement	76,399	76,399	78,743	2,344
Tax stamps town share	150,000	150,000	171,824	21,824
RI Trust TOPS Dividend	15,550	15,550	7,527	(8,023)
Radon tax town share	-	-	96	96
Public housing	71,665	71,665	71,665	-
Finance	20,000	20,000	25,878	5,878
Alarm revenue	8,000	8,000	3,527	(4,473)
TOTAL INTERGOVERNMENTAL AND DEPARTMENTAL REVENUES	<u>1,522,181</u>	<u>1,522,181</u>	<u>1,715,235</u>	<u>193,054</u>
LICENSES AND PERMITS				
Building permits	93,000	93,000	115,525	22,525
Electric permits	25,000	25,000	15,099	(9,901)
Plumbing permits	5,000	5,000	4,827	(173)
Demolition permits	1,000	1,000	450	(550)
Mechanical permits	20,000	20,000	19,229	(771)
Copies and recording	120,000	120,000	115,498	(4,502)
Licenses and fees	10,000	10,000	9,354	(646)
Zoning fees	5,000	5,000	575	(4,425)
Probate fees	20,000	20,000	17,429	(2,571)
Transfer station stickers	90,000	90,000	105,200	15,200
Animal control	5,000	5,000	5,941	941
Parks & recreation	475,000	475,000	477,813	2,813
Public works	20,000	20,000	33,359	13,359
TOTAL LICENSES AND PERMITS	<u>889,000</u>	<u>889,000</u>	<u>920,299</u>	<u>31,299</u>
FINES AND INTEREST ON LATE PAYMENTS				
Police department fines	50,000	50,000	29,951	(20,049)
Library fines	5,000	5,000	6,276	1,276
Interest on late payments	100,000	100,000	117,055	17,055
TOTAL FINES AND INTEREST ON LATE PAYMENTS	<u>155,000</u>	<u>155,000</u>	<u>153,282</u>	<u>(1,718)</u>
INTEREST ON INVESTMENTS				
	<u>50,000</u>	<u>50,000</u>	<u>25,784</u>	<u>(24,216)</u>
OTHER REVENUES				
Miscellaneous revenue	127,835	127,835	170,319	42,484
TOTAL OTHER REVENUES	<u>127,835</u>	<u>127,835</u>	<u>170,319</u>	<u>42,484</u>
TOTAL REVENUES	<u>21,093,890</u>	<u>21,093,890</u>	<u>21,725,660</u>	<u>631,770</u>
OTHER FINANCING SOURCES				
Use of prior year accumulated surplus	312,175	312,175	312,175	-
Transfer-in other funds	150,000	150,000	232,581	82,581
TOTAL OTHER FINANCING SOURCES	<u>462,175</u>	<u>462,175</u>	<u>544,756</u>	<u>82,581</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 21,556,065</u>	<u>\$ 21,556,065</u>	<u>\$ 22,270,416</u>	<u>\$ 714,351</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non-GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE				
Town Council				
Salaries	\$ 10,667	\$ 10,667	\$ 10,455	\$ 212
Fees and supplies	1,500	1,500	633	867
Advertising	2,500	2,500	-	2,500
Total Town Council	<u>14,667</u>	<u>14,667</u>	<u>11,088</u>	<u>3,579</u>
Town Administration				
Salaries, Administrator, Clerical	161,871	161,871	165,488	(3,617)
Fees, supplies and dues	2,800	2,800	1,728	1,072
Travel expense	5,500	5,500	3,000	2,500
Total Town Administration	<u>170,171</u>	<u>170,171</u>	<u>170,216</u>	<u>(45)</u>
Probate Court				
Salaries and wages	4,718	4,718	4,718	-
Fees and supplies	2,000	2,000	1,153	847
Total Probate Court	<u>6,718</u>	<u>6,718</u>	<u>5,871</u>	<u>847</u>
Elections and Town Meetings				
Salaries, Canvassers	12,102	12,102	12,166	(64)
Fees and supplies	3,357	3,357	2,074	1,283
Advertising and printing	900	900	1,018	(118)
Total Elections and Town Meetings	<u>16,359</u>	<u>16,359</u>	<u>15,258</u>	<u>1,101</u>
Other				
Social security tax	278,800	278,800	271,126	7,674
Medical	705,000	705,000	702,406	2,594
Workman's compensation	73,500	73,500	61,957	11,543
Retirement system	284,415	284,415	316,028	(31,613)
Life insurance	10,000	10,000	8,643	1,357
General liability insurance	78,750	78,750	85,035	(6,285)
Salary study adjustment	3,000	3,000	-	3,000
Total Other	<u>1,433,465</u>	<u>1,433,465</u>	<u>1,445,195</u>	<u>(11,730)</u>
Legal				
Professional services - legal	95,000	95,000	99,583	(4,583)
Total legal	<u>95,000</u>	<u>95,000</u>	<u>99,583</u>	<u>(4,583)</u>
Clerks and Records				
Salaries and wages	144,959	144,959	146,249	(1,290)
Fees, supplies and dues	33,000	33,000	33,926	(926)
Advertising and printing	3,200	3,200	828	2,372
Total Clerks and Records	<u>181,159</u>	<u>181,159</u>	<u>181,003</u>	<u>156</u>
Planning				
Salaries and wages	105,065	105,065	104,909	156
Planning commission	7,150	7,150	7,050	100
Fees, supplies & dues	5,500	5,500	5,574	(74)
Advertising	600	600	-	600
Total planning	<u>118,315</u>	<u>118,315</u>	<u>117,533</u>	<u>782</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (NON-GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2013
(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Zoning				
Salaries and wages	10,000	10,000	6,126	3,874
Fees, supplies and dues	700	700	1,362	(662)
Total Zoning	<u>10,700</u>	<u>10,700</u>	<u>7,488</u>	<u>3,212</u>
TOTAL LEGISLATIVE, JUDICIAL, AND GENERAL ADMINISTRATIVE	<u>2,046,554</u>	<u>2,046,554</u>	<u>2,053,235</u>	<u>(6,681)</u>
FINANCIAL ADMINISTRATION AND TAX ASSESSOR				
Finance and Tax Assessor Office				
Salaries and wages - Finance Office	82,426	82,426	85,612	(3,186)
Salary Deputy Tax Collector	60,372	60,372	62,413	(2,041)
Salaries and wages - Tax Assessor	60,873	60,873	60,873	-
Professional services	14,000	14,000	14,891	(891)
Clerical-Tax Assessor	2,000	2,000	359	1,641
Fees, supplies and dues - Tax Assessor	12,155	12,155	12,326	(171)
Fees, supplies and dues - Finance Office	22,000	22,000	20,739	1,261
Salaries and wages- Computer Technician	30,000	30,000	42,109	(12,109)
Advertising and printing - Finance Office	500	500	157	343
Advertising and printing - Tax Assessor	1,200	1,200	842	358
Total Finance Office	<u>285,526</u>	<u>285,526</u>	<u>300,321</u>	<u>(14,795)</u>
Audit of Accounts				
Professional services	13,600	13,600	23,125	(9,525)
Total Audit of Accounts	<u>13,600</u>	<u>13,600</u>	<u>23,125</u>	<u>(9,525)</u>
TOTAL FINANCIAL ADMINISTRATION AND TAX ASSESSOR	<u>299,126</u>	<u>299,126</u>	<u>323,446</u>	<u>(24,320)</u>
PUBLIC SAFETY				
Police Department				
Salaries and wages - Police Department	1,007,014	1,007,014	989,317	17,697
Salaries and wages - Animal Control	10,000	10,000	1,231	8,769
Police benefits	55,189	55,189	57,267	(2,078)
Police overtime and sick leave	175,000	175,000	188,989	(13,989)
Police retirement	141,332	141,332	141,330	2
Supplies - Police Department	20,400	20,400	21,820	(1,420)
Supplies - Animal Control	-	-	5,929	(5,929)
Advertising and printing	500	500	922	(422)
Computer maintenance	18,500	18,500	22,976	(4,476)
Building Maintenance	5,000	5,000	4,879	121
Vehicle insurance - Police Department	8,197	8,197	8,197	-
Telephone - Police Department	26,500	26,500	13,745	12,755
Equipment, uniforms	8,000	8,000	7,970	30
Maintenance of uniforms - Police and Animal Control	35,250	35,250	32,626	2,624
Ammunition and supplies	6,175	6,175	1,805	4,370
Maintenance of police cars	20,000	20,000	9,867	10,133
Gas and tires - Police	37,500	37,500	42,593	(5,093)
Training of members	22,000	22,000	22,689	(689)
Police incentive program	28,000	28,000	35,268	(7,268)
Maintenance of radio system	16,500	16,500	7,679	8,821
Equipment	8,750	8,750	7,443	1,307
Total Police Department	<u>1,649,807</u>	<u>1,649,807</u>	<u>1,624,542</u>	<u>25,265</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2013

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Fire Department				
Salaries and wages - Fire	129,900	129,900	123,535	6,365
Fire incentive program	70,000	70,000	70,000	-
Fees, supplies and dues	4,800	4,800	4,087	713
Insurance	47,188	47,188	38,485	8,703
Telephone	6,800	6,800	7,928	(1,128)
Apparatus and truck repair	25,000	25,000	37,395	(12,395)
Gas, tires and oil	13,900	13,900	13,290	610
Training	12,000	12,000	4,562	7,438
Fuel oil	12,000	12,000	10,318	1,682
Maintenance	10,000	10,000	13,004	(3,004)
Electricity	8,500	8,500	8,171	329
Alarm and radio	7,200	7,200	6,510	690
Oxygen and air pack	5,500	5,500	3,555	1,945
Water	1,500	1,500	1,400	100
Fire equipment	15,000	15,000	14,625	375
Fire extinguisher agents	2,500	2,500	2,169	331
Subscriptions and journals	600	600	300	300
Total Fire Department	<u>372,388</u>	<u>372,388</u>	<u>359,334</u>	<u>13,054</u>
Other Protective Services				
Salaries and wages	108,610	108,610	111,435	(2,825)
Supplies and expenses	4,500	4,500	5,031	(531)
Hydrant rental	125,000	125,000	125,000	-
Total Other Protective Services	<u>238,110</u>	<u>238,110</u>	<u>241,466</u>	<u>(3,356)</u>
TOTAL PUBLIC SAFETY	<u>2,260,305</u>	<u>2,260,305</u>	<u>2,225,342</u>	<u>34,963</u>
PUBLIC WORKS				
Administration				
Salary - Public Works Director	46,031	46,031	46,031	-
Supplies and expenses	1,400	1,400	1,402	(2)
Total Administration	<u>47,431</u>	<u>47,431</u>	<u>47,433</u>	<u>(2)</u>
Engineering				
Salary - Intern	10,000	10,000	11,940	(1,940)
Salary - Environmental Scientist	38,929	38,929	28,069	10,860
Supplies	1,200	1,200	1,585	(385)
Total Engineering	<u>50,129</u>	<u>50,129</u>	<u>41,594</u>	<u>8,535</u>
Highway				
Salaries and wages	592,513	592,513	577,885	14,628
Vehicles and insurance	12,000	12,000	12,000	-
Upkeep of equipment	55,000	55,000	63,002	(8,002)
Oil and gas	65,000	65,000	81,636	(16,636)
Sand and gravel	15,000	15,000	18,086	(3,086)
Cold patch	15,000	15,000	10,479	4,521
Other road supplies	15,000	15,000	15,236	(236)
Equipment rental	3,000	3,000	1,293	1,707
Safety and licensing	6,500	6,500	5,210	1,290
Total Highway	<u>779,013</u>	<u>779,013</u>	<u>784,827</u>	<u>(5,814)</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2013

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Snow Removal				
Snow removal	22,550	22,550	26,387	(3,837)
Equipment and supplies	40,000	40,000	48,086	(8,086)
Total Snow Removal	<u>62,550</u>	<u>62,550</u>	<u>74,473</u>	<u>(11,923)</u>
Waste Removal				
Salary - Operator	58,120	58,120	56,995	1,125
Telephone	500	500	504	(4)
Electricity	1,000	1,000	745	255
Maintenance and testing	45,000	45,000	39,390	5,610
Transfer and trucking	310,000	310,000	297,142	12,858
Hazardous waste	1,000	1,000	-	1,000
Total Waste Removal	<u>415,620</u>	<u>415,620</u>	<u>394,776</u>	<u>20,844</u>
Street Lighting				
Electricity	40,000	40,000	52,742	(12,742)
Total Street Electric	<u>40,000</u>	<u>40,000</u>	<u>52,742</u>	<u>(12,742)</u>
Other Public Works				
Town cemetery and parade	2,100	2,100	1,682	418
Total Other Public Works	<u>2,100</u>	<u>2,100</u>	<u>1,682</u>	<u>418</u>
Public Buildings				
Contracted services	50,000	50,000	52,449	(2,449)
Supplies	5,000	5,000	5,272	(272)
Telephone and alarms	20,000	20,000	14,460	5,540
Electric	40,000	40,000	40,490	(490)
Water	8,500	8,500	8,505	(5)
Heating	45,000	45,000	37,180	7,820
Repairs and maintenance	40,000	40,000	52,930	(12,930)
Landscape	12,000	12,000	4,435	7,565
Total Public Buildings	<u>220,500</u>	<u>220,500</u>	<u>215,721</u>	<u>4,779</u>
TOTAL PUBLIC WORKS	<u>1,617,343</u>	<u>1,617,343</u>	<u>1,613,248</u>	<u>4,095</u>
PUBLIC WELFARE				
Salaries and wages	3,964	3,964	3,964	-
New Visions, Newport County	1,500	1,500	-	1,500
TOTAL PUBLIC WELFARE	<u>5,464</u>	<u>5,464</u>	<u>3,964</u>	<u>1,500</u>
PUBLIC HEALTH				
Ambulance incentive program	80,000	80,000	80,000	-
JFD EMS Director	30,615	30,615	24,962	5,653
Ambulance	79,500	79,500	79,096	404
Insurance for ambulance	25,320	25,320	22,870	2,450
Visiting nurse / mental health	20,000	20,000	15,000	5,000
Senior center operations	56,693	56,693	56,693	-
TOTAL PUBLIC HEALTH	<u>292,128</u>	<u>292,128</u>	<u>278,621</u>	<u>13,507</u>
TREE WARDEN				
Salaries	9,600	9,600	10,175	(575)
Supplies	1,800	1,800	4,127	(2,327)
Tree pruning	15,000	15,000	14,478	522
Purchase of Trees	5,000	5,000	700	4,300
TOTAL TREE WARDEN	<u>31,400</u>	<u>31,400</u>	<u>29,480</u>	<u>1,920</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - Schedule of Expenditures
Budget and Actual (Non GAAP Budgetary Basis) - General Fund
For the Fiscal Year Ended June 30, 2013

(continued)

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
LIBRARY				
Salaries and wages	191,494	191,494	196,725	(5,231)
Custodian	6,600	6,600	4,869	1,731
Fees, supplies & dues	7,000	7,000	7,258	(258)
Insurance	11,689	11,689	11,689	-
Telephone	2,000	2,000	2,031	(31)
Equipment	400	400	259	141
Electricity	16,000	16,000	17,695	(1,695)
Heat	16,000	16,000	17,072	(1,072)
Repairs and maintenance	21,500	21,500	18,688	2,812
Computer repairs and maintenance	5,000	5,000	4,956	44
Books and periodicals	24,500	24,500	27,812	(3,312)
Books - State aid	79,139	79,139	82,127	(2,988)
TOTAL LIBRARY	<u>381,322</u>	<u>381,322</u>	<u>391,181</u>	<u>(9,859)</u>
PARKS AND RECREATION				
Salaries and wages	384,594	384,594	342,426	42,168
Supplies	5,965	5,965	5,842	123
Advertising and printing	3,750	3,750	3,445	305
Insurance	5,882	5,882	5,882	-
Telephone	3,250	3,250	2,209	1,041
Equipment	4,600	4,600	4,178	422
Gas and oil	7,500	7,500	10,317	(2,817)
Electricity and field lighting	22,400	22,400	23,981	(1,581)
Fort Getty water removal	8,000	8,000	7,051	949
Shores beach / sanitary facilities	3,000	3,000	2,905	95
Water	13,500	13,500	11,211	2,289
Trash removal	12,000	12,000	9,538	2,462
Repairs, maintenance and improvements	26,648	26,648	30,178	(3,530)
Summer program	3,825	3,825	3,600	225
Winter program	1,200	1,200	515	685
TOTAL PARKS AND RECREATION	<u>506,114</u>	<u>506,114</u>	<u>463,278</u>	<u>42,836</u>
SCHOOL DEPARTMENT				
Education	11,923,787	11,923,787	11,252,825	670,962
TOTAL EDUCATION	<u>11,923,787</u>	<u>11,923,787</u>	<u>11,252,825</u>	<u>670,962</u>
OTHER				
Incidents and emergencies	50,000	50,000	34,493	15,507
Conservation commission	2,200	2,200	766	1,434
Eastern RI CO-OP Extension	1,300	1,300	1,300	-
TOTAL OTHER	<u>53,500</u>	<u>53,500</u>	<u>36,559</u>	<u>16,941</u>
CAPITAL EXPENDITURES				
Harbor sea wall	-	-	571,798	(571,798)
TOTAL CAPITAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>571,798</u>	<u>(571,798)</u>
DEBT SERVICE				
Principal payments	660,000	660,000	660,000	-
Interest	384,007	384,007	384,007	-
TOTAL DEBT SERVICE	<u>1,044,007</u>	<u>1,044,007</u>	<u>1,044,007</u>	<u>-</u>
TOTAL EXPENDITURES	<u>20,461,050</u>	<u>20,461,050</u>	<u>20,286,984</u>	<u>174,066</u>
OTHER FINANCING USES				
Transfer to other funds				
Transfer to capital - heating system	-	-	80,000	(80,000)
Transfer to other funds	162,175	162,175	162,175	-
Capital improvement fund	932,840	932,840	932,840	-
TOTAL OTHER FINANCING USES	<u>1,095,015</u>	<u>1,095,015</u>	<u>1,175,015</u>	<u>(80,000)</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 21,556,065</u>	<u>\$ 21,556,065</u>	<u>\$ 21,461,999</u>	<u>\$ 94,066</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Capital Improvement Fund
Schedule of Revenues and Expenditures (Non GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2013

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES				
Other	\$ 30,000	\$ 30,000	\$ 24,331	\$ (5,669)
TOTAL REVENUES	<u>30,000</u>	<u>30,000</u>	<u>24,331</u>	<u>(5,669)</u>
EXPENDITURES				
Capital outlay	192,175	192,175	180,637	11,538
TOTAL EXPENDITURES	<u>192,175</u>	<u>192,175</u>	<u>180,637</u>	<u>11,538</u>
Excess of expenditures over revenues before operating transfers	<u>(162,175)</u>	<u>(162,175)</u>	<u>(156,306)</u>	<u>5,869</u>
OTHER FINANCING SOURCES (USES)				
Transfer from School General Fund	162,175	162,175	162,175	-
TOTAL OPERATING TRANSFERS	<u>162,175</u>	<u>162,175</u>	<u>162,175</u>	<u>-</u>
Excess of revenues over expenditures and operating transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,869</u>	<u>\$ 5,869</u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013

The accompanying Statement of Revenues, Expenditures (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2013 is presented below:

	General Fund GAAP Basis	School Capital <u>Improvement</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ 808,417	\$ 5,869
<i>Adjustments:</i>		
To adjust for use of accumulated surplus	(312,175)	-
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	\$ 496,242	\$ 5,869

Supplementary Information

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
JUNE 30, 2013

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	Capital Projects Fund	Totals
ASSETS					
Cash	\$ 231,709	\$ -	\$ 28,675	\$ 3	\$ 260,387
Due from federal and state governments	43,043	189,162	2,885	-	235,090
Due from other funds	690,111	304,316	29,925	371,425	1,395,777
Total assets	\$ 964,863	\$ 493,478	\$ 61,485	\$ 371,428	\$ 1,891,254
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 754	\$ -	\$ -	\$ 20,695	\$ 21,449
Due to other funds	307,428	189,162	-	-	496,590
Unearned revenue	-	304,316	-	-	304,316
Total liabilities	308,182	493,478	-	20,695	822,355
Fund balances (deficits)					
<i>Restricted for:</i>					
Public safety programs	102,305	-	-	-	102,305
<i>Committed for:</i>					
Public works programs	-	-	-	350,733	350,733
<i>Assigned for:</i>					
Public safety programs	34,234	-	-	-	34,234
Public welfare	33,830	-	61,485	-	95,315
Public works programs	358,149	-	-	-	358,149
Culture and recreation	367,314	-	-	-	367,314
<i>Unassigned</i>	(239,151)	-	-	-	(239,151)
Fund balances (deficits)	656,681	-	61,485	350,733	1,068,899
Total liabilities and fund balances	\$ 964,863	\$ 493,478	\$ 61,485	\$ 371,428	\$ 1,891,254

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances - Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2013

	<u>Special Revenue Restricted Town</u>	<u>Special Revenue Restricted School</u>	<u>School Food Service</u>	<u>Capital Projects Fund</u>	<u>Totals</u>
Revenues					
Intergovernmental	\$ 594,011	\$ 361,021	\$ 32,810	\$ 24,379	\$ 1,012,221
Other	382,597	1,241	99,110	-	482,948
Total Revenues	<u>976,608</u>	<u>362,262</u>	<u>131,920</u>	<u>24,379</u>	<u>1,495,169</u>
Expenditures					
Education	-	362,262	-	135,599	497,861
Other	990,695	-	136,065	-	1,126,760
Capital improvements/restricted programs	-	-	-	45,038	45,038
Total expenditures	<u>990,695</u>	<u>362,262</u>	<u>136,065</u>	<u>180,637</u>	<u>1,669,659</u>
Excess of revenues over (under) Expenditures	(14,087)	-	(4,145)	(156,258)	(174,490)
Other Financing Sources (uses)					
Operating transfers (to) from	(158,000)	-	-	113,293	(44,707)
Total other financing sources	<u>(158,000)</u>	<u>-</u>	<u>-</u>	<u>113,293</u>	<u>(44,707)</u>
Excess of revenues and other sources over (under) expenditures and other uses	(172,087)	-	(4,145)	(42,965)	(219,197)
FUND BALANCE - July 1, 2012	<u>828,768</u>	<u>-</u>	<u>65,630</u>	<u>393,698</u>	<u>1,288,096</u>
FUND BALANCE - June 30, 2013	<u>\$ 656,681</u>	<u>\$ -</u>	<u>\$ 61,485</u>	<u>\$ 350,733</u>	<u>\$ 1,068,899</u>

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2013

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	JAMESTOWN LIBRARY TRUSTEE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 7,108	\$ 125,399	\$ -	\$ 6,211
Accounts receivable	-	-	-	-	797	-	-
Due from other funds	12,798	56,519	285,448	518	57,581	8,298	-
TOTAL ASSETS	\$ 12,798	\$ 56,519	\$ 285,448	\$ 7,626	\$ 183,777	\$ 8,298	\$ 6,211
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 754	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	754	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare							
<i>Committed for:</i>							
Public works programs							
<i>Assigned for:</i>							
Public safety programs							
Public welfare							
Public works programs	-	-	285,448	-	-	8,298	-
Culture and recreation	12,798	56,519	-	7,626	183,023	-	6,211
<i>Unassigned</i>	-	-	-	-	-	-	-
TOTAL FUND BALANCE	12,798	56,519	285,448	7,626	183,023	8,298	6,211
TOTAL LIABILITIES AND FUND BALANCE	\$ 12,798	\$ 56,519	\$ 285,448	\$ 7,626	\$ 183,777	\$ 8,298	\$ 6,211

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2013

	COMMUNITY DEVELOPMENT BLOCK GRANT	DRUG FORFEITURE FUND	DRUG FORFEITURE FUND 2005	SUBSTANCE ABUSE FUND	TOWN CLERK	FORT GETTY PAVILLION	WIND STUDY
ASSETS							
Cash and cash equivalents	\$ 14,374	\$ -	\$ -	\$ -	\$ -	\$ 43,050	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	44,737	-	-	43,194	23,194	-	-
TOTAL ASSETS	\$ 59,111	\$ -	\$ -	\$ 43,194	\$ 23,194	\$ 43,050	\$ -
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	59,111	-	-	43,194	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	-	-
Public works programs	-	-	-	-	-	43,050	-
Culture and recreation	-	-	-	-	23,194	-	-
<i>Unassigned</i>	-	-	-	-	-	-	-
TOTAL FUND BALANCE	59,111	-	-	43,194	23,194	43,050	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 59,111	\$ -	\$ -	\$ 43,194	\$ 23,194	\$ 43,050	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2013

	RENEWABLE ENERGY FUND	SCHOOL ROUTE GRANT	BRYNE GRANT 2011	HISTORIC PRESERVATION PLANNING	BYRNE GRANT	4 GRINELL ST.	MARSH RESTORATION
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	28,724	14,755
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,724	\$ 14,755
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	9,981	486	2,290	-	-	-
TOTAL LIABILITIES	-	9,981	486	2,290	-	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	-	-	-	-	-	-
Public welfare	-	-	-	-	-	28,724	-
Public works programs	-	-	-	-	-	-	14,755
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	(9,981)	(486)	(2,290)	-	-	-
TOTAL FUND BALANCE	-	(9,981)	(486)	(2,290)	-	28,724	14,755
TOTAL LIABILITIES AND FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,724	\$ 14,755

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2013

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	LANDFILL CLOSURE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	FIRE DEPARTMENT INSPECTIONS	TRAIL GUIDE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	4,246	-	-	-	-	-	-
Due from other funds	2,352	1,387	-	57,413	5,076	7,384	547
TOTAL ASSETS	\$ 6,598	\$ 1,387	\$ -	\$ 57,413	\$ 5,076	\$ 7,384	\$ 547
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	120,540	-	-	-	-
TOTAL LIABILITIES	-	-	120,540	-	-	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	-	1,387	-	-	-	7,384	-
Public welfare	-	-	-	-	5,076	-	-
Public works programs	6,598	-	-	-	-	-	-
Culture and recreation	-	-	-	57,413	-	-	547
<i>Unassigned</i>	-	-	(120,540)	-	-	-	-
TOTAL FUND BALANCE	6,598	1,387	(120,540)	57,413	5,076	7,384	547
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,598	\$ 1,387	\$ -	\$ 57,413	\$ 5,076	\$ 7,384	\$ 547

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2013

	DOH - FUNDS	EMPG	JAMESTOWN COMMUNITY THEATRE	KIDS ROCK	FEMA 2010 STORM	POLICE PARKING	FIRST PLUNGE
ASSETS							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 30,307	\$ -	\$ -	\$ 5,260
Accounts receivable	-	-	-	38,000	-	-	-
Due from other funds	15,311	-	14,723	-	-	10,152	-
TOTAL ASSETS	\$ 15,311	\$ -	\$ 14,723	\$ 68,307	\$ -	\$ 10,152	\$ 5,260
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	68,277	105,854	-	-
TOTAL LIABILITIES	-	-	-	68,277	105,854	-	-
FUND BALANCE							
<i>Restricted for:</i>							
Public welfare	-	-	-	-	-	-	-
<i>Assigned for:</i>							
Public safety programs	15,311	-	-	-	-	10,152	-
Public welfare	-	-	-	30	-	-	-
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	14,723	-	-	-	5,260
<i>Unassigned</i>	-	-	-	-	(105,854)	-	-
TOTAL FUND BALANCE	15,311	-	14,723	30	(105,854)	10,152	5,260
TOTAL LIABILITIES AND FUND BALANCE	\$ 15,311	\$ -	\$ 14,723	\$ 68,307	\$ -	\$ 10,152	\$ 5,260

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING BALANCE SHEET
JUNE 30, 2013

	TOTALS
ASSETS	
Cash and cash equivalents	\$ 231,709
Accounts receivable	43,043
Due from other funds	690,111
TOTAL ASSETS	\$ 964,863
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 754
Due to other funds	307,428
TOTAL LIABILITIES	308,182
FUND BALANCE	
<i>Restricted for:</i>	
Public welfare	102,305
<i>Assigned for:</i>	
Public safety programs	34,234
Public welfare	33,830
Public works programs	358,149
Culture and recreation	367,314
<i>Unassigned</i>	(239,151)
TOTAL FUND BALANCE	656,681
TOTAL LIABILITIES AND FUND BALANCE	\$ 964,863

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	LIBRARY GIFTS & BOOK SALES	RECREATION	LAND REGULATION SUBDIVISION DEDICATION	FRIENDS OF JAMESTOWN COMMUNITY CENTER	GOLF COURSE	TREE GRANT	JAMESTOWN LIBRARY TRUSTEE
REVENUES							
Intergovernmental revenue and departmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	25,195	46,369	-	-	182,765	4,000	-
TOTAL REVENUES	<u>25,195</u>	<u>46,369</u>	<u>-</u>	<u>-</u>	<u>182,765</u>	<u>4,000</u>	<u>-</u>
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	30,823	26,778	2,400	-	101,258	348	10,901
TOTAL EXPENDITURES	<u>30,823</u>	<u>26,778</u>	<u>2,400</u>	<u>-</u>	<u>101,258</u>	<u>348</u>	<u>10,901</u>
Excess (deficiency) of Revenues Over (Under)							
Expenditures	<u>(5,628)</u>	<u>19,591</u>	<u>(2,400)</u>	<u>-</u>	<u>81,507</u>	<u>3,652</u>	<u>(10,901)</u>
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	(158,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(158,000)</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(5,628)</u>	<u>19,591</u>	<u>(2,400)</u>	<u>-</u>	<u>(76,493)</u>	<u>3,652</u>	<u>(10,901)</u>
FUND BALANCE - July 1, 2012	<u>18,426</u>	<u>36,928</u>	<u>287,848</u>	<u>7,626</u>	<u>259,516</u>	<u>4,646</u>	<u>17,112</u>
FUND BALANCE - June 30, 2013	<u>\$ 12,798</u>	<u>\$ 56,519</u>	<u>\$ 285,448</u>	<u>\$ 7,626</u>	<u>\$ 183,023</u>	<u>\$ 8,298</u>	<u>\$ 6,211</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	COMMUNITY DEVELOPMENT BLOCK GRANT	DRUG FORFEITURE FUND	DRUG FORFEITURE FUND 2005	SUBSTANCE ABUSE FUND	TOWN CLERK	FORT GETTY PAVILLION	WIND STUDY
REVENUES							
Intergovernmental revenue and departmental	\$ 378,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,232
Other revenue	-	-	386	24,841	2,108	38,450	-
TOTAL REVENUES	<u>378,500</u>	<u>-</u>	<u>386</u>	<u>24,841</u>	<u>2,108</u>	<u>38,450</u>	<u>44,232</u>
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	325,493	346	-	23,303	1,740	-	-
TOTAL EXPENDITURES	<u>325,493</u>	<u>346</u>	<u>-</u>	<u>23,303</u>	<u>1,740</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of Revenues Over (Under)							
Expenditures	<u>53,007</u>	<u>(346)</u>	<u>386</u>	<u>1,538</u>	<u>368</u>	<u>38,450</u>	<u>44,232</u>
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	<u>53,007</u>	<u>(346)</u>	<u>386</u>	<u>1,538</u>	<u>368</u>	<u>38,450</u>	<u>44,232</u>
FUND BALANCE - July 1, 2012	<u>6,104</u>	<u>346</u>	<u>(386)</u>	<u>41,656</u>	<u>22,826</u>	<u>4,600</u>	<u>(44,232)</u>
FUND BALANCE - June 30, 2013	<u>\$ 59,111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,194</u>	<u>\$ 23,194</u>	<u>\$ 43,050</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	RENEWABLE ENERGY FUND	SCHOOL ROUTE GRANT	BYRNE GRANT 2011	HISTORIC PRESERVATION PLANNING	BYRNE GRANT	4 GRINELL ST.	MARSH RESTORATION
REVENUES							
Intergovernmental revenue and departmental	\$ 51,641	\$ 11,478	\$ -	\$ -	\$ 26,271	\$ -	\$ -
Other revenue	-	-	-	-	-	4,050	-
TOTAL REVENUES	<u>51,641</u>	<u>11,478</u>	<u>-</u>	<u>-</u>	<u>26,271</u>	<u>4,050</u>	<u>-</u>
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	34,100	10,191	486	-	4,687	2,057	-
TOTAL EXPENDITURES	<u>34,100</u>	<u>10,191</u>	<u>486</u>	<u>-</u>	<u>4,687</u>	<u>2,057</u>	<u>-</u>
Excess (deficiency) of Revenues Over (Under)							
Expenditures	<u>17,541</u>	<u>1,287</u>	<u>(486)</u>	<u>-</u>	<u>21,584</u>	<u>1,993</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	<u>17,541</u>	<u>1,287</u>	<u>(486)</u>	<u>-</u>	<u>21,584</u>	<u>1,993</u>	<u>-</u>
FUND BALANCE - July 1, 2012	<u>(17,541)</u>	<u>(11,268)</u>	<u>-</u>	<u>(2,290)</u>	<u>(21,584)</u>	<u>26,731</u>	<u>14,755</u>
FUND BALANCE - June 30, 2013	<u>\$ -</u>	<u>\$ (9,981)</u>	<u>\$ (486)</u>	<u>\$ (2,290)</u>	<u>\$ -</u>	<u>\$ 28,724</u>	<u>\$ 14,755</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	WEST FERRY SEWER ASSESSMENT	NORTH END FIRE PROTECTION FUND	LANDFILL CLOSURE	PRESERVATION & TECH UPGRADE	AFFORDABLE HOUSING	FIRE DEPARTMENT INSPECTIONS	TRAIL GUIDE
REVENUES							
Intergovernmental revenue and departmental	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	-	-	-	11,855	-	4,030	297
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,855</u>	<u>-</u>	<u>4,030</u>	<u>297</u>
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	-	-	120,540	30,622	-	10,250	1,999
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>120,540</u>	<u>30,622</u>	<u>-</u>	<u>10,250</u>	<u>1,999</u>
Excess (deficiency) of Revenues Over (Under)	-	-	-	-	-	-	-
Expenditures	-	-	(120,540)	(18,767)	-	(6,220)	(1,702)
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources	-	-	-	-	-	-	-
Over (Under) Expenditures and Other Financing Uses	-	-	(120,540)	(18,767)	-	(6,220)	(1,702)
FUND BALANCE - July 1, 2012	<u>6,598</u>	<u>1,387</u>	<u>-</u>	<u>76,180</u>	<u>5,076</u>	<u>13,604</u>	<u>2,249</u>
FUND BALANCE - June 30, 2013	<u>\$ 6,598</u>	<u>\$ 1,387</u>	<u>\$ (120,540)</u>	<u>\$ 57,413</u>	<u>\$ 5,076</u>	<u>\$ 7,384</u>	<u>\$ 547</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	DOH - FUNDS	EMPG	JAMESTOWN COMMUNITY THEATRE	KIDS ROCK	FEMA 2010 STORM	POLICE PARKING	FIRST PLUNGE
REVENUES							
Intergovernmental revenue and departmental	\$ -	\$ -	\$ -	\$ 38,000	\$ 43,889	\$ -	\$ -
Other revenue	4,000	9,210	-	2,100	-	1,530	21,411
TOTAL REVENUES	<u>4,000</u>	<u>9,210</u>	<u>-</u>	<u>40,100</u>	<u>43,889</u>	<u>1,530</u>	<u>21,411</u>
EXPENDITURES							
Capital	-	-	-	-	-	-	-
Other	1,982	2,516	-	73,227	149,743	-	24,905
TOTAL EXPENDITURES	<u>1,982</u>	<u>2,516</u>	<u>-</u>	<u>73,227</u>	<u>149,743</u>	<u>-</u>	<u>24,905</u>
Excess (deficiency) of Revenues Over (Under)	-	-	-	-	-	-	-
Expenditures	2,018	6,694	-	(33,127)	(105,854)	1,530	(3,494)
OTHER FINANCING SOURCES (USES)							
Transfer (to) from other funds	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources							
Over (Under) Expenditures and Other Financing Uses	2,018	6,694	-	(33,127)	(105,854)	1,530	(3,494)
FUND BALANCE - July 1, 2012	13,293	(6,694)	14,723	33,157	-	8,622	8,754
FUND BALANCE - June 30, 2013	<u>\$ 15,311</u>	<u>\$ -</u>	<u>\$ 14,723</u>	<u>\$ 30</u>	<u>\$ (105,854)</u>	<u>\$ 10,152</u>	<u>\$ 5,260</u>

(continued)

TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - TOWN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>TOTALS</u>
REVENUES	
Intergovernmental revenue and departmental	\$ 594,011
Other revenue	<u>382,597</u>
TOTAL REVENUES	<u>976,608</u>
EXPENDITURES	
Capital	-
Other	<u>990,695</u>
TOTAL EXPENDITURES	<u>990,695</u>
Excess (deficiency) of Revenues Over (Under)	
Expenditures	<u>(14,087)</u>
OTHER FINANCING SOURCES (USES)	
Transfer (to) from other funds	<u>(158,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(158,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	<u>(172,087)</u>
FUND BALANCE - July 1, 2012	<u>828,768</u>
FUND BALANCE - June 30, 2013	<u>\$ 656,681</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2013

	<u>EARLY CHILDHOOD</u>	<u>AFTER SCHOOL PROGRAM</u>	<u>LANGUAGE ASSISTANCE</u>	<u>LITERACY SET ASIDE</u>	<u>PROFESSIONAL DEVELOPMENT</u>	<u>STUDENT EQUITY</u>
ASSETS						
Due from federal and state governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	62,322	16,114	10,365	13,833	50,761	115,829
TOTAL ASSETS	<u>\$ 62,322</u>	<u>\$ 16,114</u>	<u>\$ 10,365</u>	<u>\$ 13,833</u>	<u>\$ 50,761</u>	<u>\$ 115,829</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	62,322	16,114	10,365	13,833	50,761	115,829
TOTAL LIABILITIES	<u>62,322</u>	<u>16,114</u>	<u>10,365</u>	<u>13,833</u>	<u>50,761</u>	<u>115,829</u>
FUND BALANCE						
<i>Restricted for:</i>						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 62,322</u>	<u>\$ 16,114</u>	<u>\$ 10,365</u>	<u>\$ 13,833</u>	<u>\$ 50,761</u>	<u>\$ 115,829</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2013

	<u>TECHNOLOGY</u>	<u>RACE TO THE TOP</u>	<u>ELA CCSS GRANT</u>	<u>IDEA PART B</u>	<u>IDEA PRESCHOOL</u>	<u>TITLE I</u>
ASSETS						
Due from federal and state governments	\$ -	\$ 24,300	\$ -	\$ 97,388	\$ 5,538	\$ 38,199
Due from other funds	10,847	-	-	-	-	-
TOTAL ASSETS	<u>\$ 10,847</u>	<u>\$ 24,300</u>	<u>\$ -</u>	<u>\$ 97,388</u>	<u>\$ 5,538</u>	<u>\$ 38,199</u>
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ -	\$ 24,300	\$ -	\$ 97,388	\$ 5,538	\$ 38,199
Unearned revenue	10,847	-	-	-	-	-
TOTAL LIABILITIES	<u>10,847</u>	<u>24,300</u>	<u>-</u>	<u>97,388</u>	<u>5,538</u>	<u>38,199</u>
FUND BALANCE						
<i>Restricted for:</i>						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 10,847</u>	<u>\$ 24,300</u>	<u>\$ -</u>	<u>\$ 97,388</u>	<u>\$ 5,538</u>	<u>\$ 38,199</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2013

	TITLE II PROFESSIONAL DEVELOPMENT	ATHLETIC ACTIVITIES	JAMESTOWN EDUCATIONAL FOUNDATION	EXXON GRANT	PLAYGROUND	TECHNOLOGY GRANTS
ASSETS						
Due from federal and state governments	\$ 23,737	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	909	-	1,000	2,371	770
TOTAL ASSETS	\$ 23,737	\$ 909	\$ -	\$ 1,000	\$ 2,371	\$ 770
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to other funds	\$ 23,737	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	909	-	1,000	2,371	770
TOTAL LIABILITIES	23,737	909	-	1,000	2,371	770
FUND BALANCE						
<i>Restricted for:</i>						
Education	-	-	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 23,737	\$ 909	\$ -	\$ 1,000	\$ 2,371	\$ 770

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING BALANCE SHEET
JUNE 30, 2013

	LIBRARY FUND	STUDENT ACTIVITY FUNDS	TOTAL
ASSETS			
Due from federal and state governments	\$ -	\$ -	\$ 189,162
Due from other funds	3,443	15,752	304,316
TOTAL ASSETS	\$ 3,443	\$ 15,752	\$ 493,478
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ 189,162
Unearned revenue	3,443	15,752	304,316
TOTAL LIABILITIES	3,443	15,752	493,478
FUND BALANCE			
<i>Restricted for:</i>			
Education	-	-	-
TOTAL FUND BALANCE	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 3,443	\$ 15,752	\$ 493,478

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>EARLY CHILDHOOD</u>	<u>AFTER SCHOOL PROGRAM</u>	<u>LANGUAGE ASSISTANCE</u>	<u>LITERACY SET ASIDE</u>	<u>PROFESSIONAL DEVELOPMENT</u>	<u>STUDENT EQUITY</u>
REVENUES						
Intergovernmental revenue and departmental	\$ -	\$ 8,106	\$ -	\$ -	\$ -	\$ -
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	-	8,106	-	-	-	-
EXPENDITURES						
Education	-	8,106	-	-	-	-
TOTAL EXPENDITURES	-	8,106	-	-	-	-
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
FUND BALANCE - July 1, 2012	-	-	-	-	-	-
FUND BALANCE - June 30, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>TECHNOLOGY</u>	<u>RACE TO THE TOP</u>	<u>ELA CCSS GRANT</u>	<u>IDEA PART B</u>	<u>IDEA PRESCHOOL</u>	<u>TITLE I</u>
REVENUES						
Intergovernmental revenue and departmental	\$ -	\$ 60,419	\$ 1,000	\$ 160,671	\$ 8,256	\$ 49,819
Other revenue	-	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>60,419</u>	<u>1,000</u>	<u>160,671</u>	<u>8,256</u>	<u>49,819</u>
EXPENDITURES						
Education	-	60,419	1,000	160,671	8,256	49,819
TOTAL EXPENDITURES	<u>-</u>	<u>60,419</u>	<u>1,000</u>	<u>160,671</u>	<u>8,256</u>	<u>49,819</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - July 1, 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - June 30, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>TITLE II PROFESSIONAL DEVELOPMENT</u>	<u>ATHLETIC ACTIVITIES</u>	<u>JAMESTOWN EDUCATIONAL FOUNDATION</u>	<u>EXXON GRANT</u>	<u>PLAYGROUND</u>	<u>TECHNOLOGY GRANTS</u>
REVENUES						
Intergovernmental revenue and departmental	\$ 33,178	\$ -	\$ 39,072	\$ 500	\$ -	\$ -
Other revenue	-	1,241	-	-	-	-
TOTAL REVENUES	<u>33,178</u>	<u>1,241</u>	<u>39,072</u>	<u>500</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Education	<u>33,178</u>	<u>1,241</u>	<u>39,072</u>	<u>500</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>33,178</u>	<u>1,241</u>	<u>39,072</u>	<u>500</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - July 1, 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - June 30, 2013	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
SPECIAL REVENUE RESTRICTED FUNDS - SCHOOL
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>LIBRARY FUND</u>	<u>STUDENT ACTIVITY FUNDS</u>	<u>TOTAL</u>
REVENUES			
Intergovernmental revenue and departmental	\$ -	\$ -	\$ 361,021
Other revenue	-	-	1,241
TOTAL REVENUES	-	-	362,262
EXPENDITURES			
Education	-	-	362,262
TOTAL EXPENDITURES	-	-	362,262
Excess (deficiency) of Revenues Over (Under) Expenditures	-	-	-
FUND BALANCE - July 1, 2012	-	-	-
FUND BALANCE - June 30, 2013	\$ -	\$ -	\$ -

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
June 30, 2013

	<u>SCHOOL CAPITAL IMPROVEMENT FUND</u>	<u>WETLAND OPEN SPACE</u>	<u>LIBRARY BUILDING FUND</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 3	\$ 3
Due from other funds	354,562	16,863	-	371,425
TOTAL ASSETS	<u>\$ 354,562</u>	<u>\$ 16,863</u>	<u>\$ 3</u>	<u>\$ 371,428</u>
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 20,695	\$ -	\$ -	\$ 20,695
TOTAL LIABILITIES	<u>20,695</u>	<u>-</u>	<u>-</u>	<u>20,695</u>
 FUND BALANCE				
<i>Committed for:</i>				
Public works programs	333,867	16,863	3	350,733
TOTAL FUND BALANCE	<u>333,867</u>	<u>16,863</u>	<u>3</u>	<u>350,733</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 354,562</u>	<u>\$ 16,863</u>	<u>\$ 3</u>	<u>\$ 371,428</u>

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2013**

	SCHOOL CAPITAL IMPROVEMENT FUND	WETLAND OPEN SPACE	LIBRARY BUILDING FUND	TOTAL
REVENUES				
Intergovernmental and departmental	\$ 24,331	\$ -	\$ 48	\$ 24,379
TOTAL REVENUES	<u>24,331</u>	<u>-</u>	<u>48</u>	<u>24,379</u>
EXPENDITURES				
Capital outlay	45,038	-	-	45,038
Non-capital	<u>135,599</u>	<u>-</u>	<u>-</u>	<u>135,599</u>
TOTAL EXPENDITURES	<u>180,637</u>	<u>-</u>	<u>-</u>	<u>180,637</u>
Excess (deficiency) of Revenues Over (Under)				
Expenditures Before Other Financing Sources (Uses)	<u>(156,306)</u>	<u>-</u>	<u>48</u>	<u>(156,258)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in from other funds	<u>162,175</u>	<u>-</u>	<u>(48,882)</u>	<u>113,293</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>162,175</u>	<u>-</u>	<u>(48,882)</u>	<u>113,293</u>
Net change in fund balances	<u>5,869</u>	<u>-</u>	<u>(48,834)</u>	<u>(42,965)</u>
FUND BALANCE - July 1, 2012	<u>327,998</u>	<u>16,863</u>	<u>48,837</u>	<u>393,698</u>
FUND BALANCE - June 30, 2013	<u>\$ 333,867</u>	<u>\$ 16,863</u>	<u>\$ 3</u>	<u>\$ 350,733</u>

TOWN OF JAMESTOWN, RHODE ISLAND
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES AND EXPENDITURES -
BUDGETARY BASIS (NON-GAAP)
For the Fiscal Year Ended June 30, 2013

	HARBOR MANAGEMENT FUND			WATER FUND		
	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUE						
Assessments and user fees	\$ 289,500	\$ 307,316	\$ 17,816	\$ 839,675	\$ 861,868	\$ 22,193
Other operating revenues	-	-	-	186,129	190,125	3,996
TOTAL OPERATING REVENUE	<u>289,500</u>	<u>307,316</u>	<u>17,816</u>	<u>1,025,804</u>	<u>1,051,993</u>	<u>26,189</u>
OPERATING EXPENSES						
Salaries and benefits	105,194	82,771	22,423	364,626	367,712	(3,086)
Material, supplies and maintenance	145,606	143,619	1,987	276,835	266,960	9,875
Depreciation and amortization	-	11,813	(11,813)	-	195,238	(195,238)
TOTAL OPERATING EXPENSES	<u>250,800</u>	<u>238,203</u>	<u>12,597</u>	<u>641,461</u>	<u>829,910</u>	<u>(188,449)</u>
Operating Income (Loss)	<u>38,700</u>	<u>69,113</u>	<u>30,413</u>	<u>384,343</u>	<u>222,083</u>	<u>(162,260)</u>
NON-OPERATING REVENUES (EXPENSES)						
Transfer-in/(out)	(38,700)	(82,581)	(43,881)	-	-	-
Interest income	-	-	-	3,500	3,457	(43)
Interest expense	-	-	-	(6,844)	(188,866)	(182,022)
Principal payments	-	-	-	(380,999)	(296,000)	84,999
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(38,700)</u>	<u>(82,581)</u>	<u>(43,881)</u>	<u>(384,343)</u>	<u>(481,409)</u>	<u>(97,066)</u>
Net Income	<u>\$ -</u>	<u>\$ (13,468)</u>	<u>\$ (13,468)</u>	<u>\$ -</u>	<u>\$ (259,326)</u>	<u>\$ (259,326)</u>

TOWN OF JAMESTOWN, RHODE ISLAND
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES AND EXPENSES-
BUDGETARY BASIS (NON-GAAP)
For the Fiscal Year Ended June 30, 2013

	SEWER FUND			ON-SITE WASTEWATER			TOTALS		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
OPERATING REVENUE									
Assessments and user fees	\$ 558,623	\$ 1,030,194	\$ 471,571	\$ 35,760	\$ 35,760	\$ -	\$ 1,723,558	\$ 2,235,138	\$ 511,580
Intergovernmental revenue	-	-	-	-	-	-	-	-	-
Other operating revenues	-	4,288	4,288	-	-	-	186,129	194,413	8,284
TOTAL OPERATING REVENUE	<u>558,623</u>	<u>1,034,482</u>	<u>475,859</u>	<u>35,760</u>	<u>35,760</u>	<u>-</u>	<u>1,909,687</u>	<u>2,429,551</u>	<u>519,864</u>
OPERATING EXPENSES									
Salaries and benefits	370,773	367,529	3,244	30,000	30,034	(34)	870,593	848,046	22,547
Material, supplies and maintenance	195,850	216,161	(20,311)	5,760	5,579	181	624,051	632,319	(8,268)
Depreciation and amortization	-	450,302	(450,302)	-	-	-	-	657,353	(657,353)
TOTAL OPERATING EXPENSES	<u>566,623</u>	<u>1,033,992</u>	<u>(467,369)</u>	<u>35,760</u>	<u>35,613</u>	<u>147</u>	<u>1,494,644</u>	<u>2,137,718</u>	<u>(643,074)</u>
Operating Income (Loss)	<u>(8,000)</u>	<u>490</u>	<u>8,490</u>	<u>-</u>	<u>147</u>	<u>147</u>	<u>415,043</u>	<u>291,833</u>	<u>(123,210)</u>
NON-OPERATING REVENUES (EXPENSES)									
Issuance of debt	-	-	-	-	-	-	-	-	-
Transfer-in/(out)	8,000	8,000	-	-	-	-	(30,700)	(74,581)	-
Interest income	-	-	-	-	-	-	3,500	3,457	(43)
Interest expense	-	(77,581)	(77,581)	-	-	-	(6,844)	(266,447)	(259,603)
Principal payments	-	(384,134)	(384,134)	-	-	-	(380,999)	(680,134)	(299,135)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>8,000</u>	<u>(453,715)</u>	<u>(461,715)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(415,043)</u>	<u>(1,017,705)</u>	<u>(558,781)</u>
Net Income	<u>\$ -</u>	<u>\$ (453,225)</u>	<u>\$ (453,225)</u>	<u>\$ -</u>	<u>\$ 147</u>	<u>\$ 147</u>	<u>\$ -</u>	<u>\$ (725,872)</u>	<u>\$ (681,991)</u>

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
COMBINING STATEMENT OF NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2013**

	<u>ANNA J. AMBRUST FUND</u>	<u>FREEBODY FUND</u>	<u>ELIZABETH STONE SCHOLARSHIP FUND</u>	<u>TOTAL</u>
ASSETS				
Cash & equivalents	\$ 1,228	\$ 1,194	\$ 141,117	\$ 143,539
Total assets	<u>\$ 1,228</u>	<u>\$ 1,194</u>	<u>\$ 141,117</u>	<u>\$ 143,539</u>
 NET ASSETS				
Held in trust for other purposes	1,228	1,194	141,117	143,539
Total net assets	<u>\$ 1,228</u>	<u>\$ 1,194</u>	<u>\$ 141,117</u>	<u>\$ 143,539</u>

**SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
COMBINING STATEMENT OF CHANGES IN NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>ANNA J. AMBRUST FUND</u>	<u>FREEBODY FUND</u>	<u>ELIZABETH STONE SCHOLARSHIP FUND</u>	<u>TOTAL</u>
ADDITIONS				
Interest and dividends	\$ -	\$ 1	\$ 356	\$ 357
Total additions	<u>-</u>	<u>1</u>	<u>356</u>	<u>357</u>
DEDUCTIONS				
Scholarship awards	-	-	2,000	2,000
Total deductions	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Change in net assets	-	1	(1,644)	(1,643)
Net assets - beginning of year	<u>1,228</u>	<u>1,193</u>	<u>142,761</u>	<u>145,182</u>
Net assets - end of year	<u>\$ 1,228</u>	<u>\$ 1,194</u>	<u>\$ 141,117</u>	<u>\$ 143,539</u>

**GENERAL FUND &
SCHOOL DEPARTMENT OPERATIONS**

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Balance Sheet
Town and School Operations
June 30, 2013

	General Fund	Unrestricted Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 8,538,913	\$ -	\$ 8,538,913
Accounts receivable:			
Accounts receivable net	357,817	-	357,817
Other receivables	100,013	9,081	109,094
Internal balances	2,283,791	4,043,389	6,327,180
Other Assets - net	46,322	-	46,322
TOTAL ASSETS	\$ 11,326,856	\$ 4,052,470	\$ 15,379,326
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 429,347	\$ 33,364	\$ 462,711
Accrued expenses	142,836	566,337	709,173
Internal balances	6,207,818	499,641	6,707,459
Unearned revenue	58,954	-	58,954
Total liabilities	6,838,955	1,099,342	7,938,297
 Fund balances:			
<i>Nonspendable:</i>			
Inventories	10,511	-	10,511
Prepays	35,811	-	35,811
<i>Restricted for:</i>			
Educational programs	-	1,130,399	1,130,399
<i>Committed for:</i>			
2014 budgeted operations	150,000	-	150,000
Capital programs	212,697	59,000	271,697
Post employment healthcare	-	1,500,000	1,500,000
Compensated absences	493,254	263,729	756,983
<i>Unassigned:</i>	3,585,628	-	3,585,628
Total fund balances	4,487,901	2,953,128	7,441,029
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,326,856	\$ 4,052,470	\$ 15,379,326

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Statement of Revenues, Expenditures
and Changes in Fund Balances
Town and School Operations
For the Fiscal Year Ended June 30, 2013

	<u>Town Operations</u>	<u>School Operations</u>	<u>Total</u>
Revenues			
Property tax	\$ 18,740,741	\$ -	\$ 18,740,741
Intergovernmental and departmental revenue	1,186,691	851,670	2,038,361
License and permits	920,299	-	920,299
Fines and interest on late payments	153,282	-	153,282
Interest on investments	25,784	-	25,784
Other revenues	92,574	-	92,574
Total revenues	<u>21,119,371</u>	<u>851,670</u>	<u>21,971,041</u>
Expenditures			
Legislative, judicial and general administrative	2,053,235	-	2,053,235
Financial administration and tax assessor	323,446	-	323,446
Public safety	2,225,342	-	2,225,342
Public works	1,613,248	-	1,613,248
Public welfare	3,964	-	3,964
Public health	278,621	-	278,621
Tree warden	29,480	-	29,480
Library	391,181	-	391,181
Parks & recreation	463,278	-	463,278
Other	608,357	-	608,357
Education	-	11,498,206	11,498,206
Debt service:			
Principal	660,000	-	660,000
Interest	384,007	-	384,007
Total expenditures	<u>9,034,159</u>	<u>11,498,206</u>	<u>20,532,365</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>12,085,212</u>	<u>(10,646,536)</u>	<u>1,438,676</u>
Other financing sources (uses)			
Transfers from other funds	232,581	11,398,023	11,630,604
Transfers to other funds	(12,410,863)	(162,175)	(12,573,038)
Total other financing sources (uses)	<u>(12,178,282)</u>	<u>11,235,848</u>	<u>(942,434)</u>
Excess of revenues and other sources over(under) expenditures and other uses	<u>(93,070)</u>	<u>589,312</u>	<u>496,242</u>
Fund balances - beginning	<u>4,580,971</u>	<u>2,363,816</u>	<u>6,944,787</u>
Fund balances - ending	<u>\$ 4,487,901</u>	<u>\$ 2,953,128</u>	<u>\$ 7,441,029</u>

TOWN OF JAMESTOWN, RHODE ISLAND
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2013

The accompanying Statement of Revenues, Expenditures (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2013 is presented below:

	General <u>Fund</u> GAAP Basis	School <u>Department</u> GAAP Basis	<u>Combined</u> GAAP Basis
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (Non-GAAP basis)	\$ 56,930	\$ 751,487	\$ 808,417
<i>Adjustments:</i>			
Use of accumulated fund balance surplus	<u>(150,000)</u>	<u>(162,175)</u>	<u>(312,175)</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP basis)	<u>\$ (93,070)</u>	<u>\$ 589,312</u>	<u>\$ 496,242</u>

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
School Department Operations
Schedule of Revenues and Expenditures
For the Fiscal Year Ended June 30, 2013

	ACTUAL
REVENUES	
Intergovernmental and departmental revenue	\$ 606,289
Intergovernmental On-behalf payments	245,381
TOTAL REVENUES	851,670
EXPENDITURES	
Personnel Services - Compensation	5,114,260
Personnel Services - Benefits	2,412,180
Professional Services	222,629
Purchased Property Services	110,701
Other Purchased Services	3,063,012
Supplies and materials	435,252
Capital Outlay - Equipment	116,262
Dues and Fees	23,910
TOTAL EXPENDITURES	11,498,206
Excess (deficiency) of Revenues Over (Under) Expenditures	
Before Operating Transfers	(10,646,536)
OPERATING TRANSFERS	
Town appropriation	11,398,023
Transfers out	(162,175)
TOTAL OPERATING TRANSFERS	11,235,848
Excess of Revenues and Operating Transfers	
Over (Under) Expenditures	589,312
Operational Reserves - beginning	2,363,816
Operational Reserves - ending	\$ 2,953,128

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Department Operations
Schedule of Revenues and Expenditures
For the Fiscal Year Ended June 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Intergovernmental and departmental revenue	\$ 525,764	\$ 525,764	\$ 606,289	\$ 80,525
TOTAL REVENUES	<u>525,764</u>	<u>525,764</u>	<u>606,289</u>	<u>80,525</u>
EXPENDITURES				
Education	11,923,787	11,923,787	11,252,825	670,962
TOTAL EXPENDITURES	<u>11,923,787</u>	<u>11,923,787</u>	<u>11,252,825</u>	<u>670,962</u>
Excess (deficiency) of Revenues Over (Under) Expenditures Before Operating Transfers	<u>(11,398,023)</u>	<u>(11,398,023)</u>	<u>(10,646,536)</u>	<u>751,487</u>
OPERATING TRANSFERS				
Town appropriation	11,398,023	11,398,023	11,398,023	-
Use of prior year accumulated surplus	162,175	162,175	162,175	-
Transfer out to capital	(162,175)	(162,175)	(162,175)	-
TOTAL OPERATING TRANSFERS	<u>11,398,023</u>	<u>11,398,023</u>	<u>11,398,023</u>	<u>-</u>
Excess of Revenues and Operating Transfers Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 751,487</u>	<u>\$ 751,487</u>

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Department Operations
Budget and Actual Schedule of Revenues
For the Fiscal Year Ended June 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
State Aid	\$ 358,264	\$ 358,264	\$ 363,461	\$ 5,197
Preschool tuition	37,500	37,500	38,618	1,118
Medicaid reimbursement	90,000	90,000	126,465	36,465
Miscellaneous	40,000	40,000	77,745	37,745
TOTAL REVENUES	<u>525,764</u>	<u>525,764</u>	<u>606,289</u>	<u>80,525</u>
OTHER FINANCING SOURCES				
Town appropriation	11,398,023	11,398,023	11,398,023	-
Use of prior year accumulated surplus	162,175	162,175	162,175	-
TOTAL OTHER FINANCING SOURCES	<u>11,560,198</u>	<u>11,560,198</u>	<u>11,560,198</u>	<u>-</u>
 TOTAL REVENUES AND OTHER FINANCING SOURCES	 <u>\$ 12,085,962</u>	 <u>\$ 12,085,962</u>	 <u>\$ 12,166,487</u>	 <u>\$ 80,525</u>

SUPPLEMENTARY INFORMATION
TOWN OF JAMESTOWN, RHODE ISLAND
Budgetary Comparison Schedule - School Department Operations
Budget and Actual Schedule of Expenditures
For the Fiscal Year Ended June 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Personnel Services - Compensation	\$ 5,309,431	\$ 5,309,431	\$ 5,114,260	\$ 195,171
Personnel Services - Benefits	2,346,430	2,346,430	2,166,799	179,631
Professional Services	249,811	249,811	222,629	27,182
Purchased Property Services	103,710	103,710	110,701	(6,991)
Other Purchased Services	3,261,324	3,261,324	3,063,012	198,312
Supplies and materials	409,498	409,498	435,252	(25,754)
Capital Outlay - Equipment	55,315	55,315	116,262	(60,947)
Dues and Fees	22,580	22,580	23,910	(1,330)
Contingency	165,688	165,688	-	165,688
Total Expenditures	<u>11,923,787</u>	<u>11,923,787</u>	<u>11,252,825</u>	<u>670,962</u>
Transfer out capital	<u>162,175</u>	<u>162,175</u>	<u>162,175</u>	<u>-</u>
Total Expenditures and other financing uses	<u>\$ 12,085,962</u>	<u>\$ 12,085,962</u>	<u>\$ 11,415,000</u>	<u>\$ 670,962</u>

STATISTICAL SECTION

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

TOWN OF JAMESTOWN, RHODE ISLAND
SCHEDULE OF TAX COLLECTIONS
For the Fiscal Year Ended June 30, 2013

FISCAL YEAR END	BALANCE July 1, 2012	CURRENT YEAR ASSESSMENT	REFUNDS	ADDITIONS AND ADJUSTMENTS	ABATEMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	BALANCE June 30, 2013
2013	\$ -	\$ 19,203,472	\$ 14,633	\$ 287,994	\$ 432,905	\$ 19,073,194	\$ 18,830,522	\$ 242,672
2012	284,336	-	4,951	148,625	226	437,686	422,952	14,734
2011	13,912	-	7	119	48	13,990	3,278	10,712
2010	7,406	-	-	-	-	7,406	382	7,024
2009	5,587	-	-	-	-	5,587	146	5,441
2008	4,436	-	-	(395)	-	4,041	66	3,975
2007	2,735	-	-	-	-	2,735	2	2,733
2006	3,728	-	-	-	-	3,728	-	3,728
2005	3,824	-	-	(992)	-	2,832	-	2,832
2004	1,730	-	-	-	-	1,730	-	1,730
2003	2,035	-	-	-	-	2,035	-	2,035
2002	1,682	-	-	-	-	1,682	-	1,682
2001 & Prior	57,634	-	-	924	39	58,519	-	58,519
	<u>\$ 389,045</u>	<u>\$ 19,203,472</u>	<u>\$ 19,591</u>	<u>\$ 436,275</u>	<u>\$ 433,218</u>	<u>\$ 19,615,165</u>	<u>\$ 19,257,348</u>	<u>\$ 357,817</u>

SCHEDULE OF MOST RECENT NET ASSESSED PROPERTY VALUE BY CATEGORY

DESCRIPTION OF PROPERTY	VALUATIONS	LEVY
Real property	\$ 1,981,929,900	\$ 18,531,045
Motor vehicles	70,012,210	1,009,576
Tangible personal	11,541,713	107,915
TOTAL	<u>2,063,483,823</u>	<u>19,648,536</u>
Less exemptions	<u>42,506,824</u>	<u>(445,064)</u>
NET ASSESSED VALUE	<u>\$ 2,020,976,999</u>	<u>\$ 19,203,472</u>

RECONCILIATION OF CURRENT YEAR PROPERTY TAX REVENUE

Current year collections	\$ 19,257,348
Less: Refunds, adjustments	<u>(61,050)</u>
Reserve collected within 60 days subsequent to fiscal year ending June 30, 2013	<u>298,863</u>
Prior year revenue received in current year	<u>(173,343)</u>
CURRENT YEAR REAL ESTATE PROPERTY TAX & EXCISE TAX REVENUE	<u>\$ 19,321,818</u>

TOWN OF JAMESTOWN, RHODE ISLAND
SCHEDULE OF LONG-TERM DEBT - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2013

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING June 30, 2012	ADDITIONS	MATURITIES DURING YEAR	OUTSTANDING June 30, 2013
GENERAL OBLIGATION BONDS PAYABLE								
General Obligation Bond	6/15/2008	4.15-4.25%	6/15/2033	\$ 4,900,000	\$ 4,750,000	\$ -	\$ 255,000	\$ 4,495,000
Town Hall Bond	4/1/2007	3.89%	4/1/2027	3,300,000	2,475,000	-	165,000	2,310,000
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	5,321,500	2,110,500	-	240,000	1,870,500
TOTAL GENERAL OBLIGATION BONDS PAYABLE				<u>13,521,500</u>	<u>9,335,500</u>	<u>-</u>	<u>660,000</u>	<u>8,675,500</u>
TOTAL BONDS PAYABLE - GOVERNMENTAL ACTIVITIES				<u>\$ 13,521,500</u>	<u>\$ 9,335,500</u>	<u>\$ -</u>	<u>\$ 660,000</u>	<u>\$ 8,675,500</u>
OTHER LONG-TERM LIABILITIES								
Net Pension Benefit					(979,240)	159,261	-	(819,979)
Net OPEB Obligation					1,588,632	285,080	-	1,873,712
Accrued Compensated Absences					681,384	75,599	-	756,983
TOTAL OTHER LONG-TERM LIABILITIES					<u>1,290,776</u>	<u>519,940</u>	<u>-</u>	<u>1,810,716</u>
TOTAL LONG-TERM LIABILITIES - GOVERNMENTAL ACTIVITIES					<u>\$ 10,626,276</u>	<u>\$ 519,940</u>	<u>\$ 660,000</u>	<u>\$ 10,486,216</u>

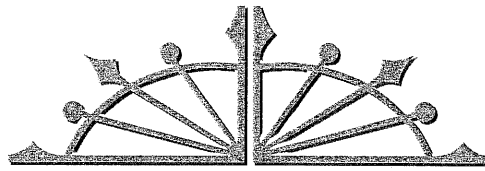
TOWN OF JAMESTOWN, RHODE ISLAND
SCHEDULE OF LONG-TERM DEBT - ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2013

PURPOSE	DATE OF ISSUANCE	INTEREST RATE	DATE OF MATURITY	AUTHORIZED AND ISSUED	OUTSTANDING June 30, 2012	NEW ISSUES	MATURITIES DURING YEAR	OUTSTANDING June 30, 2013
WATER FUND								
Clean Water	3/7/2007	3.05%	9/1/2027	\$ 6,200,000	\$ 5,275,000	\$ -	\$ 251,000	\$ 5,024,000
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	470,000	195,000	-	45,000	150,000
TOTAL WATER FUND OBLIGATION				<u>\$ 6,670,000</u>	<u>\$ 5,470,000</u>	<u>\$ -</u>	<u>\$ 296,000</u>	<u>\$ 5,174,000</u>
SEWER FUND								
Refunding Bonds	6/1/2004	2.75-5.00%	12/1/2020	\$ 73,500	\$ 45,000	\$ -	\$ 5,000	\$ 40,000
Sewer Plant Rehabilitation-CW	12/15/2005	1.371%	9/1/2025	2,000,000	1,400,000	-	100,000	1,300,000
Sewer Plant Rehabilitation-CW	10/24/2002	1.022%	9/1/2022	5,500,000	3,498,337	-	279,133	3,219,204
TOTAL SEWER FUND OBLIGATION				<u>\$ 7,573,500</u>	<u>\$ 4,943,337</u>	<u>\$ -</u>	<u>\$ 384,133</u>	<u>\$ 4,559,204</u>
TOTAL ENTERPRISE FUNDS				<u>\$ 14,243,500</u>	<u>\$ 10,413,337</u>	<u>\$ -</u>	<u>\$ 680,133</u>	<u>\$ 9,733,204</u>

TOWN OF JAMESTOWN, RHODE ISLAND
Computation of Legal Debt Margin
June 30, 2013

Grossed assessed value	\$ 2,063,483,823
Less: exemptions and adjustments	42,506,824
Total taxable assessed value	<u><u>\$ 2,020,976,999</u></u>
Debt Limit - 3 percent of total assessed value	\$ 60,629,310
Amount of debt applicable to debt limit:	
Total bonded debt	8,675,500
Legal debt margin	<u><u>\$ 51,953,810</u></u>

***TOWN OF JAMESTOWN, RHODE ISLAND
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2013***



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

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

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Jamestown, Rhode Island as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town of Jamestown's basic financial statements, and have issued our report thereon dated December 18, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

Purpose of this Report

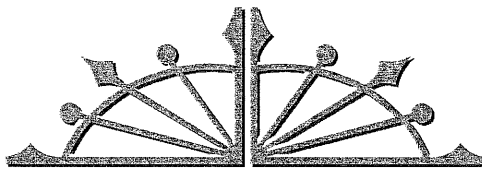
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in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



Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

December 18, 2013



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for the Major Federal Program

We have audited the Town of Jamestown's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Town of Jamestown, Rhode Island's major federal programs for the year ended June 30, 2013. The Town of Jamestown's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Town of Jamestown, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

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

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

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

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



Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

December 18, 2013

TOWN OF JAMESTOWN, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2013

	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Agriculture			
Passed through the State of Rhode Island Department of Education			
<i>Child Nutrition Cluster:</i>			
National School Breakfast Program	10.553	N/A	\$ 1,722
National School Lunch Program	10.555	N/A	31,072
Food Donation (Note 4)	10.550	N/A	56
Total U.S. Department of Agriculture			<u>\$ 32,850</u>
U.S. Department of Housing and Urban Development			
Passed through the State of Rhode Island Office of Housing and Community Development			
Community Development Block Grant/States Program	14.228	N/A	\$ 325,493
Total U.S. Department of Housing and Urban Development			<u>\$ 325,493</u>
U.S. Department of Justice			
Passed through the State of Rhode Island Department of Mental Health			
Enforcing Underage Drinking Laws Program	16.727	N/A	\$ 23,303
Passed through the State of Rhode Island Department of Public Safety			
<i>Department of Justice Cluster</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	486
Edward Byrne Memorial Justice Assistance Grant Program	16.804	N/A	4,687
Total U.S. Department of Justice			<u>\$ 28,476</u>
U.S. Department of Transportation			
Passed-through the State of Rhode Island Department of Transportation			
ARRA - Highway Planning and Construction	20.205	N/A	\$ 10,191
Total U.S. Department of Transportation			<u>\$ 10,191</u>
U.S. Department of Energy			
Passed-through the State of Rhode Island Office of Energy Resources			
ARRA-Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	N/A	\$ 34,100
Total U.S. Department of Energy			<u>\$ 34,100</u>
U.S. Department of Education			
Passed-through the State of Rhode Island Department of Education			
Title I Grants to Local Education Agencies	84.010	2725-11702-301	\$ 49,819
<i>Special Education Cluster:</i>			
Special Education - Grants to States	84.027	2725-13202-301	160,671
Special Education - Preschool Grants	84.173	2725-13502-301	8,256
ARRA - State Fiscal Stabilization Fund (SFSF) - Race to the Top	84.395	Various	60,419
Improving Teacher Quality State Grants	84.367	2725-16402-301	33,178
Total U.S. Department of Education			<u>\$ 312,343</u>
U.S. Department of Homeland Security			
Passed-through the State of Rhode Island Department of Administration			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	\$ 149,743
Total U.S. Department of Homeland Security			<u>\$ 149,743</u>
Total Federal Expenditures			<u><u>\$ 893,196</u></u>

TOWN OF JAMESTOWN, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2013

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness (es) identified? yes X no

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness (es) identified? yes X no

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

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

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

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
14.228	Community Development Block Grant/States Program

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

Auditee qualified as low risk auditee? X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS yes X none

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

TOWN OF JAMESTOWN, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2013
(continued)

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

A. Significant Deficiency in Internal Control

None Reported.

B. Compliance

None Reported.

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Finding

None Reported

B. Questioned Costs

None Reported

TOWN OF JAMESTOWN, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2013

PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF JAMESTOWN, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
June 30, 2013

1. **General** - The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal programs of the Town of Jamestown, Rhode Island.
2. **Basis of Accounting** - The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.
3. **Determination of Type A, Type B and Major Programs** - The determination of Type A and Type B federal programs was based upon the expenditures for all federal programs for the Town of Jamestown, Rhode Island. As such, the threshold for determining Type A vs. Type B programs is determined at the entity level. For the fiscal year-ended June 30, 2013, grants with expenditures exceeding \$300,000 were determined to be Type A programs and all other grants were considered Type B programs. The following programs were considered major programs:

<u>CFDA</u>	<u>Program Name</u>
14.228	Community Development Block Grants/States Program

4. **Non-Cash Assistance**

U.S.D.A. Contributions: The United States Department of Agriculture makes available commodities for donations to schools. The amount of \$56 represents the market value of such commodities used during the period.