

THE TOWN OF
NORTH KINGSTOWN, RHODE ISLAND

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

FOR THE YEAR ENDED
JUNE 30, 2001

Prepared By:

Finance Department

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2001**

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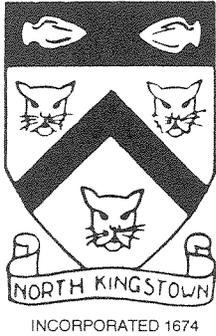
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THE TOWN OF
NORTH KINGSTOWN, RHODE ISLAND

INTRODUCTORY SECTION



TOWN OF
NORTH KINGSTOWN, RHODE ISLAND

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December 10, 2001

Honorable Members of the
Town Council
North Kingstown, Rhode Island

The Comprehensive Annual Financial Report of the Town of North Kingstown for the fiscal year ended June 30, 2001 is hereby submitted.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the government. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The introductory section includes this transmittal letter, the Town's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements, the combined and individual fund and account group financial statements and schedules, as well as the independent auditors' report thereon. The statistical section includes selected financial and demographic information generally presented on a multiyear basis.

The Town is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations". Information related to this single audit, including the schedule of expenditures of federal awards and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations, are included in the single audit section of this report.

REPORTING ENTITY AND ITS SERVICES

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

The Town of North Kingstown provides a full range of services. These services include public safety, streets, recreation and parks, education, health and welfare, and general administration. In addition, the town operates the Water and Quonset/Davisville Recreation enterprise funds.

ECONOMIC DEVELOPMENT AND OUTLOOK

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

Industrial Development

About thirty-one percent of North Kingstown employment is associated with manufacturing and industry. The majority of new manufacturing employment in the Town has been the result of migration of firms into North Kingstown. Seven major employers account for most of the manufacturing employment: Electric Boat Corporation; Toray Plastics of America; Brown and Sharpe Manufacturing Company; Seafreeze, Limited; Custom Design, Inc.; Grinnell Corporation, Illumination Concepts and Engineering, Inc.; and New England Stone, LLC.

Other major employers include: 143rd Air Wing, Rhode Island Air National Guard; Ocean State Jobbers, Inc. and Wal-Mart; Scalabrini Villa; and NORAD, John J. Orr & Sons, Inc. and Home Depot.

Quonset Point/Davisville Industrial Park

The heart of industrial development in North Kingstown is the Quonset Point/Davisville Port and Commerce Park, which is operated by the Rhode Island Economic Development Corporation (RIEDC). The industrial and commerce park complex contains 3000 acres of land; approximately 750 acres remain available for development. The park is actually composed of a number of smaller parks that are distinguished by their services and types of industry. The overall industrial park area is served by an airport, rail, and deep-water piers and is thus suitable for a wide diversity of manufacturing and port activities. One hundred twenty-seven tenants employing more than 6200 employees currently occupy the industrial park. The complex also includes an 18-hole golf course and marina owned and operated by the Town of North Kingstown.

The industrial complex was once the home of the Davisville Naval Construction Battalion Center and the Quonset Naval Air Station. The Naval Air Station closed in 1972 and the Naval Construction Battalion Center, 900 acres in size, was closed in 1994. The Town and the Rhode Island Economic Development Corporation prepared a base reuse plan for the 1994 closure site and expect the majority of the site to be converted to industrial and associated purposes. Most of the 900 acres has now been conveyed to the Rhode Island Economic Development Corporation or is a part of an interim master lease for the site. A 189-acre parcel was recently conveyed to the Town by the U.S. Department of Interior for recreation and conservation purposes; the parcel adjoins an additional 75 acres for which a master plan was recently completed.

ECONOMIC DEVELOPMENT AND OUTLOOK (Continued)

Quonset Point/Davisville Industrial Park (Continued)

The Town has been participating in the development of plans for Quonset Point/Davisville in anticipation of the full transfer of the Navy property to the State Economic Development Corporation and the Town. The vision for the 3,000 acres focuses on the development of a commerce park and port area of nearly 2,200 acres. A bond referendum passed by Rhode Island voters secured \$72.0 million to enhance the existing freight rail system and make infrastructure improvements to Quonset Point/Davisville. The importance of linking the development of Quonset Point/Davisville to community objectives is demonstrated in the recent development of a separate element of the North Kingstown Comprehensive Plan devoted to the industrial complex.

Several major facilities are proposed, have recently expanded or are under construction at Quonset Point/Davisville. Keifer Park, the technology center of Quonset Point Davisville, exemplifies the mixed industrial development that has characterized the growth of the Quonset Point Davisville Port and Commerce Park. In this portion of Quonset Point Davisville alone there is one recently opened facility and three new facilities in various stages of construction. Sears Inc. opened a 40,000 square foot distribution facility within the past year. Seiferts MTM, an electronic manufacturing firm, will be locating a manufacturing operation in a new 56,900 square foot facility currently under construction. Dominion Diagnostics is constructing a 23,000 square foot office and medical testing laboratory. Finally Cal-Greg Electronics, Inc. has a 15,000 square foot electronics manufacturing facility under construction in Kiefer Park.

Another area of the Park boasting significant current and anticipated growth is Commerce Park located at the heart of Quonset Point. Here existing park tenants and new arrivals continue to prosper. Among the expanding existing facilities are Ocean State Jobbers with a 104,000 SF addition to their existing warehouse/ distribution facility (raising their total square footage to 978,188 square feet) currently under way and acquisition of additional land for their expanding parking needs. General Dynamics/ Electric Boat, with the addition of two new structures, 43,000 square foot materials processing plant and 4500 square foot paint application facility, continues to grow and remains the largest employer at Quonset Point Davisville. SENESCO, a shipbuilder continues to grow and can be ranked as one of Quonset Point Davisville's best success stories to date. Ocean State Oil, a petroleum transportation operation has recently acquired additional land from the RIEDC to facilitate expansion of its operations. D.S. Nelson, a manufacturer of custom interior woodwork completed a small addition to its manufacturing facility last year and is looking to further expansion in the near future. Newly arrived to Commerce Park is Concept Warehouse. This distribution facility will be housed in a 120,000 square foot structure currently under construction.

North Davisville and West Davisville are the final areas of the park slated for industrial development. Here as elsewhere in the park existing uses continue to expand and new tenants are ready to locate. NORAD, an automobile importer, continues to expand its activities at the North Davisville piers. Meanwhile as the RIEDC finalizes its development plan for this area of the park, Landmark Building and Quonset Trucking (an existing park tenant) prepare to begin the approval process for new facilities to be located in North Davisville. It is also here that the new Town Public Works garage is under construction.

ECONOMIC DEVELOPMENT AND OUTLOOK (Continued)

Other Industrial Development

Industrial activity is located in other parts of the community, particularly in the mill village of Lafayette and adjacent to the rail lines that cross through North Kingstown. These areas include Dry Bridge Road and Old Baptist Road. Toray Plastics of America has recently acquired land adjacent to its Old Baptist Road facility for future expansion of its facility there. Along Dry Bridge Road T. Miozzi, Inc. has recently erected a concrete batch mixing facility and Nooney Controls Inc., a manufacturing operation, has indicated plans to relocate from its existing facility which it shares with another operation to a new facility it plans to build on a nearby lot also on Dry Bridge Road to facilitate the growth of their operation.

The Town and neighboring communities formed a regional economic development corporation focused on enhancing manufacturing activities in the region. The Corporation has a targeted manufacturer outreach program designed to assess business needs for management and workforce support and training and to assist the business community with meeting those needs. The success of the regional corporation is reflected in the recent addition of new member communities and by a \$350,000 grant from the U.S. Department of Commerce Economic Development Administration.

Commercial Development

Post Road (Route 1) and to a smaller degree, Boston Neck Road and Route 2 are the primary locations for commercial and shopping plaza uses. Many of the commercial establishments now located on Post Road were developed in response to the Navy base and growth during the 1960's. Post Road development suffered following the closure of the Navy base during the 1970's and early 1980's. Since then, growth has continued with the addition of Wickford Commons and Hunt River Commons. More recently, several business locations have been the subject of redevelopment or expansion efforts.

In the near future anticipated development along the Post Road corridor will include the construction of a 5,000 square foot (with potential expansion to 10,000 square feet) Cingular Wireless retail location on a long vacant lot; a new 7-11/ Citgo convenience store and gas station on a previously undeveloped lot; and potential expansion of a health and fitness facility the YMCA recently acquired in the corridor. Finally the Town has begun to review a proposal for a 150 room hotel complex at the entrance to the Quonset Point Davisville Port and Commerce Park which will include, in addition to the hotel, two out parcels slated for restaurant or commercial development.

Prime examples of redevelopment or expansion along Post Road are the U.S. Post Office rehabilitation of a former supermarket; the construction of a Washington Trust Bank; Brooks Drugs demolishing a former car dealer facility to make way for a modern drug and convenience store; Bess Eaton Donuts rehabilitating a former bank; and Kingstown Plaza, first constructed in 1961, investing \$500,000 in a clock tower, new signage and façade improvements. Three auto rental agencies have already located on Post Road. Getty Petroleum demolished a former service station and completed construction of a gas station/convenience store; Koch Eye Associates renovated a former restaurant into medical office space; and a new Dunkin Donuts has been added to the Kingstown Square plaza. Additionally, Tarbox Motors completed a substantial renovation of their facilities.

The importance of Post Road to the economic base of the Town is best reflected by the inclusion of a separate element within the Town Comprehensive Plan for Post Road. This element addresses issues such as improving traffic conditions, updating design features of the commercial area, and the introduction of landscaping, pedestrian and bicycle enhancements. As development or redevelopment is occurring, the Planning Commission and Planning Department work to achieve these goals. The Town is also working with the Rhode Island Department of Transportation to insure that their projects work toward Town objectives.

ECONOMIC DEVELOPMENT AND OUTLOOK (Continued)

Commercial Development (Continued)

In addition to the commercial development along Post Road, there is considerable activity in each of the Town's villages. Most notable is the seaport of Wickford, a popular tourist attraction with many well-preserved historic buildings from the eighteenth and nineteenth century. Seven villages are recognized for their historic prominence in the National Register of Historic Places. In Wickford a florist shop has recently been reconstructed and opened under new management. Two auto sales operations have recently been established in the Hamilton village area. The Town is also working on finalizing plans for Wickford that will provide the village with significant improvements to the roads and right of way amenities without sacrificing the historic character of the village. This improvement process has begun with the recently completed improvements to Library Park, a water front park linking the commercial heart of the village, Brown Street, with the waterfront; these improvements were funded by the Town and a grant from the Rhode Island Department of Environmental Management.

Wickford village is such an integral component of the Town's economic vitality and cultural center, that the Town prepared a Wickford Village Plan (1998). A committee has been established by the Town Council to assist in the implementation of the Plan. The Town has been awarded \$575,000 in transportation enhancement monies for sidewalk and streetscape improvements and \$125,000 to design a bicycle connection between the village of Wickford and the Quonset Davisville Port and Commerce Park. A consultant is working with the Town to prepare a zoning amendment to further implement the Plan.

Richard Smith's Castle located near Wickford village is a recognized historic dwelling in Rhode Island. Richard Smith was the first English settler in Narragansett County and opened his trading post at Cocumscussoc in 1637. Through local, state, and federal assistance, the property was recently refurbished over a three-year period and has received historic preservation awards from the State of Rhode Island and the National Trust for Historic Preservation. Smith's Castle, along with the Gilbert Stuart Birthplace, is one component of the tourism attractions in North Kingstown.

The Town expects that the commercial sector will continue to grow, particularly in response to development at Quonset Point/Davisville. Wickford Junction, a commercial project of nearly 300,000 square feet, includes a proposed commuter rail station near the village of Lafayette; Staples has recently added a 25,000 square foot building in the complex. A 120,000 square foot Home Depot is now open on a site in the same vicinity. Dave's Marketplace opened his second North Kingstown market in the former supermarket building in Wickford. Ocean State Materials, a landscaping materials business, has made improvements to a site nearby.

Office Development

The Meadows, an office park located at the intersection of Routes 2, 4, and 102, is a 27-acre office park that opened in 1988; two new buildings have been added to the complex in the last two years. The Wickford Professional Building on Phillips Street, a 40,000 square foot office complex, opened in 1989.

ECONOMIC DEVELOPMENT AND OUTLOOK (Continued)

Office Development (Continued)

The Lafayette Mill has been converted to a satellite office for the State Department of Children, Youth, and Families. The state office uses will comprise more than 13,000 square feet. Approval has been granted and site work commenced for a two building office complex at the intersection of Scrabbletown Road and Ten Rod Road. The site lies across from the Meadow Office Park and between the Wickford Junction commercial complex and the site of the new Home Depot. This complex represents the type of sustainable development that complements the Town's character and is called for in the Comprehensive Plan. Along the Post Road Corridor the redevelopment of two sites for office uses, including a long underutilized 30,000 square foot building has occurred. Office development called for in the Executive Park area of the Quonset Point Davisville is expected to have a positive impact on the Town's stock of professional office space over the next several years.

BUSINESS TAX EXEMPTIONS AND ECONOMIC DEVELOPMENT TAX INCENTIVE

The Town Council adopted an ordinance in April of 1997, which will phase out the retail inventory tax over a five-year period. Beginning with the 1997 tax roll the retail inventory will be phased out at 20% each year.

The Town Council adopted an ordinance in April of 1997, which allows a phase-in over a period of six years on the assessment on property located at the Quonset Point Davisville industrial park. The phase-in applies to any new buildings, new structures, or new additions to existing buildings used essentially for offices, manufacturing or commercial enterprises. The phase-in is intended to help any commercial concern that is willing to locate at the Quonset Point Davisville Industrial Park as a new business to Rhode Island or for any existing business who is expanding their facilities. This incentive program has encouraged several new businesses to locate their facilities at the Quonset Point Industrial Park.

MUNICIPAL PLANNING AND DEVELOPMENT

Planning

The North Kingstown Planning Commission was established in 1948. A full-time Planning Department assists this and other boards in the growth management of the town. The Town of North Kingstown adopted a Comprehensive Plan in 1992 that was prepared by a citizens advisory committee under the review of the Planning Commission; the Comprehensive Plan received approval from the State Department of Administration in 1995. The Commission provides recommendations to the Town Council for its implementation. The State-required process for updating the 1992/1995 Comprehensive Plan is complete.

Zoning and Subdivision Regulation

In May 1998, the town completed the zoning that implements the comprehensive community plan. The ordinance expanded the number of zones in North Kingstown and now includes a five-acre residential zone intended to direct growth into Town villages. The zoning ordinance also provides for business, industrial, public and open space zones. Certain types of uses within these districts are restricted by soils limitations and groundwater protection overlay regulation. Subdivision regulations first adopted by North Kingstown in 1946 have been amended a number of times, more recently to implement the comprehensive plan and respond to new State Enabling legislation.

MUNICIPAL PLANNING AND DEVELOPMENT (Continued)

Growth Management

In support of the North Kingstown Comprehensive Plan, the North Kingstown Town Council adopted in 1999 a Growth Management Program for 1999-2001. With the adoption of the Comprehensive Plan Five-Year Update an updated Action Plan will be developed in concert with the Town Council budget goals and capital improvement program. The intent of the program is to schedule and prioritize growth management activities for the next several years.

Over the past few years many of the growth management objectives have been achieved. These activities included the adoption of zoning ordinance amendments; subdivision amendments; the acquisition of farmland development rights; the preparation of cost of community services reports and the adoption of wastewater management and revised groundwater protection ordinances. The Town Council also adopted a Water Service Area, which helps recognize the limits of growth in the community.

One component of the Growth Management Program and the Action Plan is the acquisition of farmland development rights. The community electorate expressed their support for this activity in a June 1998 referendum where \$4.0 million was approved for continued acquisitions. The proceeds of the bond authorization, along with federal and state grants and in-kind charitable donations, has allowed for the permanent open space preservation of nearly 1500 acres of land during the past four years. An additional \$4.0 million bond referendum was approved by the voters in November 2000.

The success of the community growth management program led to the Town Council receiving the Senator John H. Chafee Conservation Award for 2001 from the Environment Council of Rhode Island.

MUNICIPAL SERVICES

Planning Department

The North Kingstown Department of Planning and Development is responsible for providing technical services to boards and commissions, the Town Manager, and the Town Council. The Planning Department reviews and prepares staff reports for commercial, industrial, and subdivision development. The Department serves as staff to advisory committees, as appropriate. For example the Department staffed the Wickford Village Plan Advisory Committee and prepared the plan report. The Department works with the Planning Commission in implementing the North Kingstown Comprehensive Plan. The Planning Department assists the Town Manager and Finance Department in the preparation of the Capital Improvement Plan.

MUNICIPAL SERVICES (Continued)

Planning Department (Continued)

In 1992, the Town adopted a comprehensive plan prepared by the Planning Department, Planning Commission and a 52 member Citizens Advisory Committee. This plan addressed issues related to land use, housing, natural resource protection, economic development and the provision of community services and facilities. A special component of the plan was one element devoted entirely to economic development and, where appropriate, revitalization of the commercial district along Post Road. The plan also included a detailed implementation program that serves as a guide to accomplishing the programs, policies and regulatory recommendations of the plan. The plan was approved by the State of Rhode Island in 1995. A Five-Year Update of the Comprehensive Plan was prepared and completed in June 2001 and adopted by the Planning Commission in June 2001 and by the Town Council at their July 9, 2001 meeting. The Five-Year Update includes the results of surveys conducted by the Town of the residents and businesses and a visioning process that included 50 members of the community. The visioning process led to the inclusion of an additional special element in the Comprehensive Plan devoted solely to the future development of Quonset Point/Davisville.

The Planning Department prepares the Town's annual application for the State Community Development Block Grant program. The Department is and has been involved in Town environmental, economic development, and transportation programs. The Planning Department served as coordinator for the Town's Watershed Watch Program and worked with the Conservation Commission in the development of a proposed wetland restoration program. In conjunction with the Groundwater Committee, the Planning Department prepared the Groundwater Protection Plan for the Town's aquifer areas. This plan was adopted by the Town Council and incorporated into the town's Comprehensive Plan by the Planning Commission. The delineation of the Annaquatucket Aquifer wellhead, one of three aquifers the town uses for its public water supply, was chosen by the Rhode Island Department of Environmental Management to serve as a demonstration project for a program funded by the United States Environmental Protection Agency. This study became a joint effort of Rhode Island Department of Environmental Management, U.S. Environmental Protection Agency, and the Town. The study provided the basis for a zoning amendment to further protect the Town's drinking water supply.

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

FIRE DEPARTMENT

The Fire Department has 3 manned stations. The Fire Department provides Fire Suppression and Emergency Medical Service to 44 sq. miles of the Town and 12sq. miles at the Quonset Point/Davisville Industrial Park. The Department has 69 full time employees including the Chief. The full time members staff 4 Engine Companies, 2 ALS Rescue Companies, and cross man 2 Brush Trucks, and 1 Special Response Vehicle (Jaws). The Department has 1 full time Fire Marshal and 2 part time assistants who provide Fire Prevention Education to the schools and various community groups. The Department has 2 full time Mechanics who are responsible for the maintenance and repair of the Departments 21 vehicles. The Department maintains a municipal fire alarm system for the Town and the Industrial Park. Last year the Department responded to 3,402 requests for emergency services.

INFORMATION SERVICES DEPARTMENT

The Information Services (IS) Department, under the Finance Department, consists of two (2) full time employees. This department provides services to all departments in the Town Hall, Annex, Senior Center, Police and Fire buildings as well as the School Administration Offices. These services include PC installation, repair, networking infrastructure development, peripheral installation and repair, and maintenance and assistance with all software applications. The IS Department is responsible for maintaining the Town's networking infrastructure which consists of four (4) fiber optic connected sites (Annex Building, central Public Safety offices, North Kingstown Free Library and the North Kingstown School Administration offices) and seven (7) frame relay connections (North Kingstown Municipal Golf Course, Highway office, 2 remote Fire stations, North Kingstown Senior Center, Wilson Park and North Kingstown Transfer Station). This department also has the responsibility of maintaining the Town's web site.

LEISURE ACTIVITIES DEPARTMENT

During this year the Town created a new Leisure Activities Department. This new Department oversees the personnel administration, budgeting, policy implementation, and supervision of the Quonset/Davisville Enterprise functions, which includes the municipal golf course and the Allen Harbor Marina. The Leisure Activities Department is also the liaison to the Arts community

The North Kingstown Municipal Golf Course recently completed another successful season generating revenues in excess of 1.3 million dollars. Approximately 40,000 rounds were played this year making this golf course one of the busiest in Rhode Island. The Leisure Activities Department continues to implement and plan for improving conditions on the course such as paving cart paths, rebuilding tee boxes and sand traps along with enhancing signage.

The Allen Harbor Marina currently consists of 146 slips and moorings. The CRMC application is being prepared for the expansion of the marina. In addition applications were submitted for grants for transient boating facilities. The dredging of the harbor has made the harbor easier and safer. As a result, there has been an increase in the number of boaters requesting mooring and dock space to make the waiting list even longer. The dredging has also allowed larger boats to come and go without the need to wait for high tide. The Department has begun implementing the Allen Harbor/Calf Pasture Point Master Plan. The Allen Harbor/Calf Pasture Point complex consists of approximately 250 acres Narragansett Bay including the marina.

The North Kingstown Arts Council has completed another successful year of programming. The Children's Entertainment series and the Tuesday Evening Concert Series continue to grow. Sunday Musicals and Rhode Island Voices at the North Kingstown Free Library were well attended. The annual Tuba Fests and Bill Staines' concert were back by popular demand. An Original play by local playwright, Ricardo Pitts-Wiley was a great success. The Council also provided support to Smith's Castle's Strawberry Festival.

LIBRARY

The North Kingstown Free Library is dedicated to providing informational, educational, recreational services to people of all ages. It is open 62 hours each week, Monday through Saturday. In addition, the library is also open 4 hours on Sunday from October through May. The library staff consists of twelve full time and eleven part time adults plus eight high school students. The library has over 111,500 items in its own collection and is a member of the Cooperating Libraries Automated Network (CLAN), a statewide public library shared circulation and cataloging system that gives library patrons access to over 6 million items in 68 public libraries throughout Rhode Island. North Kingstown Library cardholders can also search 18 library owned databases, can request material from other RI public libraries, check their library record and renew books at the library or from their homes via Internet. The well-trained staff is always willing to answer any questions patrons may have and to help them find the information they are looking for. The library also conducts many free public programs for children and adults on a variety of subjects.

PUBLIC WORKS

The Administration Division is made up of the Department Director, Facilities Project Manager and Secretary. The division is responsible for the overall operation of the department including policy and personnel decisions, purchasing, budgeting, research, supervision, record keeping, resident inquiries, and general overall department operations. In addition, the Facilities Project Manager is responsible for the preparation, implementation and completion of major School and Town capital projects. The Director and Facilities Project Manager offer staff support to the Asset Management Commission.

The Highway Division is responsible for maintaining and improving the Town's infrastructure (roads, dams, drainage, bridges), responding to resident's inquiries, street sweeping, snow plowing, heavy pick-up, tree trimming and brush cutting, catch basin cleaning, sign making, and other responsibilities which involve heavy and light equipment. This division is comprised of 17 employees.

The Town Engineer heads the Engineering Division. The major responsibilities of this division are subdivision review, highway and drainage improvement design, resident responses, plat map updates, ACAD and ARCVIEW computer mapping, subdivision inspections, bid specification preparation and project management, deed and title research, and staff support to the Department Director. Other Division responsibilities include working with consulting engineers on the design of collector and secondary roads, updating the Highway Pavement Management Program, preparation of bid specifications for road resurfacing, aerial photos and bridge inspections. This division manages the Town's curbside recycling program. The Town Engineer provides staff support to the Planning Commission.

The Transfer Station Division is responsible for the day-to-day operations of the Town's solid waste transfer station. Approximately half of the residents of North Kingstown use this facility. The transfer station will accept household garbage in plastic bags, metals, brush, demolition material, appliances, waste oil, batteries, tires, mixed paper, recyclable containers, leaf and yard waste. A yearly fee schedule is established by Ordinance.

The Facilities and Grounds Division is responsible for the maintenance and improvements to all Town buildings, grounds, athletic facilities and parks. The employees of this division are utilized in snow plowing operations during the winter. This Division is also involved with Town festivals and tournaments. Additional responsibilities include custodial coverage for the Town Hall, Town Hall Annex, Beechwood House and the Community Center.

RECREATION DEPARTMENT

North Kingstown Recreation Activities included a second to none track program led by a wonderful staff of leaders and volunteers, many of whom were state champions and several achieved All-American status. More than fifty 6 to 14 year old boys and girls practiced twice a week and competed in meets. A majority of those competing came home with medals. The summer playground program again gained in popularity and the field trips included Six Flags, Mystic Aquarium and the new Chucky Cheese as well as the old reliables: roller skating. Theatre by the Sea Performances, Pawtucket Red Sox, URI plays, beaches, movies, pizza, etc.

The Teen Extreme program really captured the imagination of about one hundred and fifty boys and girls during the summer. They enjoyed kayaking, deep-sea fishing, white water rafting and many more exciting and challenging activities.

The cross-country team enjoyed spectacular success led by a local youth who finished second in the nation and his 10 and under boys teammates who also finished second. Of course the real success was over eighty boys and girls with all levels of abilities who participated.

North Kingstown is blessed with many outstanding instructors and supervisors. One of the "rookies" this year led almost one hundred boys and girls in her wonderful dance program. The pride they feel as a result of what they learn is apparent through their smiling faces and desire to perform for their parents.

The pre-school program and helped break in hundreds of eighteen month to five year old children in many activities to enhance their social skills as well as their coordination and awareness. "Start Smart" instruction helped not only the children but also the parents learned how teach throwing, catching, jumping, etc.

Over sixty 6 to 14 year old children performed "Sleeping Beauty" at the Theatre By The Sea and dazzled the audience for two shows with many song and dance routines as well as exhibiting the remarkable ability to act and never missing a cue; well almost never. The performance was delightful!

Almost 700 six to thirteen year old boys and girls participated in our Saturday Basketball Program. About one half of those were in the instructional six to nine year old program and the other half were in the ten and eleven leagues or the twelve and thirteen year old leagues. Over 40% of those in leagues also competed on tournament teams, many of which enjoyed great success. About one hundred high school students played in our open gym basketball programs.

A new and exciting sport introduced this spring was lacrosse. Games were played at McGinn Park where the pre-teen football leagues also plays. The addition of lights on the field at this versatile facility has allowed even more hours of fun to be had by all. The in-line hockey and basketball leagues also flourished at McGinn as well as tennis and the action packed playground for tots.

In the coming year we look forward to using the facilities at the new high school for basketball, gymnastics, track and all of the other endeavors made possible at the new fields and gyms.

SCHOOL DEPARTMENT

The North Kingstown School Department is a state-mandated agency of the Town, governed by a school committee that is elected to four-year terms every two years. The school department serves over 4600 students in ten schools – one high school, two middle schools, six elementary schools, and one kindergarten/preschool center. 362 professionally certified personnel supported by over 259 non-certified staff provide these services. The mission of the North Kingstown School Department is, "Since education plays a vital role in the present and future success of all students, every school must provide for the maximum intellectual, social, aesthetic, moral, vocational, and physical development of each student towards challenging the student to achieve excellence". This mission is supported by twenty-belief statement about student capabilities, conditions that enhance learning, and student learning results. The district and each school develop yearly improvement plans to maximize student achievement in conjunction with these beliefs.

WATER DEPARTMENT

The Department of Water Supply provides domestic water service and fire protection to the majority of residents and businesses in North Kingstown. Currently there are 9090 accounts. Of that number, one hundred and fifteen are inactive. On average, the Town has 170 new connections per year. In addition, North Kingstown also provides water for 1624 services in the Town of Narragansett. Narragansett meters and bills for this water under their own rate structure.

North Kingstown Water owns and operates 10 gravel packed wells ranging in capacity from 180 to 2000 gallons per minute yield. The wells are located throughout three aquifers, the Hunt, Annaquatucket and Pettaquamscutt, which underlie the Town. The distribution system consists of 145 miles of water pipe, four standpipes, and one storage reservoir. North Kingstown wells produce one billion gallons of water per year. The average demand is three million gallons per day, with a peak summer demand of up to eight million gallons per day.

MUNICIPAL INITIATIVES FOR THE YEAR PLANNING DEPARTMENT

North Kingstown received \$203,500 in Community Development Block Grant funds in the 2000-2001 fiscal year. These funds supported a variety of activities including housing rehabilitation; a regional economic development program; and an affordable housing project sponsored by our local chapter of Habitat for Humanity. The grant award included \$129,000 dedicated to the Town's revitalization effort in the Davisville neighborhood; these funds will be used for housing rehabilitation; engineering survey of the physical structures at a transitional housing complex; programs in the neighborhood school; assistance for a Town recreation program in the Davisville neighborhood; and funding to improve the linkages between the Davisville neighborhood and the commercial area along Post Road. The neighborhood revitalization funds came with a funding commitment by the State CDBG program for the next two years for activities in the Davisville neighborhood. The Planning Department working with our partners at Rhode Island Housing, the Community Development Consortium, the Town Child Opportunity Zone, and Traveler's Aid selected a consultant to assist with the development of a neighborhood revitalization plan; the planning effort is in progress. The project was initiated with meetings with neighborhood groups and the business community and visioning sessions for students in Davisville Elementary School.

The Town of North Kingstown has managed a Community Development Block Grant Program for the past 15 years. For the past eight years, the Town has participated in a regional program, first by managing a program for the Town of East Greenwich and since the spring of 1996, when the regional program was expanded to include three other communities, Exeter, West Greenwich, and Hopkinton.

MUNICIPAL INITIATIVES FOR THE YEAR PLANNING DEPARTMENT (Continued)

The Planning Department works to strengthen the Town's relationship with the Rhode Island Economic Development Corporation. The Planning Department, along with the Town Manager, meets regularly with the staff of the State Economic Development Corporation to address issues of mutual concern and to coordinate activities. The Planning Department attends meetings with prospective businesses and coordinates the review of development projects with other Town departments through the Town Technical Review Committee. A joint Technical Review Committee composed of staff from the Town and staff from the Rhode Island Economic Development Corporation meets monthly to discuss pending projects.

The Planning Department assisted the Finance Department and the Town Manager's Office in preparing the Asset Management Commission Recommendation Report on Capital Improvement Programming. This report becomes a recommendation from the Asset Management Commission for inclusion in the town's budget program. The Capital Improvement Program is funded through the operating budget and the bond referendum questions approved by the voters.

The Planning Department served as staff to the citizens advisory committee that developed the Wickford Village Plan and is now working to implement the Plan. The Plan set out ideas and a vision for future infrastructure programs and design guidelines to enhance and protect the historic village character; the work of the committee was supported by a grant from the National Trust for Historic Preservation. A number of programs proposed in the village plan have reached an implementation stage. A proposal for a walkway along the harbor; improvements to Library Park; and additional transient dockage were part of a successful grant application to the Rhode Island Department of Environmental Management; these improvements were completed this year. Planning for the sidewalk and streetscape improvements is in progress. The Planning Department prepared successful applications to the Rhode Island Department of Transportation Enhancement Program for funding for the sidewalk and streetscape improvements and design monies for a bicycle connection between the village of Wickford and the Quonset Davisville Port and Commerce Park.

The Planning Department prepared an impact fee study that resulted in the adoption of impact fees by the town. Each year the Planning Department works with the Finance Department to update those fees to reflect current conditions. An application to the U.S. Department of Interior for a 200-acre site at the former Davisville Naval Base has been completed and approved; the site will be used for recreation, conservation, and public access to the water. The Cost of Community services prepared by the Planning Department is used to assess the impact of different land uses on the tax base and is a component of the Town's Growth Management Program.

MUNICIPAL INITIATIVES FOR THE YEAR PLANNING DEPARTMENT (Continued)

Protecting open space and farmland are among the goals and objectives of the North Kingstown Comprehensive Plan. To implement this vision, the Planning Department has been working with the Planning Commission, the Town Manager, and the Town Council to effect the protection of important land in North Kingstown. A key approach to this task has been leveraging grants, tax incentives, and other techniques to minimize the cost to the Town. Development rights to 145 acres of farmland associated with two farms have already been purchased using monies from the Water Resources Board and Town bond funds; 14 acres were purchased using Water Resources Board monies for a future well site. A 200-acre farm and wetland complex was protected by a successful grant application for North American Wetlands Conservation Act monies. Completed this fiscal year was the protection of 338 acres of farmland and 136 acres of forested land through the purchase of development rights and the acquisition by the Town of 36 acres for a future well site. The farmland purchase will be accomplished using grants and Town bond funds; grants from the Rhode Island Agriculture Preservation Commission and the U.S. Department of Agriculture will be used to assist in the acquisition. The Town's cost of community services studies documented the advantage to the Town to keeping land open. Working with the Rhode Island Department of Environmental Management, the North Kingstown Land Conservancy and Narragansett Electric, the Town was able to secure the protection of 230 acres of land along Narragansett Bay; the land protection opens access to the water for the public, provides protection for wildlife, and provides a viewing opportunity for the public of sea mammals.

The Planning Department participated in several regional-planning efforts. Washington Trust Bank has been a leader in encouraging a regional approach to planning in Washington County. The Planning Department attends monthly meetings of the planners from the nine communities in southern Rhode Island. A Sustainability Grant from the US Environmental Protection Agency and funds from the Rhode Island Department of Environmental Management and the University of Rhode Island support a program for the development of alternative land use regulations to manage growth, prevent urban sprawl, protect sensitive natural resources and promote balanced economic development; the nine Washington County communities are participating in the program. Additionally, the Planning Department participated with elected officials from the nine communities in the development of a regional vision for Washington County. A study of future economic development initiatives is in progress as is the development of a county greenway system.

INFORMATION SERVICES

One of many projects implemented by the IS Department included the installation of an imaging system consisting of a server and "jukebox" in addition to imaging software. The jukebox holds platters of CD-like optical media and allows for Town departments to computerize their normal "paper" work products in an attempt towards a "paperless" organization. The Finance Department went on-line first with vendor, bid and payroll related items being scanned and/or converted into images. These images are now available town-wide for all departments to view from their desktops.

The IS Department also migrated an obsolete and costly-to-maintain server to a new IBM server. This was a joint purchase with the School Department. The project entailed converting all financial, payroll, human resources, tax and water data while updating the character based software to a "point & click" graphical look.

LIBRARY

The Library is still the fourth busiest public library in Rhode Island checking out 355,434 items last year, an increase of 5% from the year before. 1,926 new library cardholders were registered, 29,578 reference questions were answered and 530 free public library sponsored programs were held with an attendance of 10,691 children and adults. We plan to continue to offer good customer service so we can maintain excellent "people based" service. New public library standards were set last year by the Rhode Island's Office of Library and Information Services. We are in the process of reviewing each standard to make sure that we meet and, in most cases, exceed the requirements.

We will have converted our obituary index to The Standard Times to an electronic format that will be put on our web page and put on the library home page. This index has been worked on by the staff for many years and indexes the death notices that have appeared in the newspaper since 1888. We have the complete run of this newspaper on microfilm.

The safety issues in the library parking lot will be addressed by improving lighting, sight lines, curbing, railings and accessible pathways.

POLICE DEPARTMENT

The Police Department continues to emphasize its role in community youth services. The DARE Core Curriculum has been taught in the elementary schools since 1990 and access to REPORT-IT.COM, an Internet tool for reporting dangerous situations, has been provided to the middle schools and high school. RadKids is a joint venture of the police department and the Substance Abuse Task Force, Working Together for Wellness, which is a self-empowerment program for children ages 5-7 and 8-10 (till the 11th birthday). Going For The Goal is a 10-lesson program on creating goals from dreams and making them reachable. Going For The Goal is taught by High School Student Instructor Volunteers at the middle schools as an after-school enrichment program. Going For The Goal is a joint venture with Working Together for Wellness.

The Mobile Data Project has resulted in the installation of laptop computers in all of the patrol cars. The laptop computers provide for State and Federal records checks, including warrants and motor vehicle data, car-to-car communications, and in the near future, report writing capabilities and silent dispatch (no radio transmissions). The officer will be able to perform all of these functions while maintaining a presence in his/her assigned patrol area.

The Bike Patrol 2001 deployment was a resounding success with positive feed back from the community. Along with regular community patrol the Bike Patrol was assigned to all major summer events, which included the Air Show, Fourth of July, and the Wickford Art Festival.

Seatbelt Safety was the focus of Operation ABC Mobilization based on a Federal Highway Safety Grant that was administered by the Rhode Island Governor's Office of Highway Safety. The funding provided for Seatbelt Enforcement Patrols, which intensified the enforcement of adult seatbelt and child passenger restraint laws. The grant also provided for training clinics for instruction on the proper use of child safety seats and belts. Eleven enforcement patrols and seven Safety Clinics have been completed.

POLICE DEPARTMENT

The Harbor Division is completing its first season with a full time Harbormaster. Efforts were invested in upgrading record-keeping and computer systems. An in-depth survey of all mooring fields inside of Wickford Harbor has been completed. The survey included aerial photographs and onsite correlation of records with actual boats and moorings. An initial effort has begun to enforce compliance with the ordinances. In the coming season, the replacement of the patrol boat; proposing changes to the Harbor Management Plan; personnel trainings needs; and a complete survey of out haul moorings will all be under consideration and review.

PUBLIC WORKS

During the last 3 years, public works has re-surfaced 33 miles of roads. The last collector road to be paved, School Street, should be completed this year. The department will then independently assess secondary/subdivision roads and prioritize each for the next phase of its resurfacing program. The pay-as-you-throw program at the Transfer Station on Devils Foot Road, implemented in July 1999, has successfully reduced the amount of solid waste disposed of by town residents by 34% and the town has seen an increase of 35.6% in the amount recycled since its inception two years ago. As of June 30, 2001, the Town of North Kingstown had an overall diversion rate of total waste generated of 29.10% to recycling, which is disposed of at the State's Municipal Recycling Facility in Johnston. The Transfer Station's composting operation continues to produce a product of high quality, available at no cost to residents that is in demand throughout the year.

The Engineering Division continues to work with the I.S. Department in its implementation of the GIS system with the ongoing integration of ARC VIEW, the digitizing of ortho-photo planimetrics, and the linking of various Town department databases.

The long anticipated Highway Garage is currently under construction and scheduled to be completed by March 2002. The new facility will include 6 maintenance bays, heated fleet storage, and administrative offices allowing the Administration, Highway, and Facilities Divisions to operate out of one facility.

SCHOOL DEPARTMENT

A standards based budgeting process continued to be implemented successfully for all personnel representing 82% of the budget and expanded to a wider range of items in order to address inequity issues between schools and redistribute resources to insure equity and program support. In coordination with the town expansion the capital improvement fund continued to be expanded to prepare for increased indebtedness with bonding for cost of new high school. The school committee worked with the town council and town manager in coordinating a very successful budget process that resulted in the passage of a 7.1% budget increase with unanimous support of both political bodies. This budget was sustained in a referendum challenge.

The department continued the process for building a new high school. This process included work with town, architect and school staff to move from design to construction within budgetary constraints. Contracts were awarded and construction begun on the \$35 million project. Construction of the athletic facility was completed. The district continued to keep the public informed through the NKHS Community Liaison Committee.

Plans were developed and implemented to construct a \$1.9 million addition to Quidnessett Elementary School.

SCHOOL DEPARTMENT (Continued)

The department continued implementation of asset management program with the town to conserve town resources.

The district continued implementation of a comprehensive seven-year curriculum cycle for the district. We continued development of curriculum office headed by curriculum director who worked extensively with teachers in a wide range of curriculum areas and initiatives throughout the school year. The department continued development of a system of school level K-12 curriculum coordinators to oversee, lead and monitor curriculum development in specific curriculum areas. We continued the process of construction of goals, objectives, scope and sequence for the district in each subject area in grades kindergarten through twelve.

The district developed, implemented and monitored a school level curriculum improvement process at each district school. We continued to implement the district-wide school improvement process in each district school creating improvement plans and stating those plans in terms of student results. Schools utilize student performance assessment data, State Frameworks, National Standards and the 1999 SALT survey data (Information Works) in identifying areas for improvement. The district adopt and implement a district wide assessment program that is congruent with the state assessment program and provides information at each grade level for curriculum development and improvement of student achievement. The department conducted extensive staff development with school improvement teams in techniques for utilizing data to develop action plans in terms of student results and in effective utilization of information in decision-making. The school improvement process enabled all schools and the district to respond effectively to state/federal requests for information in relation to Improving America's Schools Act, Article 31 and SALT. Two schools prepared for and received external visiting teams resulting in glowing reports in support of the educational programs offered to students of the district.

In the area of educational improvement, the department continues the process of implementing a long-range strategic plan. The district mission statement has been expanded throughout this fiscal year. The common beliefs of the mission statement were used to develop implications and indicators with an educational summit of community members developing action plans for implementation of the common beliefs. Using decision center technology four groups of school community members reviewed and revised the mission statement and goals.

An instructional improvement process which provides the foundation for the development of the skills of all educational personnel to deliver instruction utilizing a variety of techniques matched to individual student needs continued with the training of new members of the teaching and administrative staff.

Systems to improve parent and community involvement continued in this fiscal year. These systems include continuation of school advisory councils at each of the schools in the district and implementation of the Parents as Teachers program for preschool parents.

WATER DEPARTMENT

Providing high quality and adequate quantity of drinking water is the paramount goal of the North Kingstown Department of Water Supply. In this regard, the Department is currently installing an ultra violet disinfection system to allow us to reactivate Well #10. This well is a more than two million gallon per day source of water. Well #10 was deactivated in 1992 due to the presence of bacteria. Two additional important projects initiated this year include a hydrological study to locate an additional one million gallon per day water source and the engineering and design of a Supervisory Control and Data Acquisition (SCADA) system. Developing a new well may take up to five years and cost one million dollars or more. An additional well will provide redundancy and flexibility in supplying water during times of high demand. The updated SCADA system will control and/or coordinate the operation of North Kingstown Water's wells and storage facilities to meet existing demands with an emphasis on reducing the overall operational costs. The system will also store and process data to provide unattended monitoring of the water system.

The Town's certified backflow technicians have begun the annual testing of commercial and industrial backflow devices and continue to conduct backflow surveys of high hazard water users.

The North Kingstown Department of Water Supply is also responsible for the Town's Wastewater Management District Ordinance. This ordinance requires that all property owners inspect and maintain their individual sewage disposal system (ISDS) or cesspool. Educating citizens about the importance of such maintenance is a major initiative for the Water Department. Grant funds were used to purchase software to help track system maintenance.

SENIOR SERVICES

The unduplicated number of individuals who utilized services in all divisions in 2000-2001 is 1,908. Programming at the senior center is divided into health wellness and general programming. Over the past year 1,468 individuals participated in programs at the Senior Center representing an increase of 12%.

Transportation services made 11,568 calls, assisting 177 seniors. Medical transport to community locations decreased 12% since the establishment of our Wellness Center and new services such as podiatry. Transportation to adult day care with the town senior van decreased 27% due to more available state transportation services.

A total of 24,017 meals were served through our federal meals program. Meals on site at our Sea Breeze Dining room served 12,748 meals over last year to a total of 281 individuals served. Meals on Wheels served 104 homebound seniors with 11,269 meals, an increase of 7.6%.

Outreach (social services) assisted 560 persons, representing an increase of 24% over last year. Services offered through this division include caregiver's support, volunteer visiting, Meals on Wheels, Medicare counseling, prescription drug benefits, as well as information and referral and case management services. Service contacts in this component increased by 6.2%.

FOR THE FUTURE

Planning Department

The Planning Department led the Planning Commission and the Town Council through a Comprehensive Plan Five-Year Update process that culminated in the adoption of the document by the Planning Commission in June 2001 and July 2001 by the Town Council. State law mandates this process and North Kingstown was the first Rhode Island community to complete their Five-Year Update. The Five-Year Update to the Plan allowed the community an opportunity to assess progress in accomplishing the goals set out in the 1995 Plan and modify or retarget the Town's view for the future. The Planning Commission and Town Council will be meeting to establish an Action Plan for the next two years that sets the priorities within the full implementation program.

The Planning Department will continue to work with the Wickford Village Plan Implementation Advisory Committee and other Town offices to implement the Wickford Village Plan. Funding from the town, the Rhode Island Department of Environmental Management, and the Rhode Island Department of Transportation has been secured to implement the traffic calming and streetscape improvements envisioned. The business community and the Plum Beach Garden Club are partners in this program.

Over the next year, the Planning Department and other boards and commissions will be completing a special ordinance for Wickford village to assure the protection of the village character and to provide guidance and regulation for new development and redevelopment. The Planning Department will also be working with the public in a discussion of a study of potential additional areas of Wickford village that should be incorporated into the National Register Historic District.

To protect farmland from development, the Department is continuing to assess the costs of delivering services to different land use categories; information from studies indicates that residential land uses consume more tax dollars than are generated and that conversely farmland generates more tax dollars than are used to deliver services to agricultural uses. The Planning Department is working with the Water Department to acquire land to protect the Town's groundwater areas and for new well site locations. The Department is continuing its development rights acquisition efforts for farms using agriculture monies and the funds authorized by the North Kingstown electorate. The Town through the Planning Department will continue to partner with organizations such as The Nature Conservancy, the North Kingstown Land Conservancy and the Narrow River Land Trust, and the Rhode Island Department of Environmental Management.

The Planning Department will continue to work with the RIEDC to coordinate review services and facilitate business development. The Planning Department will also work with the RIEDC to assure the full implementation of the Base Re-use Plan adopted for Quonset Point/Davisville. The Planning Department will be working with the North Kingstown Chamber of Commerce and their Post Road Task Force.

Regional efforts will continue to be a component of the work of the North Kingstown Planning Department. The Planning Department will be participating with Washington Trust Bank's regional planning effort in implementing the vision plan. The Planning Department will also be taking part in the Sustainability Grant program, which we believe will demonstrate land use alternatives that can be applied to North Kingstown.

FOR THE FUTURE (Continued)

Planning Department (Continued)

Over the next year, the Planning Department will focus on completion of or implementation associated with a number of special projects: a street tree inventory of town roads; a grant from the State Environmental Management Program for implementing the Wickford harbor Watershed Study actions; a grant from the United States Environmental Protection Agency for a study of North Kingstown's wetlands and development of a strategy for their protection; the development of a Hazard Mitigation Plan; and the Davisville Neighborhood Revitalization Plan. The Planning Department will also be working on the grant from the Department of Transportation for the development of a bikeway from Wickford village to Quonset Point industrial park and the design and engineering for sidewalks in the village of Wickford.

FIRE DEPARTMENT

The Fire Department will be working with the Town and Rhode Island Economic Development Corporation officials in the fire-safe development of the Quonset Point/Davisville Industrial Park. The Department will be working on the building of a new Fire Station in the QPD Industrial Park and a better way to serve the residents of the southwestern section of the Town. The Department will continue to update the Computer Aided Dispatch and Records Management program to provide information more quickly and accurately. The creation of a Haz-Mat team is nearing completion. The Department will soon have 20 Haz-Mat Techs as well as every member will be trained to Operations Level. The Department will be placing in service a Special Hazards Vehicle to respond to Haz-Mat incidents. Finally the purchase of a new Ladder Truck to replace the 27-year-old present vehicle is planned to arrive in December 2001.

INFORMATION SERVICES:

The Town's IS Department is charged with the responsibility to take full advantage of emerging technology. In the future, depending upon available resources, the IS Department is planning to upgrade the Town's current networked servers to Windows 2000. This project involves upgrading five (5) servers, purchasing a new server and replacing one (1) server.

The IS Department will continue to work with the Town Clerk's office and the Assessor's office, to implement Council minutes, agendas, resolutions and Assessing information into the Imaging system. As a result of this venture, the IS Department will provide public access terminals in the Town Hall and Annex buildings. The public will be capable of full text searches of these documents, as well as the capability to print a hardcopy if desired.

A major function of the IS Department is to collaborate with other Town departments and supplement their needs in any technology related projects. The IS Department will work with the Police Department to upgrade their servers and software; will work with the Finance Department to provide a system-wide computer access to financial systems for electronic data submission and retrieval for fixed assets, time and attendance reporting and payroll and provide financial reporting via Town's web page and via comprehensive printed documents; will work with the Leisure Services Department to purchase and install hardware and software pertaining to point of sales, tee time appointments and inventory control at the Town's Municipal Golf Course; to work with the Water Department to implement a new meter reading system, install a new Supervisory Control and Data Acquisition (SCADA) system; and work with multiple departments to enhance web based services such as bid specification, tax roll, police safety logs and to further develop the Town's web site features to better serve the residents.

LIBRARY

The North Kingstown Free Library plans to solidify its role as a “community gateway” to the technology resources that people need to live their lives in the 21st century. This will be done by continuing to use our home page as a means of delivering service both inside and outside the library. For example, we plan to make some of our unique collections more accessible to the public through digitizing and scanning parts of our South County special collections.

The library will provide ongoing educational opportunities for the public in the use of technology. Our Technology Nights will continue to provide basic computer literacy and work processing, but will soon include programs on use of the Internet plus subject specific Internet classes on travel, genealogy, health, investing, etc.

The library has a number of online databases that can be used in the library and also accessed from school or home. Plans are being made with the high school librarian to have our Electronic Resources Librarian on local access cable station to showing how to use these resources.

POLICE DEPARTMENT

The Police Department is currently researching software programs that facilitate the booking of persons into custody. These programs include, but are not limited to, digital photography and image management and retrieval, live scan fingerprinting and storage of fingerprint images, and database input of vital statistics on a given individual. The use of state of the art hardware and software in the booking process speeds up the entry of data into the law enforcement database and leads to a swifter analysis of these data and in some cases an apprehension of a suspect close in time to an offense.

The chain of custody for all evidence seized by the Police Department is a critical task, which, must be done with due diligence and absolute documentation. The sequential passing of the evidence from one police officer to another or to an outside agency for analysis must be recorded in a form that is accepted by the courts and that accounts for the journey of the particular item. It must also describe the item with sufficient particularity to leave no question as to its authenticity. There are numerous software programs that are aimed at tracking evidence in a manner that allows for a formatted recording system that does not change from officer to officer and creates an easy to read, yet authentic report. The Police Department is now investigating these various software programs for future purchase and integration into its Records Management System (RMS)

Automated Fingerprint Identification System (AFIS) equipment allows for the rapid analysis and comparison, by a specialized computer-driven reader, of fingerprints lifted by police officers at crime scenes. Currently, officers must manually read prints and classify them in an effort to link them to a criminal suspect with prints already on file from a previous conviction. The Police Department is currently researching the costs and training associated with the acquisition of an AFIS device.

PUBLIC WORKS

The future goals of Public Works include: Refinement and effective use of a town-wide pavement management program, the first step toward pavement life cycle management; Town-wide Internet accessible GIS system, with integration of state and federal mapping; Continued public works fleet upgrade that will improve the efficiency of our infrastructure maintenance programs; Continued improvement to solid waste program, including household waste reduction and recycling tonnage increase; Implementation of the Town tree management program; Improvements and Building Life Cycle management of all Town facilities; and completion of construction of new Highway Garage and make a seamless transition to the new facility without disruption to services provided by the different divisions within the department.

SENIOR SERVICES

The North Kingstown Senior Association appropriated \$10,000 in addition to their ongoing funding for programs at the senior center. These funds will be used to start new programs and provide Internet Access and Computer Education Programs for older adults.

North Kingstown Senior Services applied for National Accreditation by the National Council on Aging following a six-month Standards Review and Self-Assessment process.

More health related services are planned for 2001-2002 including Diabetic Counseling and lab services.

WATER DEPARTMENT

The Water Department has been investigating options for converting to a radio read meter-reading system. Recent innovation in the radio read industry would allow for the use of this technology without the need for replacing our 9000+ water meters. Providing a more efficient means of reading meters will allow the Department more time to address meter repairs and maintenance and to respond to customer inquiries.

Maintaining distribution system infrastructure is an important Department initiative. The Water Department maintains four steel water towers and a concrete water storage reservoir. While these structures are cleaned and inspected on a regular basis a recent physical inspection identified specific tank features that are in need of rehabilitation or repair. Over the next few years the Water Department will be incorporating necessary corrective actions and/or improvements into the capital and operating budget to assure that these facilities remain structurally sound and protective of water quality.

ACCOMPLISHMENTS

Department of Planning and Development

The Planning Department prepared three successful grant applications for Transportation Enhancement program monies to the Rhode Island Department of Transportation. One grant for \$500,000 was awarded to improve the sidewalks in Wickford village. A second grant for \$75,000 dovetails with the previous; it has been awarded to provide streetscape improvements such as benches, lighting, and other amenities in Wickford village. A third grant for \$125,000 has been awarded to provide funds for designing a bicycle connection between Wickford village and the Quonset Davisville Port and Commerce Park which is approximately three miles away.

ACCOMPLISHMENTS (Continued)

Department of Planning and Development (Continued)

The Planning Department with Save the Bay prepared a successful grant application to the US Environmental Protection Agency for funds to continue the Wickford Harbor watershed analysis. The grant funds will be used to identify mitigation measures; the grant also provides funding for the design and engineering of solutions. A grant from USEPA has also been received to allow the Town to develop a wetlands inventory and plan. A grant from the State Division of Forestry allowed the Town to inventory the street trees on Town roads and develop a management plan for protecting this resource.

The Planning Department prepared a successful grant application to the US Department of Agriculture, Natural Resources Conservation Service for funds to provide education to landowners about the benefits of charitable donation of land or development rights. The funds awarded will be used in a partnership with two adjacent communities, their respective land trusts, the State Department of Environmental Management, and The Nature Conservancy.

The Planning Department assisted the Planning Commission and Town Council in the development of the Five-Year Update to the North Kingstown Comprehensive Plan; a Comprehensive Plan Five-Year Update is a requirement of State law and North Kingstown was the first Rhode Island community to submit their Five-Year Update to the State Department of Administration.

The Planning Department prepared a successful grant application to the State Community Development Block grant program netting \$203,500 for use in the community. Most significantly a three-year commitment of funds has been secured for use in the Davisville neighborhood for housing affordability protection; community services; improving linkages between residential and commercial areas, and making aesthetic improvements to commercial areas.

FIRE DEPARTMENT

The Fire Department is making progress in the elimination of the town wide (including QPD) overhead fire alarm system, and implementing a system of Radio Fire Alarm Boxes. The Department continues delivery of its Fire Prevention Education program in the school system, the Juvenile Firesetter Program, and the inspections of high hazard occupancies.

The Fire Department continues in-service training in Hazardous Materials, Driver Training, EMT recertification, annual self-contained breathing apparatus training. The Department has upgraded all of its Scott Air Packs to provide firefighters with smaller and lighter packs yet allows them more time in the building. The packs also have warning devices that automatically sound an alarm if a firefighter is lost or unconscious.

The Fire Department has completed the first step in the creation of a Haz-Mat team having 10 members trained as Tech Level Haz-Mat Technicians and 10 members have received from the State Fire Academy specialized training to assist downed firefighters. Finally the Department is nearing completion of the computer networking system linking all department facilities to the Headquarters Station.

INFORMATION SERVICES DEPARTMENT:

Over the last year, the IS Department has worked to reduce Town and School Department costs by installing a new server to house the financial, payroll and human resources applications.

The IS Department upgraded the Town's infrastructure by replacing old communication lines with Fiber optic cables. In doing so the transmission speed of data across buildings was greatly increased. Equipment, such as hubs, routers and switches, were also upgraded at the same time.

POLICE DEPARTMENT

The North Kingstown Police Department recently became the first police agency in the State of RI to transmit accident reports to the Rhode Island Department of Transportation (RIDOT). A local software firm is collaborating with the North Kingstown Police Department as a test site for their program that allows motor vehicle accident reports to be electronically transmitted to the RI Department of Transportation. The Police Department's advanced technological development when compared to other police departments in the State allowed for North Kingstown to be the charter test department. That software firm the North Kingstown Police Department are now teaming up to develop a means to give citizens the ability to retrieve accident reports online using their e-mail and browser programs on a home computer.

Currently, the Police Department maintains a vast amount of paper records that require a great deal of space to store. Soon the various Town departments will fully utilize new equipment that will facilitate the mass scanning of documents, resulting in an electronic record instead of a paper document. Once the records are scanned and indexed they will be stored on a CD-ROM like device known as a WORM (Write Once Read Many) platter. The platters will be stored in a device similar to a carousel CD player holding many discs. The data will be available to those offices within the Town that have authorization to see the records.

An exciting future use of this system will involve the public access to certain records and reports via the Internet. This feature will eliminate the need for a citizen to drive to the particular office to retrieve a record or report. As an example, if a citizen is involved in an accident, he or she will be able to log on to the Town website and browse to the accident reports section and obtain their report and print a copy for themselves. This new equipment will streamline public access to local government and is a benefit to all those involved in the day-to-day transfer of business information.

A new computer server was recently installed at Police Headquarters and is dedicated to the storage and retrieval of images used in everyday law enforcement. Pictures such as mug shots, personnel photos, and photographic lineups are examples of the types of uses anticipated for this addition to the department's technology equipment. As the inventory of photos grows, investigators will have the ability to exchange pictures of criminal suspects with other officers within the department, as well as other police agencies, via e-mail.

The Town now owns a Speed Monitoring Awareness Radar Trailer (SMART) purchased after a recommendation of the North Kingstown Citizens' Traffic Safety Committee (NKCTSC). This device is comprised of a radar unit mounted in a trailer that is towed to a site and parked, unattended, and displays to approaching motorists their actual speed compared to the legal limit. The SMART unit's design allows it to be used as an educational tool in the Town's overall traffic safety plan(s).

POLICE DEPARTMENT (Continued)

The North Kingstown Police Department's proposal to purchase Mobile Data Terminals (MDT) for its police cruisers has been approved both locally and at the Federal level. The Police Department has been awarded \$19,083 in combined Federal Grants towards this project that has a total cost of approximately \$105,000. These new devices, when installed in police cars, will allow officers to check a motorist's license, registration, criminal record, and virtually any other information pertinent to a traffic stop or other police business. Additionally, officers will be able to make simultaneous input into the new system, instead of one at a time via the present radio system (using voice transmissions). This feature will enhance productivity and will allow for the timely dissemination of critical information needed by officers in the field.

LIBRARY

We have a new Internet service provider, Ocean State Higher Education and Administration Network (OSHEAN). This new service is a T-1 ATM I connection that provides state of the art, lightning fast speed and excellent reliability. Atrion Networking monitors the system 24/7 and we have had very little down time. This benefits our patrons who use our Internet access constantly and benefits our staff because all of our circulation and support services and many of our reference services are now online.

A new septic system with a pumping station was installed this year that replaced our 27 year old one. We have updated our homepage to make it easier to use our electronic services and we also are now able to keep statistics on how what and how often these resources are used. The Friends of the Library are now supplying the Chamber of Commerce with packets filled with library information for their program that welcomes new residents to town.

PUBLIC WORKS

Public Works continues to make improvements to the numerous collector roads. Staff has been successful in the overseeing and inspection of the numerous subdivisions under construction and related public improvements required by the Town's growth. Our Facilities Division continues its successful management and maintenance of the increased number of parks and playground facilities. The pay-as-you-throw program continues its successful reduction in the amount of solid waste generated in Town and has seen an increase to the amount of recycling tonnage collected both curbside and at the Transfer Station. North Kingstown saw its share of the FY 2001 Recycling Participation grant from the Rhode Island Resource Recovery Corporation increase 7.76% over last year to \$14,642.03 and increase 64.9% since the change to a pay-as-you-throw program at the Transfer Station. Public Works continues its commitment to promote maximum recycling and reduce the amount of solid waste generated in North Kingstown.

SENIOR SERVICES

In addition to Town support of senior services, we received additional funding from the following sources: \$23,600 in funds from the Department of Elderly Affairs, \$6,000 from a legislative grant, a total of \$10,000 from the North Kingstown Senior Association, and a state grant of \$1,700 to increase information and assistance to adults regarding health insurance eligibility and benefits.

Last year marked the completion of an addition to the Senior Center. This project created more usable space for social services, provided a Wellness Center, handicapped restroom and other projects to make the senior center more accessible to people with disabilities.

WATER DEPARTMENT

The looping of water mains to allow for uninterrupted water service during emergencies has been an important initiative for the Water Department. The Slocum area has been of particular concern since roughly 400 homes were supplied through one water main. The recently completed Slocum Road loop will greatly improve system hydraulics as well as fire protection and emergency capabilities.

As part of the Department's effort to reduce overall energy costs, new high efficiency motors have been installed on all wells. This is the first part of a three-part plan that also includes replacing the motor control center at each well and a tie-in of the demand rate schedule to the well operation using the proposed SCADA system.

The Town continues to distribute the wellhead brochure developed with wellhead protection grant funds to new homeowners. The brochure was designed to make homeowners aware of the Town's groundwater protection zoning and wastewater management program requirements.

The Department has also been working toward establishing a low interest loan program for septic system repair and replacement. The recent approval of the North Kingstown Onsite Wastewater Management Plan makes the Town eligible to borrow funds from the RI Clean Water Finance Agency to establish such a program.

GENERAL FUND

Revenues and other financing sources for the general fund totaled \$50,016,825 in 2001, an increase of 6.0 percent over 2000. Property taxes produced 90.0 percent of general revenue compared to 90.6 percent last year. The amount of revenues from various sources and the increase (decrease) over (under) last year are shown in the following tabulation:

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase From 2000</u>
General property tax	\$44,883,156	89.7%	\$2,124,677
Intergovernmental and departmental.....	3,188,940	6.4	554,185
Licenses and permits	392,050	0.8	(10,793)
Interest on investments	806,129	1.6	105,679
Other revenues	112,685	0.2	60,792
Transfer in.....	633,865	1.3	6,039
Total	<u>\$50,016,825</u>	<u>100.0%</u>	<u>\$2,840,579</u>

The increase in tax revenue resulted, for the most part, from an increase in the tax base and rate.

Expenditures and other financing uses for the general fund totaled \$48,052,675 in 2001, an increase of 5.0 percent over 2000. Increases (decreases) in levels of expenditures for major functions of the Town over (under) the preceding year are summarized in the following tabulation.

<u>Function</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase From 2000</u>
General government	\$ 4,238,457	8.8%	\$ 538,035
Public safety.....	8,896,960	18.5	257,555
Public works.....	2,977,767	6.2	(436,032)
Human resources.....	802,496	1.7	52,200
Other Financing Uses:			
Transfer to School Unrestricted.....	27,662,158	57.6	1,986,426
Transfer to Library.....	847,256	1.8	27,974
Transfer to Debt Service	1,987,581	4.1	259,581
Transfer to School Capital.....	300,000	0.6	50,000
Transfer to Capital Reserve	340,000	0.7	(451,000)
Total	<u>\$48,052,675</u>	<u>100.0%</u>	<u>\$2,284,739</u>

Special Revenue Funds

These funds had combined revenues of \$45,265,346 including \$28,805,401 in other financing sources. Total expenditures for these funds were \$44,346,212.

Debt Service Funds

With the exception of debt issued by Enterprise Funds, long-term debt is serviced through the Debt Service Fund. During fiscal year 2001, debt service payments amounted to \$2,185,755.

PROPRIETARY FUNDS

Enterprise Funds

The Water Enterprise fund had operating revenues of \$2,143,956 and expenses of \$1,921,848, resulting in net income from operations of \$222,108 for the year. Net non-operating revenues of \$89,286 resulted in a net increase in retained earnings of \$311,394.

The Quonset/Davisville Recreation fund had operating revenues of \$1,495,883 and expenses of \$1,062,268 resulting in a net income from operations of \$433,615 for the year. Net non-operating income and transfers out of \$415,561 and depreciation of contributed capital of \$12,579 added back resulted in a net increase in retained earnings of \$30,633.

The Quonset/Davisville reserve fund did not have operating revenues or expenses for the year. Net non-operating income of \$2,042 resulted in a net increase in retained earnings of \$2,042.

The School Cafeteria Fund had operating revenues of \$1,087,036 and expenses of \$1,077,376 and interest income of \$1,349, resulting in net income from operations of \$11,009 for the year which resulted in a net increase in retained earnings of \$11,009.

FIDUCIARY FUND TYPES

The Town maintains Expendable and Non-Expendable Trust Funds, and Agency Funds.

EXPENDABLE AND NON-EXPENDABLE TRUST FUNDS - Various trust funds are included in the report as expendable and non-expendable trusts. These trusts are for educational and welfare purposes.

AGENCY FUNDS - Various payroll deduction accounts and outside organizations are accounted for as Agency Funds.

DEBT ADMINISTRATION

The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the Town's debt position to municipal management, citizens and investors. This data for the Town at June 30, 2001 is as follows:

Net directed bonded debt	\$55,761,616	3.17%	\$2,118.12
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Outstanding general obligation bonds at June 30, 2001 totaled \$1,152,248 which is considered to be self-supporting. The remainder of \$55,761,616 is considered to be net direct tax supported debt. Table 7 and 11 in the statistical section of this report presents more detailed information about the debt position of the Town.

The Town's bonds continue to have the same rating which they have carried for the past several years. This rating is as follows:

	<u>MOODY'S INVESTORS SERVICE</u>	<u>STANDARD AND POOR</u>
General Obligation Bonds	AA – 3	A+

CASH MANAGEMENT

The intention of the cash management system is to limit the amount of funds placed in accounts where low or no interest is paid. Idle cash is invested in various instruments with various maturity dates, depending on the anticipated cash requirements during the period.

RISK MANAGEMENT

Effective January 1, 1999, the Town switched to a premium-basis insurance coverage for workers' compensation. The Town remains to be self-insured for property damage.

Formerly, all Town employees, excluding police and fire, and including the School Department, are covered under the Town's self insured Worker's Compensation Program. This program was established in December, 1991 by the Town Council. Committees consisting of department heads were established to oversee claims and make recommendations for improvements to safety practices. The committees meet on a monthly basis. A text containing safety procedures is being compiled by the Safe Work Subcommittee. A service organization and a loss control specialist were contracted to administer the Worker's Compensation Program in accordance with State law and to advise and train in the areas of safety improvements in the work place. Excess insurance for Worker's Compensation is purchased on an annual basis.

The Town's general liability insurance carrier provides loss control services on a regular basis. They work closely with Department heads in making loss prevention service visits to all Town facilities. The department heads are given a report of areas of concern and recommendations for improvements. A written response, which includes the action taken by the Town to correct problem areas, is made.

The Town requires all vendors providing services to the Town to carry \$1,000,000 general liability insurance, Worker's compensation according to law and \$1,000,000 automobile liability insurance. Certificates of insurance are required to list the Town as an additional insured on all policies.

In 1978, the Town established a self insurance fund to self insure physical damage on most Town vehicles. Liability insurance for these vehicles is purchased from a private carrier.

Other types of insurance purchased through private carriers is as follows: public officials' and employees' liability insurance, flood and earthquake insurance, boiler and machinery coverage, law enforcement liability, garage liability, ocean marine, and fiduciary. As of September 1, 2001, the Town of North Kingstown has joined the Rhode Island Interlocal Risk Management Trust (the Trust). Liability as well as collision coverage for all Town vehicles is now insured through the Trust as well as coverage for public officials' and employees' liability, flood, boiler, and law enforcement.

INDEPENDENT AUDIT

Pursuant to Section 1002 of the Town Charter, an audit of the accounts and financial statements has been completed by the Town's Independent Certified Public Accountants, Cayer Prescott Clune & Chatellier, LLP and their opinion is included herein.

ACKNOWLEDGEMENTS

I would like to take this opportunity to thank the members of the Finance Department in the Division of Accounting Control, Treasury and Tax Collection, Contract and Purchase for their diligence and cooperation on a daily basis in carrying out the duties and responsibilities of these departments. The success that this department has enjoyed in recent years is due in large part to their efforts.

Sincerely,

A handwritten signature in cursive script that reads "Cynthia J. Olobri".

Cynthia J. Olobri
Director of Finance

TOWN OF NORTH KINGSTOWN

TOWN COUNCIL

DAVID R. BURNHAM-PRESIDENT
PATRICIA BEAUCHAMP
KENNETH C. D'AMBROSIO
DALE M. GROGAN
ROBIN PORTER

SCHOOL COMMITTEE

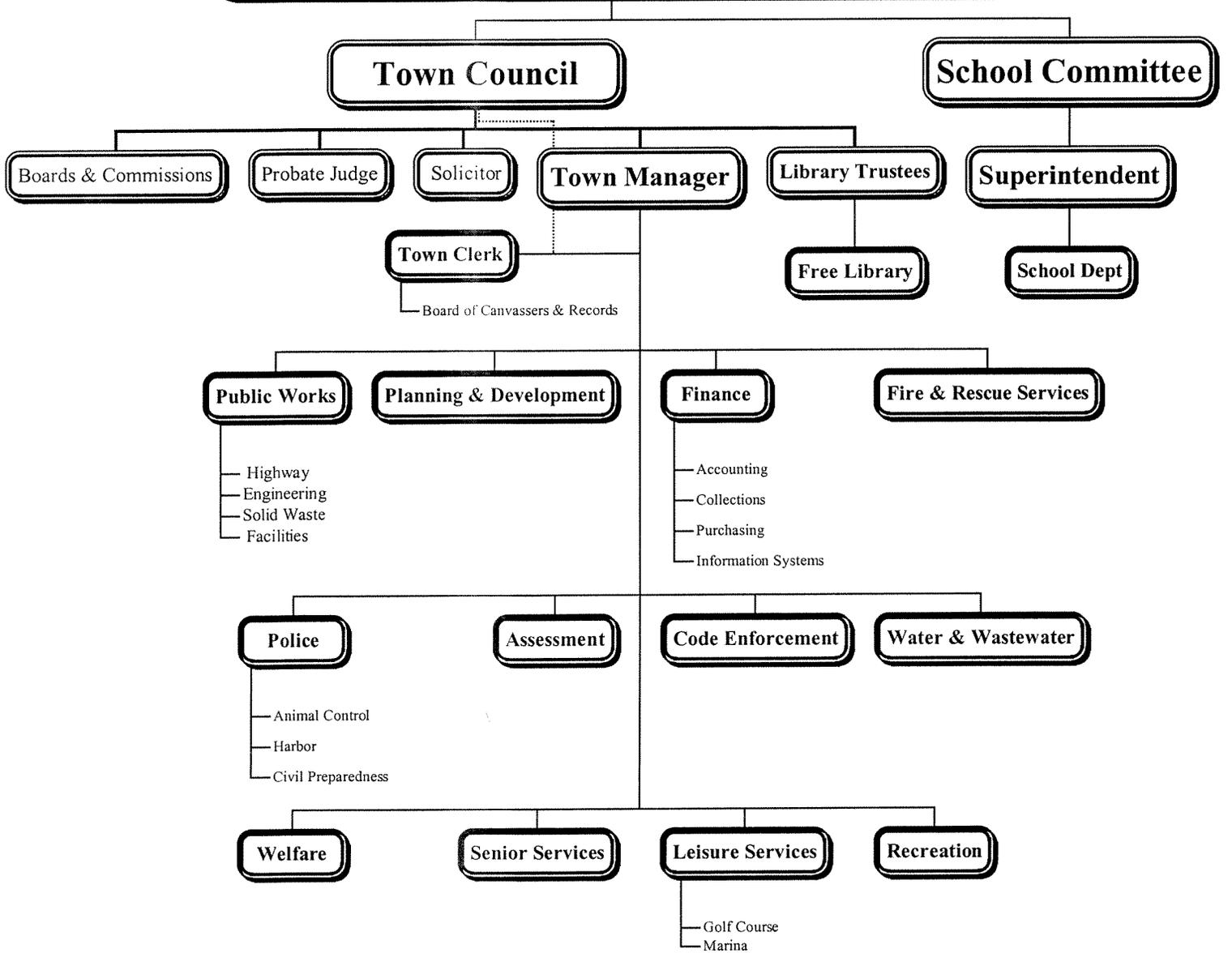
LYNNE HAFT - CHAIRPERSON
JANICE E. DEFRANCES
DENISE COPPA
KARIN L. FORBES
CAROL H. HUESTON
MICHAEL R. NORTHUP
PATRICIA E. WATKINS

TOWN MANAGER
TOWN SOLICITOR
TOWN CLERK
DEPUTY TOWN CLERK
ASSESSOR
DIRECTOR OF FINANCE
CONTROLLER
DIRECTOR OF PUBLIC WORKS
TOWN ENGINEER
DIRECTOR OF RECREATION
DIRECTOR OF PLANNING
POLICE CHIEF
FIRE CHIEF
BUILDING OFFICIAL
DIRECTOR OF WATER SUPPLY (ACTING)
HIGHWAY SUPERINTENDENT
FACILITIES PROJECT MANAGER
WELFARE DIRECTOR
DIRECTOR/ SENIOR CITIZENS
ANIMAL WARDEN
HARBOR MASTER
TOWN SARGEANT
LIBRARY DIRECTOR
MIS DIRECTOR
SCHOOL SUPERINTENDENT

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JAMES D. MARQUES

LINDA CWIEK
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BARBARA L. STRATE
PHILIPPE BERGERON
DENNIS BROWCHUK
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FORREST SPEARS
JOHN NELSON
MARY ELIZABETH WINSOR
KATHLEEN M. CARLAND
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JAMES M. HALLEY

The People of the Town of North Kingstown



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of North Kingstown,
Rhode Island

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Timothy A. Brewer
President

Jeffrey L. Esser
Executive Director

THE TOWN OF
NORTH KINGSTOWN, RHODE ISLAND

FINANCIAL SECTION



CERTIFIED PUBLIC ACCOUNTANTS

BUSINESS CONSULTANTS

Providence, Rhode Island

INDEPENDENT AUDITORS' REPORT

To the Honorable Town Council
North Kingstown, Rhode Island

We have audited the accompanying general purpose financial statements of the TOWN OF NORTH KINGSTOWN, RHODE ISLAND, as of and for the year ended June 30, 2001, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the Town of North Kingstown, Rhode Island's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards and the standards generally accepted in the United States of America 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of North Kingstown, Rhode Island, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 10, 2001, on our consideration of the Town of North Kingstown, Rhode Island's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, including the schedule of expenditures of federal awards, are presented for purposes of additional analysis and as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are not a required part of the general purpose financial statements. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements; and, in our opinion, the information is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the statistical data as set forth in the table of contents, and therefore, express no opinion thereon.

Cayla Present Chum & Chatellier, LLP

December 10, 2001

TOWN OF NORTH KINGSTOWN

COMBINED BALANCE SHEET, ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise Fund	Internal Service		Trust and Agency	General Term Debt	
Assets:										
Cash and cash equivalents	\$ 11,763,319	\$ 642,679	\$ 30,704	\$ 7,664,880	\$ 3,245,951	\$ 2,374,416	\$ 2,642,325			\$ 28,364,274
Cash - nonexpendable trust funds							102,620			102,620
Investments	1,875,928			9,157,053			3,572,123			12,729,176
Taxes receivable										1,875,928
Due from federal and state governments	301,920	375,691								677,611
Due from grantors		1,118								1,118
User charges receivable	132,042	260,653			427,627					427,627
Other receivables	481,556	1,961,382		385,000	91,142					483,837
Due from other funds			1,970,627		129,600		471,535			5,270,100
Inventories					5,449,989					129,600
Property, plant and equipment - net								\$ 37,571,647		43,021,636
Other Debts:										
Amount available in debt service fund								\$ 1,498,134		1,498,134
Amount to be provided for retirement of long-term obligations								56,869,597		56,869,597
TOTAL ASSETS AND OTHER DEBITS	\$ 14,554,765	\$ 3,241,523	\$ 2,001,331	\$ 17,206,933	\$ 9,344,309	\$ 2,374,416	\$ 6,788,603	\$ 58,367,731	\$ 37,571,647	\$ 151,451,258

SEE NOTES TO FINANCIAL STATEMENTS. (CONTINUED)

TOWN OF NORTH KINGSTOWN

COMBINED BALANCE SHEET, ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type		Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise Fund	Internal Service	Trust and Agency	Account Groups				
								General Term Debt	General Fixed Assets			
Liabilities:	\$ 588,078	\$428,545	\$ 3,197	\$ 152,769	\$ 200,865	\$ 77,181	\$ 8,257					\$ 1,458,892
Accounts payable and accrued liabilities							163,635					163,635
Due to students groups							46,698					46,698
Due to other funds	3,781,170	790,780		651,452			733,014					5,270,100
Deposits held in custody for others							530,479					733,014
Payroll withholdings					192,807							530,479
Deferred revenue	2,968,194	287,483										3,448,484
Escrow deposits	310,358											310,358
Other liabilities												
Bonds payable					27,785							27,785
Accrued compensated absences								\$ 55,761,616				55,761,616
Capital leases payable					61,349			1,668,808				1,730,157
Total liabilities	7,647,800	1,506,808	3,197	804,221	1,635,054	77,181	1,482,083	58,367,731	\$	0	\$	71,524,075

**LIABILITIES, EQUITY AND
OTHER CREDITS**

SEE NOTES TO FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

COMBINED BALANCE SHEET, ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2001

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Type	Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise Fund	Internal Service		Trust and Agency	General Term Debt	Fixed Assets	
Equity and Other Credits:											
Contributed capital					494,117						494,117
Investment in general fixed assets									37,571,647		37,571,647
Retained earnings:											
Reserved		30,000									30,000
Unreserved					7,185,138						9,482,373
Fund Balance:											
Reserved for employee retirement system							3,947,264				3,947,264
Reserved for principal							58,764				58,764
Reserved for debt service			1,498,134								1,498,134
Reserved for encumbrances	1,766,553	970,395									2,736,948
Unreserved:											
Designated	650,000	9,000									1,159,000
Undesignated	4,490,412	755,320									22,948,936
Total equity and other credits	6,906,965	1,734,715	1,998,134	16,402,712	7,709,255	2,297,235	5,306,520	0	37,571,647	\$ 58,367,731	\$ 151,451,258
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 14,554,765	\$ 3,241,523	\$ 2,001,331	\$ 17,206,933	\$ 9,344,309	\$ 2,374,416	\$ 6,788,603	\$ 37,571,647	\$ 58,367,731	\$ 151,451,258	

SEE NOTES TO FINANCIAL STATEMENTS.

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

COMBINED STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001

	Governmental Fund Types			Fiduciary Fund Types		Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
Revenues:						
General property tax	\$ 44,883,156					\$ 44,883,156
Intergovernmental and departmental revenue	3,188,940	\$ 13,070,290	\$ 576,009			16,835,239
Licenses and permits	392,050					392,050
Interest on investments	806,129	43,454	13,389	\$ 1,512,678	\$ 57,403	2,433,053
Other revenue	112,685	3,346,201		269,510	300,000	4,028,396
Total revenues	49,382,960	16,459,945	589,398	1,782,188	357,403	68,571,894
Expenditures:						
Current:						
General government	4,238,457	696,898				4,935,355
Public safety	8,896,960	50,017				8,946,977
Public works	2,977,767	773,137				3,750,904
Human resources	802,496	1,106,652				1,909,148
Education		41,719,508				41,719,508
Per trust agreements				23,531,451	91,407	91,407
Capital outlay						
Debt service:						
Principal			1,344,192			1,344,192
Interest			841,563	1,826,550		2,668,113
Total expenditures	16,915,660	44,346,212	2,185,755	25,358,001	91,407	88,897,055
Excess of revenues over (under) expenditures before other financing sources (uses)	32,467,280	(27,886,267)	(1,596,357)	(23,575,813)	265,996	(20,325,161)
Other financing sources (uses):						
Operating transfers from other funds	633,865	28,805,401	2,490,248	840,000		32,769,514
Operating transfer (to) other funds	(31,136,995)	(925,369)		(295,987)		(32,358,351)
Lease proceeds				630,709		630,709
Bond issuance				7,680,000		7,680,000
Total other financing sources (uses)	(30,503,130)	27,880,032	2,490,248	8,854,722	0	8,721,872

SEE NOTES TO FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001**

	<u>Governmental Fund Types</u>			<u>Fiduciary Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>	
<i>Excess of revenues and other sources over (under) expenditures and other uses</i>	1,964,150	(6,235)	893,891	(14,721,091)	265,996	(11,603,289)
<i>Fund balances, July 1, 2000</i>	4,942,815	1,740,950	1,104,243	31,123,803	990,640	39,902,451
<i>Fund balances, June 30, 2001</i>	\$ 6,906,965	\$ 1,734,715	\$ 1,998,134	\$ 16,402,712	\$ 1,256,636	\$ 28,299,162

SEE NOTES TO FINANCIAL STATEMENTS.

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2001**

	General Fund		Variance Favorable (Unfavorable)	Special Revenue Funds		Variance Favorable (Unfavorable)
	Budget	Actual		Budget	Actual	
Revenues:						
General property tax	\$ 43,939,068	\$ 44,883,156	\$ 944,088			
Intergovernmental and departmental revenue	3,492,296	3,188,940	(303,356)	\$ 10,223,690	\$ 10,335,506	\$ 111,816
Licenses and permits	77,180	392,050	314,870			
Interest on investments	630,000	806,129	176,129			
Other revenue	12,000	112,685	100,685	1,982,687	1,589,960	(392,727)
Total revenues	48,150,544	49,382,960	1,232,416	12,206,377	11,925,466	(280,911)
Expenditures:						
Current:						
General government	4,306,256	4,273,582	32,674			
Public safety	9,602,498	9,522,297	80,201			
Public works	3,556,987	3,452,967	104,020			
Human resources	831,673	799,723	31,950	1,060,035	1,050,024	10,011
Education				39,960,743	39,584,227	376,516
Total expenditures	18,297,414	18,048,569	248,845	41,020,778	40,634,251	386,527
Excess of revenues over (under) expenditures before other financing sources (uses)	29,853,130	31,334,391	1,481,261	(28,814,401)	(28,708,785)	105,616
Other financing sources (uses):						
Operating transfers from other funds	1,283,865	1,283,865		28,805,401	28,805,401	
Operating transfer (to) other funds	(31,136,995)	(31,136,995)			(200,000)	(200,000)
Operating transfers to School Capital Reserve Fund				9,000	9,000	
Re-appropriation of prior year surplus						
Total other financing sources (uses)	(29,853,130)	(29,853,130)	0	28,814,401	28,614,401	(200,000)
Excess of revenues and other sources over expenditures and other uses	\$ 0	\$ 1,481,261	\$ 1,481,261	\$ 0	\$ (94,384)	\$ (94,384)

SEE NOTES TO FINANCIAL STATEMENTS. (CONTINUED)

TOWN OF NORTH KINGSTOWN

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL - BUDGETARY BASIS
GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2001**

	Debt Service		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
General property tax	\$ 447,953	\$ 576,009	\$ 128,056
Intergovernmental and departmental revenue			
Licenses and permits	6,000	13,389	7,389
Interest on investments			
Other revenue			
Total revenues	453,953	589,398	135,445
Expenditures:			
Current:			
General government			
Public safety			
Public works			
Human resources			
Education			
Debt service debt	3,013,724	2,185,755	827,969
Total expenditures	3,013,724	2,185,755	827,969
Excess of revenues over (under) expenditures before other financing sources (uses)	(2,559,771)	(1,596,357)	963,414
Other financing sources (uses):			
Operating transfers from other funds	2,227,581	2,490,248	262,667
Operating transfer (to) other funds			
Operating transfers to School Capital Reserve Fund	332,190	332,190	
Re-appropriation of prior year surplus			
Total other financing sources (uses)	2,559,771	2,822,438	262,667
Excess of revenues and other sources over expenditures and other uses	\$ 0	\$ 1,226,081	\$ 1,226,081

SEE NOTES TO FINANCIAL STATEMENTS.

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCE
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND TYPES
YEAR ENDED JUNE 30, 2001**

	Proprietary Fund Type		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise Fund	Internal Service Funds		
Operating revenues:				
Charges for services	\$ 4,379,608	\$ 38,167		\$ 4,417,775
Sundry sales and rentals	78,049			78,049
Miscellaneous	269,218		\$ 2,573	271,791
Total operating revenues	4,726,875	38,167	2,573	4,767,615
Operating expenses:				
Water operations	1,744,778			1,744,778
Golf course	395,166			395,166
Pro Shop	335,023			335,023
Allen's Harbor	137,333			137,333
School cafeteria	1,075,618			1,075,618
Depreciation	373,574			373,574
Program costs		80,878		80,878
Per trust agreements			23,910	23,910
Total operating expenses	4,061,492	80,878	23,910	4,166,280
Operating income (loss)	665,383	(42,711)	(21,337)	601,335

SEE NOTES TO FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS/FUND BALANCE
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND TYPES
YEAR ENDED JUNE 30, 2001**

	Proprietary Fund Type		Fiduciary Fund Type Non-expendable Trust Fund	Totals (Memorandum Only)
	Enterprise Fund	Internal Service Funds		
Non-operating revenues (expenses):				
Investment income	152,721	135,141	5,329	293,191
Interest expense	(64,442)			(64,442)
Total non-operating revenues	88,279	135,141	5,329	228,749
Income before operating transfer	753,662	92,430	(16,008)	830,084
Operating transfers in (out):				
Operating transfers (to) other funds	(411,163)			(411,163)
Net income (loss)	342,499	92,430	(16,008)	418,921
Depreciation charged to contributed capital	12,579			12,579
Retained earnings/fund balance, July 1, 2001, as restated	6,860,060	2,204,805	118,628	9,183,493
Retained earnings/fund balance June 30, 2001	\$ 7,215,138	\$ 2,297,235	\$ 102,620	\$ 9,614,993

SEE NOTES TO FINANCIAL STATEMENTS.

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

**COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND TYPES
YEAR ENDED JUNE 30, 2001**

	Proprietary Fund Type		Fiduciary Fund Type Non-expendable Trust Funds	Totals (Memorandum Only)
	Enterprise Fund	Internal Service Funds		
Cash flows from operating activities:				
Cash received from customers	\$ 4,440,706			\$ 4,440,706
Cash payments to suppliers for goods and services	(2,384,671)	\$ (69,312)	\$ (23,910)	(2,477,893)
Cash payments to employees for services	(1,349,268)			(1,349,268)
Miscellaneous revenues	229,032	38,167	2,573	269,772
Net cash provided by (used for) operating activities	935,799	(31,145)	(21,337)	883,317
Cash flows from noncapital financing activities:				
Operating transfers (to) other funds	(411,163)			(411,163)
Net cash used for noncapital financing activities	(411,163)	0	0	(411,163)

SEE NOTES TO FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND TYPES
YEAR ENDED JUNE 30, 2001

	Proprietary Fund Type		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise Fund	Internal Service Funds		
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(128,602)			(128,602)
Loan principal repayments	(112,518)			(112,518)
Interest paid	(67,729)			(67,729)
Net cash used for capital and related financing activities	(308,849)	0	0	(308,849)
Cash flows from investing activities:				
Interest and dividends on investments	152,721	135,141	5,329	293,191
Net cash provided by investing activities	152,721	135,141	5,329	293,191
Net increase (decrease) in cash and cash equivalents	368,508	103,996	(16,008)	456,496
Cash and cash equivalents, July 1, 2000	2,877,443	2,270,420	118,628	5,266,491
Cash and cash equivalents, June 30, 2001	\$ 3,245,951	\$ 2,374,416	\$ 102,620	\$ 5,722,987

SEE NOTES TO FINANCIAL STATEMENTS.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUND TYPES
YEAR ENDED JUNE 30, 2001

	Proprietary Fund Type		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise Fund	Internal Service Funds		
Reconciliation of operating cash provided by (used for)				
operating activities:				
Operating income (loss)	\$ 665,383	\$ (42,711)	\$ (21,337)	\$ 601,335
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	373,574			373,574
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Changes in assets and liabilities:				
Increase in accounts receivable	(26,330)			(26,330)
Increase in other receivables	(39,922)			(39,922)
Increase in inventory	(18,272)			(18,272)
Increase (decrease) in accounts payable and claims	(22,439)	11,566		(10,873)
Decrease in compensated absences	(1,512)			(1,512)
Increase in deferred revenues	9,115			9,115
Increase in other liabilities	16,695			16,695
Decrease in due to other funds	(20,493)			(20,493)
Total adjustments	270,416	11,566	0	281,982
Net cash provided by (used for) operating activities	\$ 935,799	\$ (31,145)	\$ (21,337)	\$ 883,317

(CONCLUDED)

SEE NOTES TO FINANCIAL STATEMENTS.

TOWN OF NORTH KINGSTOWN

STATEMENT OF PLAN NET ASSETS, POLICE PENSION TRUST FUND
JUNE 30, 2001

<u>ASSETS</u>	
<i>Cash and cash equivalents</i>	\$ 375,141
<i>Investments, at fair value:</i>	
Government and agency issues	2,015,870
Corporate obligations	1,556,253
<i>Total investments</i>	<u>3,572,123</u>
 <i>TOTAL ASSETS</i>	 <u>\$ 3,947,264</u>
 <u>LIABILITIES AND NET ASSETS</u>	
 <i>Total liabilities</i>	 <u>\$ 0</u>
 <i>Net assets held in trust for pension benefits</i>	 <u>\$ 3,947,264</u>

SEE NOTES TO FINANCIAL STATEMENTS.

TOWN OF NORTH KINGSTOWN

**STATEMENT OF CHANGES IN PLAN NET ASSETS, POLICE PENSION TRUST FUND
YEAR ENDED JUNE 30, 2001**

Additions:

Investment income:

Dividends and interest	\$ 244,925
Net increase in fair value of investment	<u>180,365</u>
Total investment income	<u>425,290</u>

Less: investment expense	<u>(22,536)</u>
Net investment income	<u>402,754</u>

Total additions	<u>402,754</u>
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Deductions:

Benefits	<u>275,211</u>
Total deductions	<u>275,211</u>

Net increase	127,543
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Net assets held in trust for pension benefits:

Beginning of year	<u>3,819,721</u>
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End of year	<u><u>\$ 3,947,264</u></u>
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SEE NOTES TO FINANCIAL STATEMENTS.

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

The accounting methods and procedures adopted by the Town of North Kingstown, Rhode Island conform to generally accepted accounting principles (GAAP) as applied to governmental entities. The following notes to the financial statements are an integral part of the Town's Comprehensive Annual Financial Report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

In evaluating 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 and all of its component units. Component units are legally separate entities that meet any one 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 unit were not included.

The following entities were considered for classification as component units for fiscal year 2001:

- * North Kingstown School Department
- * North Kingstown Public Library

Although these entities meet certain criteria of the tests listed above, neither entity is deemed to have separate legal status apart from the Town. As a result, the financial data of the above entities has been included as special revenue funds within the Town's financial statements.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, retained earnings, revenues and expenditures/expenses. The funds are grouped into three fund types and six generic funds.

Amounts in the "Totals (Memorandum Only)" columns in the preceding financial statements represent a summation of the combined financial statement line of the fund types and account groups and are presented for analytical purposes only. The summation includes fund types and account groups that use different bases of accounting, interfund transactions that have not been eliminated, and the caption "amounts to be provided", which is not an asset in the usual sense. Consequently, amounts shown in the "Totals (Memorandum Only)" columns are not comparable to a consolidation and do not represent the total resources available or total revenues and expenditures/expenses of the Town.

The following fund types and account groups are used by the Town:

Governmental Funds - 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 the proceeds of specific revenue sources (other than expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest, other than those payable from Enterprise Funds.

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).

Proprietary Funds - 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 Fund - is 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.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Internal Service Fund - is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town on a cost-reimbursement basis.

Fiduciary Funds - These funds account for assets held by the Town as a trustee or agent for individuals, private organizations, and other units of government. These funds are as follows:

Expendable Trust, Non-expendable Trust 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.

Pension Trust Funds – are established to provide pension benefits to Town Policemen. The principle revenue source for this fund is employer and employee contributions.

Account Groups - Account groups are not funds, they do not reflect available financial resources and related liabilities, but are accounting records of the general fixed assets and general long-term debt, respectively, and certain associated information. The following is a description of the Account Groups of the Town:

General Long-Term Debt Account Group - is used to record the outstanding long-term debt other than debt recorded in Proprietary Funds.

General Fixed Assets Account Group - is used to maintain control and cost information for all fixed assets other than those accounted for in the Proprietary Funds.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds 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 funds, non-expendable, 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 total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenue) and decrease (i.e., expenses) in net total assets.

The Town has not adopted GASB Statement No. 20, paragraph 7, thus the Town only applies FASB Statements and Interpretations issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, to its proprietary funds, non-expendable, and pension trust funds.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

All governmental funds, expendable trust funds 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, prepaid expenses, 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 spendable 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 includes 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 liabilities in the general long-term debt account group.

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. 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, Nonexpendable, and Pension Funds - are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and expenses when they are incurred.

Agency Funds - assets and liabilities are accounted for on the modified accrual basis.

Budgetary Data and Budgetary Compliance

In accordance with the North Kingstown Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund, Library Fund, Debt Service Fund, two Enterprise Funds and the School Unrestricted Fund, which is a Special Revenue Fund. The General Fund, Library Fund and two Enterprise Funds are subject to an annual operating budget adopted by the Town Council. The School Unrestricted Fund is subject to an annual operating budget approved by the School Committee and adopted by the Town Council. The annual operating budgets' appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the reappropriation of accumulated surpluses to the extent necessary. The annual operating budgets are in conformance with the legally enacted budgetary basis and the budget-to-actual presentation in the financial statement reflects the same basis of accounting. Appropriations which are not expended or encumbered lapse at year end.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Data and Budgetary Compliance (Continued)

The Town of North Kingstown makes use of an encumbrance system. Encumbrances are commitments related to unperformed contracts for goods or services. When a purchase order or commitment is placed, the Town reduces the amount of budgetary authority remaining in a budget category and records an encumbrance. When goods or services are received, the encumbrance balance is reduced and an expenditure and liability is recorded. The Town's outstanding encumbrances at year end are carried forward as reservation of fund balance.

Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer. The Town Manager has authority to make such transfers within departments. Any other transfers made outside the departmental level during the fiscal year require Town Council approval. The level on which all budgeted funds may not legally exceed appropriations is at the departmental level. These budgeted funds are the General Operating Fund; two Special Revenue Funds, the School Fund and the Library Fund; and two enterprise funds, the Water Fund and the Quonset/Davisville Recreation Fund. There were no supplemental budgetary appropriations made during the year.

Cash Equivalents

For the purpose of the Statement of Cash Flows, the Proprietary Funds and Nonexpendable Trust Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Receivables

Accounts receivable are recorded in the General, Special Revenue, Capital Projects, Enterprise and Fiduciary fund types. Where appropriate, an associated allowance for uncollectible accounts has been established.

Property taxes which were levied on July 1 of the current year and other delinquent balances are recorded as receivables.

Inventories

Inventories are maintained on a periodic system and are stated at cost (first in, first out method of inventory valuation). Inventories in the Governmental Funds are recorded as expenditures when consumed.

Amounts to be Provided for Retirement of Long-Term Obligations

The balance in this account represents the amount to be provided from future general revenues to retire long-term obligations.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenues

Deferred revenues represent funds received in advance of being owed or receivables which will be collected and included in revenues of future fiscal years. In the General Fund, deferred revenues related to property tax receivables which were assessed on December 31, and billed on the 1st of July to be payable on July 31st (with provisions to be paid quarterly) and which were received prior to June 30th, plus delinquent balances less amounts due as of the balance sheet date and received sixty days thereafter.

Fund Equity

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. The reserved fund balances for governmental funds represent the amount that has been legally identified for specific purposes. Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution. The reserved retained earnings for proprietary funds represents the amounts reserved for future commitments.

Revenues, Expenditures and Expenses

Revenues for governmental funds 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 funds are recorded when the related liability is incurred. Revenues and expenses of proprietary funds are recognized in essentially the same manner as in commercial accounting.

Property Taxes

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 97.33% of the total 2001 levy. The tax rate of the Town is established by the Town Council.

The Town's fiscal 2000-2001 property taxes were levied on July 1, 2000 on assessed valuation as of December 31, 1999. Upon levy, taxes are billed quarterly and are due on July 31, October 30, January 31, and April 30. An automatic lien is placed on the taxpayer's property if payment has not been received by the due date. Assessed values are established by the Tax Assessor's Office and are currently calculated at approximately 88% of current market value for real estate and 100% for motor vehicles. A revaluation of all property was completed as of December 31, 2000.

Vacation, Sick Leave, and Other Compensated Absences

Unused vacation leave is paid upon an employee's termination. Sick leave not taken is paid only to terminating employees who are retiring. Amounts of vested or accumulated vacations and sick leave relating to governmental fund employees are not expected to be liquidated with expendable available financial resources and, as such, are reported in the General Long-Term Debt Account Group. No expenditure is recorded for these amounts. Vested or accumulated vacation and sick leave of Proprietary Funds is recorded as an expense and liability of those funds as the benefits accrue to employees. At June 30, 2001, approximately \$1,668,808 of aggregated compensated absences for non-proprietary fund employees is reflected in the long-term debt account group.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

Quasi-external transactions are accounted for as fund revenues, expenditures or expenses (as appropriate). Transactions which constitute reimbursements of 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 reimbursement are accounted for as transfers. All other interfund transactions are treated as operating transfers.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value which approximates \$51,855,594. As of June 30, 2001, the Town had \$1,152,248 of debt outstanding subject to the Maximum Aggregate Indebtedness provision (3% Debt Limit) of the Rhode Island General Laws 45-12-2. All other Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

3. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment acquired for proprietary funds are carried 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.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

3. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation on the fixed assets of the Proprietary Fund is provided on the straight-line method over the assets estimated useful lives. A full year's depreciation is recorded in the year of addition with no depreciation recorded in the year of retirement.

The Water, Quonset/Davisville Recreation, and School Cafeteria Enterprise Funds have assigned various estimated useful lives to its fixed assets as follows:

WATER	
Buildings	50 years
Pumping Plant and Equipment.....	33.33 years
Furniture and Equipment.....	10 years
Vehicles	5 years
QUONSET/DAVISVILLE RECREATION	
Property Improvements.....	10 years
Golf Carts	4 years
Furniture and Equipment.....	5 years
Vehicles	3 years
SCHOOL CAFETERIA	
Equipment	5 – 10 years

A summary of the Enterprise Fund's fixed assets are as follows as of June 30, 2001:

	<u>Water</u>	<u>Quonset/ Davisville Recreation</u>	<u>School Cafeteria</u>	<u>Total</u>
Land.....	\$ 89,520	\$ 494,950		\$ 584,470
Building.....	6,727,611	1,905,080		8,632,691
Equipment and Furniture.....	1,196,007	390,094	\$14,504	1,600,605
Motor Vehicles.....	96,720	587,746		684,466
Total cost.....	8,109,858	3,377,870	14,504	11,502,232
Less: accumulated depreciation.....	(4,837,529)	(1,206,947)	(7,767)	(6,052,243)
Net property, plant and equipment.....	<u>\$3,272,329</u>	<u>\$2,170,923</u>	<u>\$ 6,737</u>	<u>\$5,449,989</u>

In the Quonset/Davisville Recreation Enterprise Fund a portion of depreciation was charged back against contributed capital. This method of charging related depreciation against contributed capital is in accordance with generally accepted accounting principles.

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, such as road, sidewalks and bridges are not capitalized. Property, plant and equipment acquired or constructed for general governmental operations are recorded as expenditures in the fund making the expenditure, and capitalized at historical cost in the General Fixed Assets Account Group. These assets are capitalized at estimated historical cost in the event the historical cost can not be determined. Donated fixed assets are stated at their fair market value on the date donated. No depreciation is provided on general fixed assets.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

3. PROPERTY, PLANT AND EQUIPMENT (Continued)

The following schedule reflects the change in general fixed assets during fiscal 2001:

	Balance <u>July 1, 2000</u>	<u>Additions</u>	<u>Retirements</u>	Balance <u>June 30, 2001</u>
Land.....	\$ 5,328,554	\$ 4,100		\$ 5,332,654
Buildings.....	16,443,630		\$311,771	16,131,859
Equipment	15,065,955	1,373,831	332,652	16,107,134
Total.....	<u>\$36,838,139</u>	<u>\$1,377,931</u>	<u>\$644,423</u>	<u>\$37,571,647</u>

4. PROPERTY TAXES

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

The Town recognizes property tax revenues in accordance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards. Unpaid property taxes as of June 30, 2001 are recorded as a receivable, net of an allowance for uncollectible property taxes of \$1,875,928. Those net property taxes receivable which were not collected within the 60 days immediately following June 30, 2001 are recorded as deferred revenue.

5. CASH DEPOSITS

At June 30, 2001, the carrying amount of the Town's deposits, was \$2,499,864, while the bank balance was \$3,518,423. Of the balance, \$300,000 was covered by federal depository insurance and \$2,208,854 was uninsured and uncollateralized. In addition, the Town had \$25,958,040 in certificates of deposit.

6. INVESTMENTS

The Town invests in various types of investments which are stated at fair value. The Finance Director has control over the type of investments made. The Town Charter nor any other legally contracted agreement limits the type of investments that may be made.

The following schedule categorizes the Town's investments to provide an indication of the degree of risk assumed as of year-end. Category 1 investments are insured or registered in the Town's name and held by the Town or its agent in the Town's name. Category 2 investments include uninsured and unregistered securities that are held by the counterparty's trust department or agent in the Town's name.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

6. INVESTMENTS (Continued)

<u>Description</u>	<u>1</u>	<u>Category</u> <u>2</u>	<u>3</u>	<u>Fair</u> <u>Value</u>
Capital Project Funds:				
Repurchase agreements		\$9,157,054		\$ 9,157,054
Trust and Agency Funds:				
U.S. Government agency				
Obligations	\$2,015,870			2,015,870
Corporate obligations	1,556,252			1,556,252
Total.....	3,572,122	0	0	3,572,122
Total investments	<u>\$3,572,122</u>	<u>\$9,157,054</u>	<u>\$0</u>	<u>\$12,729,176</u>

The carrying value of deposits \$2,499,864, investments \$12,729,176, and petty cash funds relate to the Combined Balance Sheet totals as follows:

Cash deposits.....	\$ 2,499,864
Add:	
Investments classified as cash equivalents	25,958,040
Petty cash funds.....	8,990
Cash and cash equivalents (Exhibit 1).....	<u>\$28,466,894</u>

7. LEASE COMMITMENTS AND LEASED ASSETS

The Town's capital leases consist of leases for various public safety equipment, telephone equipment and office copy machines.

As of June 30, 2001, future minimum rental commitments under capital leases are as follows:

<u>Fiscal Year Ended</u> <u>June 30</u>	<u>Governmental Funds</u>
2002.....	\$ 392,100
2003.....	234,800
2004.....	173,600
2005.....	139,600
2006.....	132,645
Future minimum rental payments.....	1,072,745
Interest portion of payments.....	(135,438)
Obligation under capital leases	<u>\$ 937,307</u>

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

8. LONG-TERM DEBT

(a) General Long-term Debt

Long-term debt liabilities directly related to and intended to be paid from the Proprietary Funds are included in the accounts of such funds. All other long-term indebtedness of the Town is accounted for in the General Long-Term Account Group. The following schedule reflects the changes in long-term debt as shown in the General Long-Term Debt Account Group during fiscal 2001:

	<u>Balance</u> July 1, 2000	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> June 30, 2001
General Obligation Bonds Payable	\$49,425,808	\$7,680,000	\$1,344,192	\$55,761,616
Accrued Compensated Absences	3,453,657		1,784,849	1,668,808
Capital Lease Payable	496,219	630,709	189,621	937,307
Total long-term debt.....	<u>\$53,375,684</u>	<u>\$8,310,709</u>	<u>\$3,318,662</u>	<u>\$58,376,731</u>

In September 2000 and June 2001, the Town issued General Obligation Bonds with a face value of \$3,835,000 and \$3,845,000, respectively. The proceeds were used for the purchase of undeveloped open space and the construction of a new public works facility.

The following schedule summarizes the Town's General Obligation Debt:

	<u>Interest</u> <u>Rates</u>	<u>Principal</u>	<u>Due</u> <u>Dates</u>
General Long-Term Debt Account Group:			
General Obligation Bonds	3.60 – 6.80	\$55,761,616	2002 - 2026

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

<u>Fiscal Year</u> <u>Ending</u> <u>June 30</u>	<u>General Long-Term</u> <u>Debt Account Group</u>	
	<u>Principal</u>	<u>Interest</u>
2002	\$ 3,129,192	\$ 2,847,399
2003	3,119,191	2,688,376
2004	3,109,191	2,530,126
2005	3,109,192	2,341,561
2006	3,074,192	2,205,510
Thereafter.....	<u>40,220,658</u>	<u>19,011,392</u>
Total.....	<u>\$55,761,616</u>	<u>\$31,624,364</u>

In addition, the Town has bonds authorized and unissued at June 30, 2001 of \$6,380,000 for all funds.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

8. LONG-TERM DEBT (Continued)

(b) Enterprise Fund

The water loan payable, presented in the financial statements as a direct liability of the water enterprise fund, is an obligation of the Town backed ultimately by its taxing power. Because the proceeds of the loan are used entirely for the benefits of the water fund, the liabilities and related debt service of this loan are accounted for in the water enterprise fund.

The Q/D Recreation loan payable, presented in the financial statements as a direct liability of the Q/D Recreation Enterprise Fund, is an obligation of the Town backed ultimately by its taxing power. Because the proceeds of the loan are used entirely for the benefits of the Q/D recreation fund, the liabilities and related debt service of this loan are accounted for in the Q/D Recreation Enterprise Fund.

The following schedule summarizes the enterprise fund debt:

	<u>Interest Rate</u>	<u>Principal</u>	<u>Due Dates</u>
Enterprise Funds:			
Water loan payable	5.75%	\$ 598,864	2002 – 2007
Q/D Recreation.....	3.7% - 6%	<u>553,384</u>	2002 – 2019
Total.....		<u>\$1,152,248</u>	

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

<u>Fiscal year ending June 30</u>	<u>Enterprise Funds</u>	
	<u>Principal</u>	<u>Interest</u>
2002.....	\$ 117,216	\$ 59,742
2003.....	122,185	52,926
2004.....	127,439	45,919
2005.....	132,995	38,965
2006.....	138,871	31,934
2007.....	145,006	24,541
2008.....	30,808	16,782
2009.....	30,808	15,565
2010.....	30,808	14,332
2011.....	30,808	13,085
2012.....	30,808	11,806
2013.....	30,808	10,504
2014.....	30,808	9,176
2015.....	30,808	7,809
2016.....	30,808	6,422
2017.....	30,418	5,017
2018.....	30,418	3,589
2019.....	<u>30,428</u>	<u>2,883</u>
Total.....	<u>\$1,152,248</u>	<u>\$370,997</u>

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

9. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2001 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 481,556	\$3,781,170
Special Revenue Funds:		
Community Development Block Grants		14,160
Library Funds	81,309	
School Unrestricted Fund.....	1,880,073	448,494
School Restricted Fund.....		173,881
Noncivic Detail Escrow Fund.....		55,793
Governors Justice Commission		500
Miscellaneous State Water Dept. Grants		7,625
Rhode Island Resource Protection Project		1,514
Wickford Village.....		85,313
Miscellaneous State Grants		3,500
Total special revenue funds	<u>1,961,382</u>	<u>790,780</u>
Debt service fund	<u>1,970,627</u>	
Fiduciary Funds:		
Payroll Fund	23,042	
School Payroll Fund	448,493	
Termination Trust Fund.....		46,698
Total fiduciary funds	<u>471,535</u>	<u>46,698</u>
Capital Projects:		
Asset Protection Fund.....	385,000	
High School Bond.....		176,136
6.5 M School Additions Bond		84,286
1.35 M School Library Bond.....		6,030
6M Public Facilities Plan Bond.....		385,000
Total capital projects	<u>385,000</u>	<u>651,452</u>
TOTALS	<u>\$5,270,100</u>	<u>\$5,270,100</u>

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

10. FUND EQUITY

(a) Reserves and Designations

Reservations and designations of fund balances at June 30, 2001 were as follows:

General Fund:

Reserved for encumbrances	\$1,766,553
Designated for future expenditures	650,000

Special Revenue Fund Types:

Reserved for encumbrances	970,395
Designated for future expenditures	9,000

Debt Service Fund:

Designated for debt service	1,498,134
Designated for future expenditures	500,000

Fiduciary Fund Types:

Reserved for trust principal	58,764
Reserved for employee retirement system	<u>3,947,264</u>

Total reservations and designations of fund balances..... **\$9,400,110**

The following funds had a deficit fund balance at June 30, 2001:

Capital Projects Fund:

6.5M School Additions Bond	\$91,729
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(b) Operating Transfers In and Out

A reconciliation of all operating, interfund transfers presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Funds (Exhibit 2) and the Combined Statement of Revenues, Expenses and Change in Retained Earnings/Fund Balances – All Proprietary Fund Type and Non-Expendable Trust Funds (Exhibit 4) is below:

	<u>Transfers In</u>	<u>Transfers Out</u>
Exhibit 2	\$32,769,514	\$32,358,351
Exhibit 4		411,163
Totals	<u>\$32,769,514</u>	<u>\$32,769,514</u>

The Quonset/Davisville Recreation Fund retained earnings at June 30, 2000 has been restated to record payment of bond principal in the amount of \$30,808 not recorded at June 30, 2000.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

11. CONTRIBUTED CAPITAL

Contributed Capital represents funds received from the Federal, State and Local Government for Proprietary Fund Capital Assets. The contributed capital is reflected as part of equity and is amortized annually by an amount equal to the provision for depreciation on fixed assets acquired by the proceeds from such contributed capital. The amortized contributed capital is reported as an add-back on the operating statement below net income and before the changes in retained earnings.

Contributed Capital at July 1, 2000	\$506,696
Contributions - State Government Amortization of Contributed Capital	<u>(12,579)</u>
Contributed Capital at June 30, 2001	<u>\$494,117</u>

12. BONDS AUTHORIZED BUT UNISSUED

Bonds authorized but unissued at June 30, 2001 are as follows:

Open Space/Farmland Bonds	\$2,840,000
Public Facilities Plan Bonds	1,290,000
School Addition Bonds	1,900,000
Library.....	<u>350,000</u>
Total.....	<u>\$6,380,000</u>

13. DEFINED BENEFIT PENSION PLANS

(a) General Municipal Employees' Pension Plan

The Town of North Kingstown 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 and fire personnel. All full-time Town and non-certified School Department general employees participate in the System.

The payroll for employees covered by the System for the year ended June 30, 2001 was \$11,554,537 and the Town wide payroll was approximately \$38,037,558.

Plan Description

The following eligibility and benefit provisions are established by State Statute. The System generally provides retirement benefits equal to 2 percent of final average salary per year of service with a maximum benefit of 75 percent of final average salary. Final average salary is the three highest consecutive years of earned salary exclusive of overtime, bonuses or severance pay. Such benefits are available to members at least age 58 with 10 years of service or after 30 years regardless of age. The plan also provides non-occupational disability benefits after 5 years of service, occupational disability benefits with no minimum service requirement, survivors' benefits, and certain lump sum death benefits. Employees are vested in their retirement benefits on completion of 10 years of service. Benefits are established by State Statute.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

13. DEFINED BENEFIT PENSION PLANS (Continued)

(a) General Municipal Employees' Pension Plan (Continued)

Contributions Required and Contributions Made

General employees were required by State Statute to contribute 6 percent (through December 31, 2000, and 7% effective January 1, 2001) of their annual earnings until the maximum benefit (75 percent of final average salary) is accrued. The Town is required to contribute based on an actuarially computed amount and as provided by State Statute for each participating municipality. The actuarial method used is the entry age normal cost with part of each municipality's unfunded actuarial liability funded over a fixed amortization period and the balance funded over the projected future payroll of active members. Due to large fluctuations in the contribution rates of certain municipalities, the plan has adopted a procedure which would allow a unit the option of paying a smoothed contribution rate. The smoothed contribution rate equals the previous fiscal year's contribution rate plus the greater of 2 percent or one eighth of the increase in contribution rate plus the cost of any benefit improvements. The actuarially determined contribution amount for the Town was determined as described above and was based on an actuarial valuation as of June 30, 1999.

The annual required contribution for the Town which equals the annual pension cost for the year ended June 30, 2001 was \$0 for general employees. This contribution represents 0% of covered payroll. General municipal employees were required to contribute \$808,818. This contribution represents 7% of covered payroll.

There were no current year changes in actuarial assumptions, benefit provisions, or actuarial funding method that would significantly affect the contribution requirement. Significant actuarial assumptions and other actuarial information are presented in the following required supplemental information.

Trend Information

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
1999	\$1,215,561	100%	\$-0-
2000	\$1,138,804	100%	\$-0-
2001	\$1,308,468	100%	\$-0-

Trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the State of Rhode Island's Employee Retirement System's June 30, 1999 annual financial report, which may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island. This report is the most recent report available from the State who administers the Plan.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

13. DEFINED BENEFIT PENSION PLANS (Continued)

(b) Police and Fire Pension Plans

Town of North Kingstown Police Pension Fund Plan Description

All retired police department personnel as of June 30, 1996 are covered by the Town of North Kingstown PERS. The Police Pension Fund is a single-employer defined benefit pension plan that was established by the Town in accordance with state statutes. Included in the plan are only 15 retired, 4 disabled and 1 terminated participants. All active participants as of July 1, 1996 were transferred into the Employee's Retirement System of the State of Rhode Island.

As of June 30, 2001 employee membership data related to the pension plan is as follows:

Retirees and beneficiaries.....	21
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The following eligibility and benefit provisions are established or amended by the Administrator of the Plan, the Town of North Kingstown. The publicly available financial report may be obtained by writing to the Town of North Kingstown, 80 Boston Neck Road, North Kingstown, RI 02852-5767.

The pension plan provides pension benefits, disability and survivorship benefits. A member may retire the first day of the month following the attainment of age 55 or completion of 20 years of service, if earlier. Benefits vest 100% after 10 years of service.

Compensation averaged over the 3 consecutive years out of the last 10 years producing the highest average prior to termination of employment or normal retirement date is used in determining pension benefits.

Upon the death of any regular and permanent police official or officer, 67.5% of the benefits paid to such policeman shall be paid to his dependent widow for her lifetime until she remarries or, if there is no widow or the widow remarries, then to his dependent children until they attain the age of eighteen.

The Police Pension Fund is presented on the accrual basis of accounting. Investment income is recognized as earned by the pension plan. Investments are valued at fair value. Neither the Town nor any individual employee is contributing to this plan.

The actuarial method used is the Entry Age Normal Actuarial Cost Method.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

13. DEFINED BENEFIT PENSION PLANS (Continued)

(b) Police and Fire Pension Plans (Continued)

Town of North Kingstown Police Pension Fund Plan Description (Continued)

The net pension obligation was determined as part of an actuarial valuation at July 1, 2001. Significant actuarial assumptions used include:

a) Rate of return on investment of present and future assets compounded annually	7.5%
b) Projected salary increases attributable to inflation	N/A
c) Pre and post mortality tables	1971 Group Annuity Mortality Table.
d) Assumed retirement age	Later of attainment of age 50 or the completion of 20 years of service. Participants who are past this age are assumed to retire immediately.
e) Disability	N/A
f) Cost of living increase	None

No changes in actuarial assumptions have occurred since the prior valuation.

Required Supplementary Information

Three-Year Trend Information

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/99	\$0	N/A	\$0
6/30/00	\$0	N/A	\$0
6/30/01	\$0	N/A	\$0

Ten-year historical trend information is disclosed in the supplemental section of this report.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

13. DEFINED BENEFIT PENSION PLANS (Continued)

(b) Police and Fire Pension Plans (Continued)

Municipal Police and Fire Pension Fund Plans

The Town of North Kingstown 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 and fire personnel. All active participants as of July 1, 1996 were transferred into the Employee's Retirement System of the State of Rhode Island. All full-time police and fire personnel participate in the System.

The payroll for police and fire personnel covered by the System for the year ended June 30, 2001 was approximately \$2,666,180 and \$3,557,437, respectively. The Town wide payroll was approximately \$38,037,558.

Plan Description

The following eligibility and benefit provisions are established by State Statute. The System provides the following retirement benefits to employees at or after age 55 with 10 years of service or after 20 years of service with no restriction on age:

Police – 2.5% of final average salary per year of service accrued after July 1, 1993 and 2% of final average salary per year of service accrued prior to July 1, 1993 with a maximum benefit of 75% of final average salary.

Fire – 2.5% of final average salary per year of service with a maximum benefit of 75% of final average salary.

Final average salary is the three highest consecutive years of earned salary exclusive of overtime, bonuses or severance pay. The plan also provides non-occupational disability benefits after 5 years of service, occupational disability benefits with no minimum service requirement, survivors' benefits, and certain lump sum death benefits. Employees are vested in their retirement benefits on completion of 10 years of service. Retirees' benefits are adjusted annually by 3 percent, not compounded, to allow for increases in the cost of living.

Contributions Required and Contributions Made

Police and fire personnel are required by State Statute to contribute 9 percent until the maximum benefit (75 percent of final average salary) is accrued. The Town is required to contribute based on an actuarially computed amount and as provided by State Statute for each participating municipality. The actuarial method used is the entry age normal cost with part of each municipality's unfunded actuarial liability funded over a fixed amortization period and the balance funded over the projected future payroll of active members. Due to large fluctuations in the contribution rates of certain municipalities, the plan has adopted a procedure which would allow a unit the option of paying a smoothed contribution rate. The smoothed contribution rate equals the previous fiscal year's contribution rate plus the greater of 2 percent or one eighth of the increase in contribution rate plus the cost of any benefit improvements. The actuarially determined contribution amount for the Town was determined as described above and was based on an actuarial valuation as of June 30, 1999.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

13. DEFINED BENEFIT PENSION PLANS (Continued)

(b) Municipal Police and Fire Pension Plans (Continued)

Contributions Required and Contributions Made (Continued)

The annual required contribution for police and fire personnel for the Town which equals the annual pension cost for the year ended June 30, 2001 was \$0. These contributions represent 0% of covered payroll for police and fire personnel. Police and fire personnel were required to contribute \$239,956 and \$320,169, respectively. This contribution represents 9% of covered payroll.

There were no current year changes in actuarial assumptions, benefit provisions, or actuarial funding method that would significantly affect the contribution requirements. Significant actuarial assumptions and other actuarial information are presented in the following required supplemental information.

Trend Information

Municipal Police Pension Plan:

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
1999	\$ -0-	100%	\$-0-
2000	\$ -0-	100%	\$-0-
2001	\$ -0-	100%	\$-0-

Municipal Fire Pension Plan:

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
1999	\$ 0	100%	\$0
2000	\$ 0	100%	\$0
2001	\$ 0	100%	\$0

Trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the State of Rhode Island's Employee Retirement System's June 30, 1999 annual financial report, which may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island. This report is the most recent report available from the State, who administers the Plan.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

13. DEFINED BENEFIT PENSION PLANS (Continued)

Pension Plan Required Supplemental Information
(unaudited)

Schedules of Funding Progress (1)

	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entrv Age	Funding Excess (deficit)	Funded Ratio	Covered Payroll	Funding Excess (deficit) as a Percentage of Covered Payroll
General municipal employees pension plan	6/30/97	21,040,721	15,649,647	5,391,074	134.4%	7,047,718	76.5%
	6/30/98	23,033,317	20,662,869	2,370,448	111.5%	7,448,473	31.8%
	6/30/99	25,314,429	22,464,464	2,849,965	112.7%	7,821,072	36.4%
Municipal police pension plan	6/30/97	8,401,965	6,917,599	1,484,366	121.5%	1,694,617	87.6%
	6/30/98	10,068,247	7,575,039	2,493,208	132.9%	1,752,261	142.3%
	6/30/99	10,957,682	8,577,243	2,380,439	127.8%	1,808,463	131.6%
Municipal firemen pension plan..	6/30/97	15,529,490	12,421,968	3,107,522	125.0%	2,328,749	133.4%
	6/30/98	17,717,147	14,810,135	2,907,012	119.6%	2,354,426	123.5%
	6/30/99	18,415,354	16,040,147	2,375,207	114.8%	2,601,921	91.3%

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

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

13. DEFINED BENEFIT PENSION PLANS (Continued)

Pension Plan Required Supplemental Information
(unaudited)

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

	General Municipal Employees <u>Pension Plan</u>	Municipal Police and Fire <u>Pension Plan</u>
Valuation Date	6/30/99	6/30/99
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization Method	Level Percent Closed	Level Percent Closed
Remaining Amortization Period.....	N/A – No unfunded actuarial accrued liability	N/A – No unfunded actuarial accrued liability
Asset Valuation Method	3-year Smoothed Market Value	3-Year Smoothed Market Value
Actuarial assumptions:		
Investment rate of return	8.25%, compounded annually	8.25%, compounded annually
Projected Salary Increases	4.75%, compounded annually	4.75%, compounded annually
Cost-of-living Adjustments	N/A	3%, not compounded, beginning on the January 1 following participant's retirement
Participant Information		
	Active Employees	Active Employees
	Retirees and beneficiaries	Retirees and beneficiaries
	326	117
	119	55
	<u>207</u>	<u>62</u>

Note: As of January 1, 2001, COLA B was put into place for General Municipal Employees.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

13. DEFINED BENEFIT PENSION PLANS (Continued)

(c) Teacher's Pension Plan

All North Kingstown School Department certified school personnel participate in the Employees' Retirement System of the State of Rhode Island ("System"), a cost-sharing multiple-employer defined benefit plan. The payroll for employees covered by the System for the year ended June 30, 2001 was \$20,013,850, which consisted of \$1,011,661 for employees charged to federal programs and \$19,002,189 for all other employees. The School Department's total payroll was approximately \$26,483,021. The Town wide payroll for the year ended June 30, 2001 was approximately \$38,037,558.

Plan Description

The following eligibility and benefit provisions are established by State Statute. All North Kingstown School Department certified school personnel are eligible to participate in the System if they are certified by the Board of Regents, engaged in teaching as principal occupation, and are regularly employed on at least a half time basis. Employees who retire at or after age 60 with 10 years of credited service or after 28 years of credited service regardless of age are entitled to a retirement benefit. The retirement benefit is equal to 1.7 percent of their final average salary for each year of credited service up to 10 years, plus 1.9 percent of their final average salary in excess of 10 years through 20 years, plus 3.0 percent of their final average salary in excess of 20 years up to the 34th year of service, plus 2.0 percent of their final average salary for the 35th year, up to a maximum benefit of 80 percent of their final average salary. Final average salary is the three highest consecutive years of earned salary exclusive of overtime, bonuses, or severance pay. Employees are vested in their retirement benefits on completion of 10 years of service. Retirees' benefits are adjusted annually by 3 percent compounded to allow for increases in cost of living. Cost of living adjustments begin on the January 1st following the third anniversary of an employee's retirement. There were no changes in the method, and assumptions in the June 30, 1998 actuarial valuation to determine plan cost. The System also provides death and disability benefits. The System also provides pre-retirement benefits at a minimum of 17% of salary for non-occupational disabilities after 5 years of service and at 67% of salary for occupational disabilities regardless of service. Surviving spouses are also eligible for both pre and post-retirement benefits with minimum amounts established under varying circumstances.

Funding Policy

Rhode Island general laws set the contribution rates for participating plan employees at 9.5% of salary. Annual contributions by both employers and the State on behalf of those employees are determined by actuaries and assessed as a percentage of participants' payroll. The School Department was required to contribute 6.86%, 8.43%, and 6.62% for all full-time employees for fiscal years 2001, 2000, and 1999, respectively. The required contributions include (a) normal costs; (b) payments to amortize the unfunded frozen actuarial accrued liability as of July 1, 1985 over 30 years; and (c) interest on the unfunded frozen actuarial liability. Normal cost is determined using the entry age normal cost method with frozen initial liability. A variety of significant actuarial assumptions are used and these assumptions are summarized below:

- (a) **Mortality** – 1994 Uninsured Pensioner mortality tables.
- (b) **Investment return** – 8.25 percent, compounded annually.
- (c) **Salary increase** - Salaries will increase at a rate of 3.5 percent, compounded annually.
- (d) **Retirement age** - Teachers are assumed to retire at the later of age 61 or completion of the service requirements.
- (e) **Cost of living adjustments** – 3.0 percent compounded annually beginning on the January 1st following a participant's third anniversary of retirement.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

13. DEFINED BENEFIT PENSION PLANS (Continued)

(c) Teacher's Pension Plan (Continued)

Funding Policy (Continued)

As prescribed by Rhode Island general law, the State pays the entire portion of the annual required contribution attributable to the costs of contributions deferred by the State in prior years plus 40% of contributions assessed to employers on payroll not reimbursable through Federal programs. For fiscal year 2001, actuarial required contributions were 12.01% of participant salary, plus an additional .5% of non-federally reimbursable salary attributable to State contribution deferrals. This resulted in contribution rates paid by the State on behalf of the School Department of 5.16% of non-federally reimbursable payrolls totaling \$980,513 for the fiscal year ended June 30, 2001.

The School Department does not have any investments or related party investments with the State Plan. The School Department's contribution represented 2.28 percent of total contributions required of all participating entities.

The amounts contributed to the plan are as follows:

<u>Years Ending June 30,</u>	<u>Employee</u>	<u>Town's Portion of Annual Required Contributions</u>	<u>Percentage Contributed</u>
2001	\$1,909,632	\$1,394,642	100%
2000	\$1,814,930	\$1,633,073	100%
1999	\$1,725,909	\$1,215,561	100%

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

Trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the State of Rhode Island's Employee Retirement System's June 30, 1999 annual financial report, which may be obtained from the administrative offices of the State of Rhode Island Retirement Board, 40 Fountain Street, Providence, Rhode Island. This report is the most recent report available from the State who administers the Plan.

14. POST RETIREMENT BENEFITS

In addition to the pension benefits described in Note 13, the Town provides post employment benefits (health insurance) in accordance with union contracts and Town personnel policies. These benefits, by employee group, are described below.

Police Employees

The Town is obligated to provide health insurance coverage until the retiree reaches age 65, or until the retiree or spouse obtains an alternative health insurance plan.

(CONTINUED)

TOWN OF NORTH KINGSTOWN, RHODE ISLAND

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

14. POST RETIREMENT BENEFITS (Continued)

Other Municipal Employees

The Town is obligated to provide health insurance coverage for certain retirees until the retiree or spouse obtains an alternative health insurance plan.

Fire Department Employees

The Town is obligated to provide health insurance coverage until the retiree reaches age 65, or until the retiree or spouse obtains an alternative health insurance plan.

The expenditures for these post retirement benefits are recognized on a pay-as-you-go basis as the monthly premiums for the benefits become due. During the year ended June 30, 2001, expenditures of \$367,272 were recognized for post retirement benefits. Of this amount, \$178,421 was paid for health insurance for 24 fire department retirees, \$68,637 was paid for health insurance for 31 municipal retirees, and \$120,214 was paid for health insurance for 19 police retirees.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

15. BUDGETARY - GAAP REPORTING RECONCILIATION

The accompanying statements of Revenues, Expenditures/Expenses (Budgetary Basis) presents comparisons of the legally adopted budget (more fully described in Note 1) with actual data on a budgetary basis. Because accounting principles 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, timing, and entity differences in the excess (deficiency) of revenues and other sources of financial resources over expenditures/expenses and other uses of financial resources for the year ended June 30, 2001 is presented below:

	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>
Excess of revenues and other sources over (under) expenditures/expenses and other uses (budgetary basis) ..	\$1,481,261	\$(94,384)	\$618,746
Adjustments:			
To adjust for encumbrances.....	1,132,889	336,123	
To adjust for depreciation recorded			(371,816)
To adjust for reappropriated fund balance	(650,000)	(9,000)	(30,000)
To adjust for debt service principal payment.....			<u>112,518</u>
Excess of revenues and other sources over expenditures/ expenses and other uses (GAAP Basis) - budgetary classifications	1,964,150	232,739	329,448
Reclassifications and other adjustments:			
To record excess (deficiency) of revenues and other sources over expenditures/expenses and other uses for non-budgeted funds	<u>0</u>	<u>(249,849)</u>	<u>13,051</u>
Excess (deficiency) of revenues and other sources over (under) expenditures/expenses and other uses (GAAP Basis).....	<u>\$1,964,150</u>	<u>\$(17,110)</u>	<u>\$342,499</u>

16. SEGMENT INFORMATION OF THE ENTERPRISE FUNDS

Segment information of the Enterprise Funds at June 30, 2001 and for the year then ended is summarized as follows:

	<u>Water Enterprise Fund</u>	<u>Quonset/ Davisville Recreation Enterprise Fund</u>	<u>Quonset/ Davisville Reserve</u>	<u>School Cafeteria Fund</u>	<u>Total</u>
Operating revenues.....	\$2,143,956	\$1,495,883	\$ 0	\$1,087,036	\$4,726,875
Depreciation	177,070	194,746	0	1,758	373,574
Operating income	222,108	433,615	0	9,660	665,383
Net income (loss)	311,394	18,054	2,042	11,009	342,499
Operating transfers out.....	0	(411,163)	0	0	(411,163)
Property, plant and equipment additions	33,932	94,670	0	0	128,602
Net working capital	2,820,947	327,490	38,294	107,783	3,294,514
Total assets	6,372,609	2,803,215	38,294	130,191	9,344,309
Total equity	5,580,412	1,976,029	38,294	114,520	7,709,255
Long-term debt, net	512,864	522,384	0	0	1,035,248

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

17. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS

Litigation

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

Commitments

The Town of North Kingstown had several outstanding construction and technology projects as of June 30, 2001. These projects are evidenced by contractual commitments with contractors and include:

<u>Fund/Project</u>	<u>Spent-to-Date</u>	<u>Commitment Funding Source</u>	
		<u>Remaining</u>	<u>Funding Source(s)</u>
High School	\$26,444,177	\$ 6,555,823	General Obligation Bonds
School Additions.....	91,729	1,808,271	General Obligation Bonds
Roads (Public Facilities).....	2,586,603	2,123,397	General Obligation Bonds
Asset Protection	652,768	347,232	General Obligation Bonds
School Athletic Facility	2,156,201	143,799	General Obligation Bonds
Total.....	<u>\$31,931,478</u>	<u>\$10,978,522</u>	

18. DEFERRED COMPENSATION PLAN

The Town offers its municipal employees a deferred compensation plan established in accordance with the provisions of Internal Revenue Code Section 457. The Plan, available to certain municipal employees, permits the deferral of a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

During the year ended June 30, 2000, the Town implemented the Governmental Accounting Standards Board, Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan*. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As a result, deferred compensation investments and the respective liability have been removed from the Town's financial statements.

19. SELF-INSURANCE ACTIVITIES

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

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001**

19. SELF-INSURANCE ACTIVITIES (Continued)

Effective January 1, 1999, the Town switched to a premium-basis insurance coverage plan for workers' compensation. The Town remains to be self-insured for property damage.

For worker's compensation activities, individual Town funds/departments were charged a "premium" based on actuarial studies considering historical claims experience, projected payroll levels, administration costs, and projected insurance industry inflation rates. Assessments for property damage are based upon estimates of liability to be incurred by the Town as a whole, apportioned to individual funds based on historical experience. Billings from the Workers' Compensation and Property Damage funds for the fiscal year ended June 30, 2001 were \$0 and \$38,167, respectively. Based upon the results of an actuarial study, a provision for claims incurred but not reported of \$75,900 has been accrued in the Worker's Compensation Fund, since its inception.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	<u>June 30, 2001</u>			<u>June 30, 2000</u>		
	Workers' Compensation Fund	Property Damage Fund	Total	Workers' Compensation Fund	Property Damage Fund	Total
Unpaid claims, beginning of fiscal year	\$62,300	\$ 0		\$42,000	\$ 0	\$42,000
Incurred claims (including IBNR's)	15,850	56,367		55,422	23,092	78,514
Claim payments.....	<u>(2,250)</u>	<u>(56,367)</u>		<u>(35,122)</u>	<u>(23,092)</u>	<u>(58,214)</u>
Unpaid claims, end of fiscal year	<u>\$75,900</u>	<u>\$ 0</u>		<u>\$62,300</u>	<u>\$ 0</u>	<u>\$62,300</u>

Other types of insurance coverage purchased through private insurers are as follows: vehicles, public officials and employee liability, flood and earthquake insurance, boiler and machinery coverage, law enforcement liability, garage liability, oceans and marine liability and fiduciary coverages.

There have been no significant reductions in insurance coverage during the year ended June 30, 2001 as compared to the previous year. The claims incurred did not exceed insurance coverage in any of the last three years.

(CONTINUED)

TOWN OF NORTH KINGSTOWN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2001

20. SUBSEQUENT EVENTS

Effective September 1, 2001, the Town switched from a premium-basis insurance coverage plan for liability and property insurance to the Rhode Island Interlocal Risk Management Trust. Rhode Island Interlocal Risk Management Trust is an alternative to commercial insurance for the public sector entities through intergovernmental pooling.

Due to the delay in the completion of the new High School, the state aid will be delayed until October, 2002. Had the High School been completed by June 30, 2001, the state aid would have been received in October, 2001. The anticipated amount to be received is \$900,000. This amount represents 30% of the debt service payment for the High School. Currently, the Town Council has approved and set aside \$1.5 million of fund balance to cover the shortfall in the Debt Service Fund for the High School construction.

As part of the construction at the High School, the heating fuel storage tanks were removed. During the removal of these storage tanks, the soil surrounding the storage tanks was contaminated. This contamination resulted in \$400,000 of expenditures from the self insurance fund for dewatering and contaminated soil removal costs. At this time, the dewatering and contamination removal is underway and may require additional costs.

On July 13, 2001, the Town purchased 126.26 acres of land development rights from Croessus Limited Partnership also known as the Tuckahoe Trading Corporation for \$1,400,000. This was a joint venture with the State of Rhode Island. The Town received a grant from the State of Rhode Island in the amount of \$300,000 to partially fund the purchase.

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

POLICE PENSION TRUST FUND

**REQUIRED SUPPLEMENTAL INFORMATION
ANALYSIS OF FUNDING PROGRESS
"UNAUDITED"**

Actuarial Valuation July 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Excess Funded (Unfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1991	\$ 3,252,627 (1)	\$ 4,721,045	\$ (1,468,418)	68.9%	\$ 1,314,207	111.73%
1992	6,208,746 (1)	6,737,374	(528,628)	92.2%	1,427,197	37.04%
1993	6,731,000 (1)	7,106,740	(375,740)	94.7%	1,541,121	24.38%
1994	7,115,077 (1)	7,598,232	(483,155)	93.6%	1,571,263	30.75%
1995	7,443,416 (1)	9,484,800	(2,041,384)	78.5%	1,709,082	119.44%
1996	9,440,939 (1)	10,053,327	(612,388)	93.9%	1,723,781	35.53%
1997	4,003,670 (1)	3,590,829	412,841	111.5%	N/A	N/A
1999	3,963,941 (2)	2,910,516	1,053,425	136.2%	N/A	N/A
2001	3,947,037 (2)	2,819,182	(1,127,855)	140.0%	N/A	N/A

(1) At Cost
(2) At Fair Value

TOWN OF NORTH KINGSTOWN

POLICE PENSION TRUST FUND

**REQUIRED SUPPLEMENTAL INFORMATION
CONTRIBUTION REQUIREMENTS AND CONTRIBUTIONS MADE
"UNAUDITED"**

<u>Year Ended June 30</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
1992	\$ 272,680	100%
1993	\$ 278,359	100%
1994	\$ 266,360	100%
1995	\$ 316,486	100%
1996	\$ 297,838	100%
1997	\$ 0	100%
1998	\$ 0	100%
1999	\$ 0	100%
2000	\$ 0	100%
2001	\$ 0	100%

TOWN OF NORTH KINGSTOWN

COMBINING AND INDIVIDUAL FUNDS

Detailed financial statements for each fund are presented in a combining or individual fund statement under the dividers labeled accordingly.

TOWN OF NORTH KINGSTOWN

GENERAL FUND

The General Fund is the principal fund of the Town and is used to account for all activities not included in other funds. The General Fund accounts for the normal recurring activities of the Town (i.e., police, fire, public works, general government, etc.). These activities are funded principally by property taxes, intergovernmental revenues, and licenses and fees.

TOWN OF NORTH KINGSTOWN

GENERAL FUND

**BALANCE SHEET
JUNE 30, 2001**

ASSETS

Cash and cash equivalents	\$ 11,763,319
Uncollected property taxes (net)	1,875,928
Due from federal and state governments	301,920
Due from other funds	481,556
Miscellaneous receivables	<u>132,042</u>
TOTAL ASSETS	<u><u>\$ 14,554,765</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable and accrued liabilities	\$ 588,078
Due to other funds	3,781,170
Deferred revenues	2,968,194
Escrow deposits	<u>310,358</u>
Total liabilities	<u><u>7,647,800</u></u>

Fund Balance:

Reserved for encumbrances	1,766,553
Designated for future expenditures	650,000
Unreserved - undesignated	<u>4,490,412</u>
Total fund balance	<u><u>6,906,965</u></u>

TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 14,554,765</u></u>
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TOWN OF NORTH KINGSTOWN

GENERAL FUND

**STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

Revenues:	
General property tax	\$ 44,883,156
Intergovernmental and departmental revenue	3,188,940
Licenses and permits	392,050
Interest on investments	806,129
Other revenue	112,685
Total revenues	<u>49,382,960</u>
Expenditures:	
General government	4,238,457
Public safety	8,896,960
Public works	2,977,767
Human resources	802,496
Total expenditures	<u>16,915,680</u>
Excess of revenues over expenditures before other financing sources (uses)	32,467,280
Other financing sources (uses):	
Operating transfers from other funds	633,865
Operating transfers (to) other funds	<u>(31,136,995)</u>
Net other financing sources (uses)	<u>(30,503,130)</u>
Excess of revenues and other sources over expenditures and other uses	1,964,150
Fund balance, July 1, 2000	<u>4,942,815</u>
Fund balance, June 30, 2001	<u>\$ 6,906,965</u>

TOWN OF NORTH KINGSTOWN

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2001

	Original Budget	Transfers and Additional Appropriations	Final Budget	Actual GAAP Basis	Addition Adjustments	Subtraction Adjustments	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:								
Property taxes	\$ 43,939,068		\$ 43,939,068	\$ 44,883,156			\$ 44,883,156	\$ 944,088
Intergovernmental and departmental	3,492,296		3,492,296	3,188,940			3,188,940	(303,356)
Licenses and permits	77,180		77,180	392,050			392,050	314,870
Interest	630,000		630,000	806,129			806,129	176,129
Other	12,000		12,000	112,685			112,685	100,685
Total revenues	48,150,544	0	48,150,544	49,382,960	\$ 0	0	49,382,960	1,232,416
Expenditures:								
General government								
Town council	147,576	(100,000)	47,576	47,347			47,347	229
Town manager	231,717	10,000	241,717	238,829	790		239,619	2,098
Town clerk	433,051		433,051	403,431	26,910	8,937	421,404	11,647
Town solicitor	201,000	264,999	465,999	389,238	75,030		464,268	1,731
Department of finance	545,609		545,609	541,629	36,614	40,507	537,736	7,873
Assessing	196,263		196,263	236,408	90	44,336	192,162	4,101
Planning	306,208	89,000	395,208	388,118	42,016	39,739	390,395	4,813
General operations	2,244,833	(264,000)	1,980,833	1,993,457	4,621	17,427	1,980,651	182
Subtotal	4,306,257	(1)	4,306,256	4,238,457	186,071	150,946	4,273,582	32,674
Public safety:								
Fire department	4,768,069	650,000	5,418,069	4,709,812	724,522	22,648	5,411,686	6,383
Animal control	131,214		131,214	110,718	124	473	110,369	20,845
Harbor management	35,429	250	35,679	31,798			31,798	3,881
Police department	3,801,672	(250)	3,801,422	3,830,229	98,847	158,288	3,770,788	30,634
Code enforcement	216,114		216,114	214,403	625	17,372	197,656	18,458
Subtotal	8,952,498	650,000	9,602,498	8,896,960	824,118	198,781	9,522,297	80,201
Public works:								
Public works administration	168,635	1,570	170,205	164,140	2,212		166,352	3,853
Highway	1,769,280	107,013	1,876,293	1,311,993	539,577	48,340	1,803,230	73,063
Solid waste landfill	9,000	(2,985)	6,015	5,952			5,952	63
Engineering	339,512	(89,133)	250,379	225,664	66,995	45,150	247,509	2,870

TOWN OF NORTH KINGSTOWN

GENERAL FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2001

	Original Budget	Transfers and Additional Appropriations	Final Budget	Actual GAAP Basis	Addition Adjustments	Subtraction Adjustments	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Public works (continued):								
Transfer station	738,918	(26,106)	712,812	693,766	4,645		698,411	14,401
Public facilities	531,641	9,642	541,283	576,252	19,001	63,740	531,513	9,770
Subtotal	3,556,986	1	3,556,987	2,977,767	632,430	157,230	3,452,967	104,020
Human resources:								
Recreation	403,311	(43)	403,268	371,592	4,204	843	374,953	28,315
Art festival	7,852	43	7,895	7,895			7,895	
Contributions	139,107		139,107	143,824	8,724	13,441	139,107	530
Welfare	45,366		45,366	44,836	162		44,836	3,105
Senior citizens	236,037		236,037	234,349	162	1,579	232,932	3,105
Subtotal	831,673	0	831,673	802,496	13,090	15,863	799,723	31,950
Total expenditures	17,647,414	650,000	18,297,414	16,915,680	1,655,709	522,820	18,048,569	248,845
Excess of revenues over (under) expenditures before other financing sources (uses)	30,503,130	(650,000)	29,853,130	32,467,280	1,655,709	(522,820)	31,334,391	1,481,261
Other sources (uses):								
Transfers in:								
Q/D rec fund	411,163		411,163	411,163			411,163	
Emergency medical services	222,702		222,702	222,702			222,702	
Fund balance		650,000	650,000			650,000	650,000	
Transfers out:								
School	(27,662,158)		(27,662,158)	(27,662,158)			(27,662,158)	
Library	(847,256)		(847,256)	(847,256)			(847,256)	
School capital	(300,000)		(300,000)	(300,000)			(300,000)	
Debt service	(1,987,581)		(1,987,581)	(1,987,581)			(1,987,581)	
Capital reserve	(340,000)		(340,000)	(340,000)			(340,000)	
Subtotal	(30,503,130)	650,000	(29,853,130)	(30,503,130)		650,000	(29,853,130)	
Excess of revenues and other sources over (under) expenditures and other uses	\$ 0	\$ 0	\$ 0	\$ 1,964,150	\$ 1,655,709	\$ (1,172,820)	\$ 1,481,261	\$ 1,481,261

TOWN OF NORTH KINGSTOWN

**TAX COLLECTOR'S ANNUAL REPORT
JUNE 30, 2001**

REAL ESTATE AND PERSONAL PROPERTY TAXES:

	<u>Total</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991 and Prior</u>
Balance, July 1, 2000	\$ 2,454,705		\$ 1,293,119	\$ 121,633	\$ 107,456	\$ 93,400	\$ 99,726	\$ 95,372	\$ 159,039	\$ 148,213	\$ 336,747
Current assessment	42,225,274	\$42,225,274									
Additions	214,607	214,315	292								
Abatements/adjustments	(184,181)	(121,618)	(1,072)	(902)	(1,196)	(3,775)	(10,898)	(5,356)	(23,982)		(15,382)
	44,710,405	42,317,971	1,292,339	120,731	106,260	89,625	88,828	90,016	135,057	148,213	321,365
Collections (net)	42,344,477	41,104,532	1,188,583	22,123	9,488	4,353	2,566	2,202	4,397	4,338	1,895
Balance, June 30, 2001	2,365,928	1,213,439	\$ 103,756	\$ 98,608	\$ 96,772	\$ 85,272	\$ 86,262	\$ 87,814	\$ 130,660	\$ 143,875	\$ 319,470
Less: Allowance	(490,000)										
Net balance	<u>\$ 1,875,928</u>										

SCHEDULE OF MOST RECENT NET ASSESSED PROPERTY VALUES, BY CATEGORY:

<u>Description:</u>	<u>Valuations</u>	<u>Levy</u>
Real property	\$ 1,536,301,370	\$37,159,943
Motor vehicles	191,199,906	4,187,721
Personal property	86,183,981	2,077,787
Total	<u>1,813,685,257</u>	<u>43,425,451</u>
Exemptions	30,711,114	
Motor vehicle phaseout	54,454,339	1,200,177
Total	<u>85,165,453</u>	<u>1,200,177</u>
Net Assessed Values/ Levy	<u>\$ 1,728,519,804</u>	<u>\$42,225,274</u>

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government, and which therefore cannot be diverted to other uses.

The following are activities of the Town:

State Grant - Litter Corps - To account for the annual State run litter program which utilizes teenagers during the summer months to collect roadside litter.

Senior Health Insurance Program - To account for monies received from the State to be used in informing adults about health insurance eligibility and benefits available to them.

Employment Act Title I - To account for funds being held for non-completion/acceptance of projects while in litigation with bonding companies.

Police Tactical Team - To account for donations received for the establishment and training of a North Kingstown Tactical Team.

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

USDA Farmland Protection Program – To account for monies received to acquire agricultural conservation easements from landowners within the Town of North Kingstown.

HUD CAED Grant – To account for funds received from the U.S. Department of Housing and Urban Development to assist local government in providing economic diversification planning services.

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

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

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

RI Water Resource Board – To account for funds received and expenditures made from the Supplier's Allocation of Phase II of the Watershed and Wellhead Protection Program.

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

State Summer Food Service Program - To account for resources received from the State for summer recreation programs.

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

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

Fire Alarm Cable - To account for fees charged for fire alarm cable installations provided by the Fire Department to the general business community.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

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

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

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

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

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

Updike Park Donations – To account for donations received for the renovation of Updike Park.

Operation Drug Dog - To account for donations received to help provide care and support for “Heidi” the Town’s drug dog.

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

Wickford Village – To account for monies received from the State to allow for acquiring and developing certain recreation areas in Wickford.

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

RI Historical Preservation – To account for funds received to provide for the survey of Wickford Historical District.

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

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

Senior Center Legislative Grant - To account for money received from the State for the Senior Citizens Center.

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

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

Welfare Emergency Fund - To account for funds received to be used by the welfare department in case of an emergency.

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

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

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

RI Resource Protection – To account for monies received from the United States Department of Agriculture and the Natural Resources Conservation Service to provide professional tax assistance to landowners considering donating open space land.

Miscellaneous State Water Department Grants – To account for monies received from the State for miscellaneous, water related purposes.

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

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

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

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

Unrestricted
Restricted
Adult Education Fund
Summer School Fund
Sports Camp

The Restricted section is further identified by the following funds:

Public Law 94-142	School to Work CBVIP
Title I	School to Career WMS/DMS
Title VI	Sorico Mini Grant
Title II	RIF Quidnessett Operetta
Drug-Free Schools	School to Career Seacoast
Child Opportunity Zone - Homeless	Going for the Goal
Title VI	Duck Cove Saltmarsh
Preschool Services	RISCA Drumming FP 2001
Tobacco Program	Trinity Repertory
SORICO Model Classroom	COZ Miscellaneous Donations
RITIE	A Window Into the New Millennium
RI Child Opportunity Zone	Substance Abuse Cup Mini Grant
Substance Abuse	Miscellaneous Grants
Literacy Set-Aside	Corporation for Public Broadcasting
Technology Initiative	Champlin Grant
Parents as Teachers	
School to Career	

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	State Grant Litter Corps	Senior Health Insurance Program	Employment Act Title I	Police Tactical Team	Beechwood House Senior Center Equipment Escrow	USDA Farmland Protection Program	HUD CAED Grant
Cash							
Due from federal and state governments							
Due from grantors							
Other receivables							
Due from other funds							
	\$	458	\$ 3,420	\$ 454	\$ 709	\$ 0	\$ 0
TOTAL ASSETS	\$ 0	\$ 458	\$ 3,420	\$ 454	\$ 709	\$ 0	\$ 0

ASSETS

Cash
Due from federal and state governments
Due from grantors
Other receivables
Due from other funds

TOTAL ASSETS

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable and accrued liabilities
Due to other funds
Deferred revenue
Total liabilities

\$ 0	\$ 0	0	\$ 0	\$ 0	0	\$ 0	\$ 0
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Fund Balances:

Reserved for encumbrances
Unreserved:
Designated for future expenditures
Undesignated
Total fund balances

0	458	3,420	454	709	0	0	0
0	458	3,420	454	709	0	0	0

TOTAL LIABILITIES AND FUND BALANCE

\$ 0	\$ 458	\$ 3,420	\$ 454	\$ 709	\$ 0	\$ 0	\$ 0
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TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	State Council on the Arts Grant	Non Civic Detail Escrow Fund	Governor's Justice Commission	Special Purpose Donations	RI Water Resource Board	Miscellaneous Senior Citizens Grant	Community Development Block Grants
Cash	\$ 6,726			\$ 13,585			\$ 12,306
Due from federal and state governments			\$ 500				87,674
Due from grantors							
Other receivables		\$ 55,793					
Due from other funds							174,278
TOTAL ASSETS	\$ 6,726	\$ 55,793	\$ 500	\$ 13,585	\$ 0	\$ 0	\$ 274,258

ASSETS

LIABILITIES AND FUND BALANCE

Liabilities:							
Accounts payable and accrued liabilities				\$ 4,947			\$ 14,160
Due to other funds		\$ 55,793	\$ 500				260,098
Deferred revenue							
Total liabilities	\$ 0	\$ 55,793	\$ 500	\$ 4,947	\$ 0	\$ 0	\$ 274,258
Fund Balances:							
Reserved for encumbrances							
Unreserved:							
Designated for future expenditures	6,726			8,638			
Undesignated	6,726	0	0	8,638	0	0	0
Total fund balances	\$ 6,726	\$ 55,793	\$ 500	\$ 13,585	\$ 0	\$ 0	\$ 274,258
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,726	\$ 55,793	\$ 500	\$ 13,585	\$ 0	\$ 0	\$ 274,258

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	Uplike Park Donation	Operation Drug Dog	School Department Substance Abuse Donations	Wickford Village	Infrastructure Replacement	RI Historical Preservation	Community Center Maintenance
	\$ 2,875	\$ 176	\$ 85,313	\$ 20,000			\$ 4,025
TOTAL ASSETS	\$ 2,875	\$ 176	\$ 85,313	\$ 20,000	\$ 0	\$ 0	\$ 4,025

ASSETS

Cash
 Due from federal and state governments
 Due from grantors
 Other receivables
 Due from other funds

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable and accrued liabilities
 Due to other funds
 Deferred revenue
Total liabilities

Fund Balances:

Reserved for encumbrances
 Unreserved:
 Designated for future expenditures
 Undesignated
Total fund balances

TOTAL LIABILITIES AND FUND BALANCE

	\$ 0	\$ 0	\$ 0	\$ 85,313	\$ 0	\$ 0	\$ 4,025
	\$ 0	\$ 0	\$ 0	\$ 85,313	\$ 0	\$ 0	\$ 4,025
	0	2,875	176	0	20,000	0	0
	\$ 0	\$ 2,875	\$ 176	\$ 85,313	\$ 20,000	\$ 0	\$ 4,025

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

ASSETS

Cash	\$	144	\$	3,098	\$	309,323	\$	803	\$	300	\$	3,000
Due from federal and state governments												1,500
Due from grantors												
Other receivables												
Due from other funds												
TOTAL ASSETS	\$	144	\$	3,098	\$	309,323	\$	803	\$	300	\$	4,500

LIABILITIES AND FUND BALANCE

Liabilities:												
Accounts payable and accrued liabilities			\$	65			\$	803				
Due to other funds												
Deferred revenue	\$	144										
Total liabilities		144	\$	65	\$	0	\$	803	\$	0	\$	0
Fund Balances:												
Reserved for encumbrances												
Unreserved:												
Designated for future expenditures												
Undesignated		0		3,033		309,323		0		300		4,500
Total fund balances		0		3,033		309,323		0		300		4,500
TOTAL LIABILITIES AND FUND BALANCE	\$	144	\$	3,098	\$	309,323	\$	803	\$	300	\$	4,500

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	Fire Department Legislative Grant	Rhode Island Resource Protection Project	Miscellaneous State Water Department Grants	Miscellaneous State Grants	Library Funds	School Department	Totals
ASSETS							
Cash	\$ 5,565						\$ 5,565
Due from federal and state governments		\$ 1,889	\$ 7,625	\$ 3,500	\$ 18,020	\$ 98,418	\$ 123,452
Due from grantors						187,690	187,690
Other receivables					2,402	1,118	3,520
Due from other funds					81,309	28,180	109,489
TOTAL ASSETS	\$ 5,565	\$ 1,889	\$ 7,625	\$ 3,500	\$ 101,731	\$ 2,195,479	\$ 3,241,523

LIABILITIES AND FUND BALANCE

Liabilities:							
Accounts payable and accrued liabilities					\$ 26,523	\$ 394,949	\$ 421,472
Due to other funds		\$ 1,514	\$ 7,625	\$ 3,500		622,375	732,414
Deferred revenue						23,430	23,430
Total liabilities	\$ 0	1,514	7,625	3,500	26,523	1,040,754	1,179,216
Fund Balances:							
Reserved for encumbrances						970,395	970,395
Unreserved:							
Designated for future expenditures					9,000		9,000
Undesignated	5,565	375			66,208	184,330	256,378
Total fund balances	5,565	375	0	0	75,208	1,154,725	1,734,715
TOTAL LIABILITIES AND FUND BALANCE	\$ 5,565	\$ 1,889	\$ 7,625	\$ 3,500	\$ 101,731	\$ 2,195,479	\$ 3,241,523

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001

	State Grant Litter Corps	Senior Health Insurance Program	Employment Act Title I	Police Tactical Team	Beechwood House Senior Center Equipment Escrow	USDA Farmland Protection Program	HUD CAED Grant
Revenues:							
Intergovernmental revenue	\$ 2,300					\$ 400,000	\$ 16,218
Interest on investments			\$ 97				
Tuitions and other revenues							
Total revenues	<u>2,300</u>	<u>\$ 0</u>	<u>\$ 97</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>400,000</u>	<u>16,218</u>
Expenditures:							
General government							
Public safety							
Public works	5,014	949				400,000	16,218
Human resources			3,888				
Education	5,014	949	3,888	0	0	400,000	16,218
Total expenditures	<u>(2,714)</u>	<u>(949)</u>	<u>(3,791)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenue over (under) expenditures before other financing sources	0	0	0	0	0	0	0
Other financing sources (uses):							
Transfers from other funds	(2,714)	(949)	(3,791)	0	0	0	0
Transfers (to) other funds							
Other financing sources (uses):	0	0	0	0	0	0	0
Excess of revenues and other sources over (under) expenditures and other uses	2,714	1,407	7,211	454	709	0	0
Fund balance, beginning of the year	\$ 0	\$ 458	\$ 3,420	\$ 454	\$ 709	\$ 0	\$ 0
Fund balance (deficit), end of the year							

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001

	State Council on the Arts Grant	Non Civic Detail Escrow Fund	Governor's Justice Commission	Special Purpose Donations	RI Water Resource Board	Miscellaneous Senior Citizens Grant	Community Development Block Grants
Revenues:							
Intergovernmental revenue	\$ 7,064		\$ 5,135		\$ 347,495	\$ 4,477	\$ 94,645
Interest on investments		\$ 239,782		\$ 9,785			
Tuitions and other revenues							
Total revenues	<u>7,064</u>	<u>239,782</u>	<u>5,135</u>	<u>9,785</u>	<u>347,495</u>	<u>4,477</u>	<u>94,645</u>
Expenditures:							
General government		239,782	5,135	6,048		4,477	94,645
Public safety							
Public works							
Human resources	1,802				347,495		
Education							
Total expenditures	<u>1,802</u>	<u>239,782</u>	<u>5,135</u>	<u>6,048</u>	<u>347,495</u>	<u>4,477</u>	<u>94,645</u>
Excess of revenue over (under) expenditures before other financing sources	<u>5,262</u>	<u>0</u>	<u>0</u>	<u>3,737</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other financing sources (uses):							
Transfers from other funds							
Transfers (to) other funds							
Other financing sources (uses):	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>5,262</u>	<u>0</u>	<u>0</u>	<u>3,737</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance, beginning of the year	<u>1,464</u>	<u>0</u>	<u>0</u>	<u>4,901</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance (deficit), end of the year	<u>\$ 6,726</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,638</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001**

	Land Dedication <u>Escrow</u>	Fire Alarm <u>Cable</u>	State Elderly Affairs <u>Grant</u>	State Grants - Police <u>Department</u>	Seized and Forfeited Property <u>Escrow</u>	Local Law Enforcement <u>Block</u>	Groundwater Education <u>Donation</u>
Revenues:							
Intergovernmental revenue		\$ 2,195	\$ 21,600	\$ 20,994		\$ 30,827	
Interest on investments	\$ 10,028						
Tuitions and other revenues							
Total revenues	<u>10,028</u>	<u>2,195</u>	<u>21,600</u>	<u>20,994</u>	<u>\$ 0</u>	<u>30,827</u>	<u>\$ 0</u>
Expenditures:							
General government							
Public safety	72,902		21,600	22,687		\$ 10,043	50
Public works							
Human resources							
Education							
Total expenditures	<u>72,902</u>	<u>0</u>	<u>21,600</u>	<u>22,687</u>	<u>0</u>	<u>10,043</u>	<u>50</u>
Excess of revenue over (under) expenditures before other financing sources	<u>(62,874)</u>	<u>2,195</u>	<u>0</u>	<u>(1,693)</u>	<u>0</u>	<u>20,784</u>	<u>(50)</u>
Other financing sources (uses):							
Transfers from other funds							
Transfers (to) other funds	0	0	0	0	0	0	0
Other financing sources (uses):	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(62,874)</u>	<u>2,195</u>	<u>0</u>	<u>(1,693)</u>	<u>0</u>	<u>20,784</u>	<u>(50)</u>
Fund balance, beginning of the year	<u>172,386</u>	<u>328</u>	<u>0</u>	<u>1,716</u>	<u>4,553</u>	<u>0</u>	<u>885</u>
Fund balance (deficit), end of the year	<u>\$ 109,512</u>	<u>\$ 2,523</u>	<u>\$ 0</u>	<u>\$ 23</u>	<u>\$ 4,553</u>	<u>\$ 20,784</u>	<u>\$ 835</u>

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001

	Updike Park Donation	Operation Drug Dog	School Department Substance Abuse Donations	Wickford Village	Infrastructure Replacement	RI Historical Preservation	Community Center Maintenance
Revenues:							
Intergovernmental revenue				\$ 55,313	\$ 7,653	\$ 8,000	
Interest on investments	\$ 363				735		
Tuitions and other revenues							\$ 12,155
Total revenues	\$ 0	\$ 363	\$ 0	\$ 55,313	\$ 8,388	\$ 8,000	\$ 12,155
Expenditures:							
General government	3,993			55,313		8,000	12,155
Public safety		6,804					
Public works							
Human resources							
Education							
Total expenditures	3,993	6,804	0	55,313	0	8,000	12,155
Excess of revenue over (under) expenditures before other financing sources	(3,993)	(6,441)	0	0	8,388	0	0
Other financing sources (uses):							
Transfers from other funds	0	0	0	0	0	0	0
Transfers (to) other funds							
Other financing sources (uses):	0	0	0	0	0	0	0
Excess of revenues and other sources over (under) expenditures and other uses	(3,993)	(6,441)	0	0	8,388	0	0
Fund balance, beginning of the year	3,993	9,316	176	0	11,612	0	0
Fund balance (deficit), end of the year	\$ 0	\$ 2,875	\$ 176	\$ 0	\$ 20,000	\$ 0	\$ 0

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001**

	Heritage Committee	Senior Center Legislative Grant	Impact Fees	Emergency Medical Services	Welfare Emergency Fund	RIDEM Potowomut Pond Clean-up
Revenues:						
Intergovernmental revenue		\$ 6,000	\$ 296,503			\$ 1,500
Interest on investments			12,820	\$ 5,231		
Tuitions and other revenues				396,317		
Total revenues	\$0	6,000	309,323	401,548	\$ 0	1,500
Expenditures:						
General government				178,846		
Public safety						
Public works		4,103				
Human resources						
Education						
Total expenditures	0	4,103	0	178,846	0	0
Excess of revenue over (under) expenditures before other financing sources	0	1,897	309,323	222,702	0	1,500
Other financing sources (uses):						
Transfers from other funds						
Transfers (to) other funds			(502,667)	(222,702)		
Other financing sources (uses):	0	0	(502,667)	(222,702)	0	0
Excess of revenues and other sources over (under) expenditures and other uses	0	1,897	(193,344)	0	0	1,500
Fund balance, beginning of the year	0	1,136	502,667	0	300	3,000
Fund balance (deficit), end of the year	\$0	\$ 3,033	\$ 309,323	\$ 0	\$ 300	\$ 4,500

(CONTINUED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001

	Fire Department Legislative Grant	Rhode Island Resource Protection Project	Miscellaneous State Water Department Grants	Miscellaneous State Grant	Library Funds	School Department	Totals
Revenues:							
Intergovernmental revenue	\$ 10,000	\$ 1,514	\$ 910	\$ 3,500	\$ 184,876	\$ 11,541,571	\$ 13,070,290
Interest on investments					1,469	12,711	43,454
Tuitions and other revenues					44,756	2,643,406	3,346,201
Total revenues	10,000	1,514	910	3,500	231,101	14,197,688	16,459,945
Expenditures:							
General government	4,435						696,898
Public safety			910	3,500			50,017
Public works		1,139			1,098,659		773,137
Human resources							1,106,652
Education	4,435	1,139	910	3,500	1,098,659	41,715,620	41,719,508
Total expenditures	5,565	375	0	0	(867,558)	(27,517,932)	(27,886,267)
Excess of revenue over (under) expenditures before other financing sources							
	0	0	0	0	847,256	27,958,145	28,805,401
Other financing sources (uses):							
Transfers from other funds						(200,000)	(925,369)
Transfers (to) other funds						27,758,145	27,880,032
Excess of revenues and other sources over (under) expenditures and other uses							
	5,565	375	0	0	(20,302)	240,213	(6,235)
Fund balance, beginning of the year	0	0	0	0	95,510	914,512	1,740,950
Fund balance (deficit), end of the year	\$ 5,565	\$ 375	\$ 0	\$ 0	\$ 75,208	\$ 1,154,725	\$ 1,734,715

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2001

	Library Fund		School Department (Unrestricted)		Totals		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	Budget	Actual	
Revenues:							
Intergovernmental revenue	\$ 166,579	\$ 153,466	\$ 10,057,111	\$ 10,182,040	\$ 10,223,690	\$ 10,335,506	\$ 111,816
Other revenue	37,200	40,756	1,945,487	1,549,204	1,982,687	1,589,960	(392,727)
Total revenues	203,779	194,222	12,002,598	11,731,244	12,206,377	11,925,466	(280,911)
Expenditures:							
Human resources	1,060,035	1,050,024	10,011		1,060,035	1,050,024	10,011
Education			39,960,743	39,584,227	39,960,743	39,584,227	376,516
Total expenditures	1,060,035	1,050,024	10,011	39,584,227	41,020,778	40,634,251	386,527
Excess of revenues over (under) expenditures before other financing sources (uses)	(856,256)	(855,802)	454	(27,958,145)	(28,814,401)	(28,708,785)	105,616
Other financing sources (uses):							
Operating transfers from general fund	847,256	847,256	27,958,145	27,958,145	28,805,401	28,805,401	
Operating transfers to School Capital Reserve Fund				(200,000)		(200,000)	(200,000)
Re-appropriation of prior year surplus	9,000	9,000			9,000	9,000	
Total other financing sources (uses)	856,256	856,256	0	27,758,145	(200,000)	28,614,401	(200,000)
Excess of revenues and other sources over (under) and other uses	\$ 0	\$ 454	\$ 454	\$ 0	\$ 0	\$ (94,384)	\$ (94,384)

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

LIBRARY FUNDS

**COMBINING BALANCE SHEET
JUNE 30, 2001**

	Davisville Library Fund	Champlin Foundation Fund	Library Fund	Willet Library Fund	Miscellaneous Library Donations	Totals
ASSETS						
Cash			50			18,020
Accounts receivable			2,402			2,402
Due from other funds			81,309			81,309
TOTAL ASSETS	\$0	\$ 6,756	\$ 83,761	\$0	\$ 11,214	\$ 101,731

LIABILITIES AND FUND BALANCES

Liabilities:						
Accounts payable and accrued liabilities			26,523			26,523
Total liabilities	\$0	\$ 0	\$ 26,523	\$0	\$ 0	\$ 26,523
Fund Balances:						
Unreserved:						
Designated for future expenditure			9,000			9,000
Undesignated		6,756	48,238		11,214	66,208
Total fund balances	0	6,756	57,238	0	11,214	75,208
TOTAL LIABILITIES AND FUND BALANCES	\$0	\$ 6,756	\$ 83,761	\$0	\$ 11,214	\$ 101,731

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

LIBRARY FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	Davisville Library Fund	Champlin Foundation Fund	Library Fund	Willet Library Fund	Miscellaneous Library Donations	Totals
Revenues:						
Intergovernmental revenue	\$ 13,700	\$	\$ 153,466	\$ 13,700	\$ 4,010	\$ 184,876
Interest on investments		651			818	1,469
Other revenue		4,000	40,756			44,756
Total revenues:	<u>13,700</u>	<u>4,651</u>	<u>194,222</u>	<u>13,700</u>	<u>4,828</u>	<u>231,101</u>
Expenditures:						
Human resources	13,700	15,136	1,047,581	13,700	8,542	1,098,659
Excess of revenues over (under) expenditures before other financing sources	<u>0</u>	<u>(10,485)</u>	<u>(853,359)</u>	<u>0</u>	<u>(3,714)</u>	<u>(867,558)</u>
Other financing sources:						
Operating transfer from other funds			847,256			847,256
Excess of revenues and other sources over (under) expenditures	<u>0</u>	<u>(10,485)</u>	<u>(6,103)</u>	<u>0</u>	<u>(3,714)</u>	<u>(20,302)</u>
Fund balance, July 1, 2000	<u>0</u>	<u>17,241</u>	<u>63,341</u>	<u>0</u>	<u>14,928</u>	<u>95,510</u>
Fund balance, June 30, 2001	<u>\$ 0</u>	<u>\$ 6,756</u>	<u>\$ 57,238</u>	<u>\$ 0</u>	<u>\$ 11,214</u>	<u>\$ 75,208</u>

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT
COMBINING BALANCE SHEET
JUNE 30, 2001**

	School Unrestricted	School Restricted	Adult Education Fund	Summer School Fund	Sports Camp	Totals
Cash	\$ 2,695	\$ 36,420	\$ 18,285	\$ 36,423	\$ 4,595	\$ 98,418
Due from federal and state governments	3,833	183,857				187,690
Due from grantors		1,118				1,118
Other receivables	27,545			635		28,180
Due from other funds	1,880,073					1,880,073
TOTAL ASSETS	\$ 1,914,146	\$ 221,395	\$ 18,285	\$ 37,058	\$ 4,595	\$ 2,195,479

ASSETS

LIABILITIES AND FUND BALANCES

Liabilities:						
Accounts payable and accrued liabilities	\$ 367,428	\$ 24,084	\$ 2,480	\$	\$ 957	\$ 394,949
Due to other funds	448,494	173,881				622,375
Deferred revenue		23,430				23,430
Total liabilities	815,922	221,395	2,480	0	957	1,040,754
Fund Balances:						
Reserved for encumbrances	970,395					970,395
Unreserved:						
Undesignated	127,829	0	15,805	37,058	3,638	184,330
Total fund balances	1,098,224	0	15,805	37,058	3,638	1,154,725
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,914,146	\$ 221,395	\$ 18,285	\$ 37,058	\$ 4,595	\$ 2,195,479

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

SCHOOL DEPARTMENT
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES (USES)
 AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 2001**

	School Unrestricted	School Restricted	Adult Education Fund	Summer School Fund	Sports Camp	Totals
Revenues:						
Intergovernmental revenue	\$ 10,169,329	\$ 1,372,242				\$ 11,541,571
Interest on investments	12,711					12,711
Other revenue	2,560,865		\$ 51,920	\$ 26,026	\$ 4,595	2,643,406
Total revenues	12,742,905	1,372,242	51,920	26,026	4,595	14,197,688
Expenditures						
Education	40,262,208	1,372,242	50,223	29,990	957	41,715,620
Excess of revenues over (under) expenditures before other financing sources	(27,519,303)	0	1,697	(3,964)	3,638	(27,517,932)
Other financing sources (uses):						
Operating transfer from other funds	27,958,145					27,958,145
Operating transfer (to) other funds	(200,000)					(200,000)
Total other financing sources (uses)	27,758,145	0	0	0	0	27,758,145
Excess of revenues and other sources over (under) expenditures and other uses	238,842	0	1,697	(3,964)	3,638	240,213
Fund balance, July 1, 2000	859,382	0	14,108	41,022	0	914,512
Fund balance, June 30, 2001	\$ 1,098,224	\$ 0	\$ 15,805	\$ 37,058	\$ 3,638	\$ 1,154,725

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2001**

Public Law 94-142	Title I	Title VI	Title II	Drug-Free Schools	Child Opportunity Zone- Homeless	Title VI
\$ 65,383	\$ 49,102	\$ 2,925	\$ 5,253	\$ 564	\$ 2,996	\$ 22,351
\$ 65,383	\$ 49,102	\$ 2,925	\$ 5,253	\$ 564	\$ 2,996	\$ 22,351

ASSETS

Cash and cash equivalents
Due from State of Rhode Island
Due from grantor

TOTAL ASSETS

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable
Due to other funds
Deferred revenue

Total liabilities

Fund Balance

TOTAL LIABILITIES AND FUND BALANCE

\$ 655	\$ 6,997	\$ 1,780			\$ 1,506	
64,728	42,105	1,145	\$ 5,253	\$ 564	1,490	\$ 22,351
65,383	49,102	2,925	5,253	564	2,996	22,351
0	0	0	0	0	0	0
\$ 65,383	\$ 49,102	\$ 2,925	\$ 5,253	\$ 564	\$ 2,996	\$ 22,351

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Preschool Services</u>	<u>Tobacco Program</u>	<u>Sorico Model Classroom</u>	<u>RITIE</u>	<u>RI Child Opportunity Zone</u>	<u>Substance Abuse</u>	<u>Literacy Set-Aside</u>
Cash and cash equivalents	\$ 3,490			\$ 1,066			\$ 20,108
Due from State of Rhode Island		\$ 1,521			\$ 26,914	\$ 6,662	
Due from grantor							
TOTAL ASSETS	\$ 3,490	\$ 1,521	\$0	\$ 1,066	\$ 26,914	\$ 6,662	\$ 20,108
<u>LIABILITIES AND FUND BALANCE</u>							
Liabilities:							
Accounts payable	\$ 3,490				\$ 314	\$ 1,205	\$ 7,476
Due to other funds		\$ 1,521			26,600	5,456	
Deferred revenue				\$ 1,066		1	12,632
Total liabilities	3,490	1,521	\$0	1,066	26,914	6,662	20,108
Fund Balance	0	0	0	0	0	0	0
TOTAL LIABILITIES AND FUND BALANCE	\$ 3,490	\$ 1,521	\$0	\$ 1,066	\$ 26,914	\$ 6,662	\$ 20,108

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Technology Initiative</u>	<u>Parents as Teachers</u>	<u>School to Career</u>	<u>School to Work CBVIP</u>	<u>School to Career WMS/DMS</u>	<u>Sorico Mini Grant</u>	<u>RIF Quidnessett Operetta</u>
		\$ 1,999	\$ 556		\$ 562		\$ 496 186
TOTAL ASSETS	\$0	\$ 1,999	\$ 556	\$0	\$ 562	\$0	\$ 682

ASSETS

Cash and cash equivalents
Due from State of Rhode Island
Due from grantor

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable \$ 165
Due to other funds \$ 556
Deferred revenue 1,834
Total liabilities 1,999

Fund Balance

TOTAL LIABILITIES AND FUND BALANCE

		\$ 165	\$ 556	\$0	\$ 562	\$0	\$ 496 186 682
	0	0	0	0	0	0	0
TOTAL LIABILITIES AND FUND BALANCE	\$0	\$ 1,999	\$ 556	\$0	\$ 562	\$0	\$ 682

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2001**

	School to Career Seacoast	Going for the Goal	Duckcove Saltmarsh	RISCA Drumming FP 2001	Trinity Repertory	COZ Miscellaneous Donations		
\$	1,550	\$	249	\$	109	\$	7,102	
\$	1,550	\$0	\$	249	\$	109	\$	7,102

ASSETS

Cash and cash equivalents
Due from State of Rhode Island
Due from grantor

TOTAL ASSETS

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable
Due to other funds
Deferred revenue
Total liabilities

Fund Balance

\$	1,550		\$	249	\$	109	\$	7,102	
	1,550	\$0	249	109	\$0	109	\$0	7,102	
0	0	0	0	0	0	0	0	0	
\$	1,550	\$0	\$	249	\$	109	\$0	\$	7,102

TOTAL LIABILITIES AND FUND BALANCE

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING BALANCE SHEET
JUNE 30, 2001**

	A Window into the New Millenium	Substance Abuse Cup Mini Grant	Miscellaneous Grants	Corporation for Public Broadcasting	Champlin Grant	Totals
\$	203				\$ 48	\$ 36,420
						183,857
						1,118
TOTAL ASSETS	\$ 203	\$0	\$0	\$0	\$ 48	\$ 221,395

ASSETS

Cash and cash equivalents
Due from State of Rhode Island
Due from grantor

TOTAL ASSETS

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable						\$ 24,084
Due to other funds						173,881
Deferred revenue					\$ 48	23,430
Total liabilities	203	\$0	\$0	\$0	48	221,395

Fund Balance

	0	0	0	0	0	0
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TOTAL LIABILITIES AND FUND BALANCE

\$	203	\$0	\$0	\$0	\$ 48	\$ 221,395
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TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	Public Law 94-142	Title I	Title VI	Title II	Drug-Free Schools	Child Opportunity Zone- Homeless	Title VI
Revenues:							
Intergovernmental revenue	\$ 326,962	\$ 240,834	\$ 18,286	\$ 28,385	\$ 25,151	\$ 18,000	\$ 106,972
Expenditures							
Education	326,962	240,834	18,286	28,385	25,151	18,000	106,972
Revenues over (under) expenditures	0	0	0	0	0	0	0
Fund balance, June 30, 2000	0	0	0	0	0	0	0
Fund balance, June 30, 2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	Preschool <u>Services</u>	Tobacco <u>Program</u>	Sorico Model <u>Classroom</u>	<u>RITIE</u>	RI Child Opportunity <u>Zone</u>	Substance <u>Abuse</u>	Literacy <u>Set-Aside</u>
Revenues:							
Intergovernmental revenue	\$ 28,361	\$ 4,492	\$ 22,000	\$ 7,511	\$ 69,148	\$ 42,492	\$ 361,262
Expenditures							
Education	28,361	4,492	22,000	7,511	69,148	42,492	361,262
Revenues over (under) expenditures	0	0	0	0	0	0	0
Fund balance, June 30, 2000	0	0	0	0	0	0	0
Fund balance, June 30, 2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	Technology Initiative	Parents as Teachers	School to Career	School to Work CBVIP	School to Career WMS/DMS	Sorico Mini Grant	RIF Quidhessett Operetta
Revenues:							
Intergovernmental revenue	\$ 2,796	\$ 18,127	\$ 1,115	\$ 605	\$ 6,513	\$ 77	\$ 4,814
	2,796	18,127	1,115	605	6,513	77	4,814
Expenditures							
Education	0	0	0	0	0	0	0
Revenues over (under) expenditures	0	0	0	0	0	0	0
Fund balance, June 30, 2000	0	0	0	0	0	0	0
Fund balance, June 30, 2001	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	School to Career Seacoast	Going for the Goal	Duckcove Saltmarsh	RISCA Drumming FP 2001	Trinity Repertory	COZ Miscellaneous Donations
Revenues:						
Intergovernmental revenue	\$0	\$ 5,000	\$0	\$ 4,891	\$ 145	\$0
Expenditures						
Education	0	5,000	0	4,891	145	0
Revenues over (under) expenditures	0	0	0	0	0	0
Fund balance, June 30, 2000	0	0	0	0	0	0
Fund balance, June 30, 2001	\$0	\$ 0	\$0	\$ 0	\$ 0	\$0

TOWN OF NORTH KINGSTOWN

SPECIAL REVENUE FUNDS

**SCHOOL DEPARTMENT - RESTRICTED
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	A Window into the New Millennium	Substance Abuse Cup Mini Grant	Miscellaneous Grants	Corporation for Public Broadcasting	Champlin Grant	Total
Revenues:						
Intergovernmental revenue	\$0	\$ 3	\$ 1,168	\$ 197	\$ 26,935	\$ 1,372,242
Expenditures						
Education	0	3	1,168	197	26,935	1,372,242
Revenues over (under) expenditures	0	0	0	0	0	0
Fund balance, June 30, 2000	0	0	0	0	0	0
Fund balance, June 30, 2001	\$0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

TOWN OF NORTH KINGSTOWN

DEBT SERVICE FUND

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

TOWN OF NORTH KINGSTOWN

DEBT SERVICE FUND

**BALANCE SHEET
JUNE 30, 2001**

ASSETS

Current assets:

Cash and cash equivalents	\$ 30,704
Due from other funds	<u>1,970,627</u>

TOTAL ASSETS	<u><u>\$2,001,331</u></u>
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LIABILITIES AND FUND BALANCE

Current liabilities:

Accounts payable	\$ 3,197
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Fund balance:

Designated for debt service	1,498,134
Designated for future expenditures	<u>500,000</u>

TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$2,001,331</u></u>
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TOWN OF NORTH KINGSTOWN

DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING SOURCES
AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001

Revenues:	
Dedicated revenues	\$ 576,009
Interest on investments	13,389
Total revenues	<u>589,398</u>
Expenditures:	
Debt Service:	
Principal retirement bonds	1,344,192
Interest	841,563
Total expenditures	<u>2,185,755</u>
Excess of expenditures over revenues before other financing sources	(1,596,357)
Other financing sources:	
Operating transfers in	<u>2,490,248</u>
Excess of revenues and other financing sources over expenditures	893,891
Fund balance, July 1, 2000	<u>1,104,243</u>
Fund balance, June 30, 2001	<u>\$ 1,998,134</u>

TOWN OF NORTH KINGSTOWN

CAPITAL PROJECTS FUNDS

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

Capital Reserve – To account for Town capital projects.

High School Bond – To account for monies used to build a new high school.

Open Space/Recreation Bond Fund - To account for expenditures and revenues relating to various State Grants for Open Space/Recreation Projects and the temporary and permanent financing of the Town's share of each project.

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

6.5M School Additions Bond – To account for the construction and renovations of various school buildings.

1.35M Library Bond Fund - To account for the construction and renovation of the North Kingstown Free Library.

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

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

2.3M Athletic Facilities Bond Fund - To account for the improvements of various athletic and physical education facilities at the middle schools and high school.

School Technology Bond Fund - To account for a school computer network and related equipment for the school system.

Asset Protection Bond Fund - To account for funding to support the requirements of the Town's Asset Protection Plan.

Farmland Preservation Bond Fund – To account for the purchase of land and development rights to allow for the preservation of farmland.

Capital Lease Fund - To account for purchases made under a Lease Purchase agreement.

TOWN OF NORTH KINGSTOWN

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	Capital Reserve	High School Bond	Open Space/ Recreation Bond Fund	School Capital Reserve Fund	6.5M School Additions Bond	1.35M Library Bond	6M Public Facilities Plan Bond
Cash and cash equivalents	\$ 1,066,277			\$ 878,203		\$ 6,030	\$ 2,886,361
Investments		\$ 9,157,053					
Due from other funds			\$ 0		\$ 0		
TOTAL ASSETS	\$ 1,066,277	\$ 9,157,053	\$ 0	\$ 878,203	\$ 0	\$ 6,030	\$ 2,886,361

ASSETS

LIABILITIES

Accounts payable	\$ 23,548			\$ 7,443			\$ 102,489
Due to other funds		176,136		84,286		6,030	385,000
Total liabilities	\$ 0	\$ 199,684	\$ 0	\$ 0	\$ 91,729	\$ 6,030	\$ 487,489

FUND BALANCES

Unreserved	1,066,277	8,957,369	0	878,203	(91,729)	0	2,398,872
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,066,277	\$ 9,157,053	\$ 0	\$ 878,203	\$ 0	\$ 6,030	\$ 2,886,361

TOWN OF NORTH KINGSTOWN

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	<u>Farmland & Open Space Reserve</u>	<u>2.3M Athletic Facilities Bond Fund</u>	<u>School Technology Bond Fund</u>	<u>Asset Protection Bond Fund</u>	<u>Farmland Preservation Bond Fund</u>	<u>Capital Lease Fund</u>	<u>Totals</u>
Cash and cash equivalents	\$ 401,059	\$ 300,819		\$ 5,033	\$ 1,555,430	\$ 565,668	\$ 7,664,880
Investments							9,157,053
Due from other funds				385,000			385,000
TOTAL ASSETS	\$ 401,059	\$ 300,819	\$0	\$ 390,033	\$ 1,555,430	\$ 565,668	\$ 17,206,933

LIABILITIES

Accounts payable	\$ 5,900			\$ 2,678	\$ 10,711		\$ 152,769
Due to other funds							651,452
Total liabilities	5,900	\$ 0	\$0	2,678	10,711	\$ 0	804,221

FUND BALANCES

Unreserved	395,159	300,819	0	387,355	1,544,719	565,668	16,402,712
TOTAL LIABILITIES AND FUND BALANCE	\$ 401,059	\$ 300,819	\$0	\$ 390,033	\$ 1,555,430	\$ 565,668	\$ 17,206,933

TOWN OF NORTH KINGSTOWN

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE YEAR ENDED JUNE 30, 2001

	Capital Reserve	High School Bond	Open Space/ Recreation Bond Fund	School Capital Reserve Fund	6.5M School Additions Bond	1.35M Library Bond	6M Public Facilities Plan Bond
Revenue:							
Interest on investments	\$ 65,718	\$ 1,265,208	\$ 668	\$ 53,325	\$ 0	\$ 970	\$ 63,608
Miscellaneous							
Total revenues	65,718	1,265,208	668	53,325	0	970	63,608
Expenditures:							
Capital outlays	232,374	18,221,870	236,102		91,729	30,227	629,532
Interest expense		1,826,550					
Total expenditures	232,374	20,048,420	236,102	0	91,729	30,227	629,532
Excess of revenues over (under) expenditures before other financing sources	(166,656)	(18,783,212)	(235,434)	53,325	(91,729)	(29,257)	(565,924)
Other financing sources:							
Operating transfers in	340,000			500,000			
Operating transfers out				(295,987)			
Lease proceeds							
Bond issuance			235,000				1,900,000
Total other financing sources	340,000	0	235,000	204,013	0	0	1,900,000
Excess of revenues and other financing sources over (under) expenditures and other uses	173,344	(18,783,212)	(434)	257,338	(91,729)	(29,257)	1,334,076
Fund balance, July 1, 2000	892,933	27,740,581	434	620,865	0	29,257	1,064,796
Fund balance (deficit), June 30, 2001	\$ 1,066,277	\$ 8,957,369	\$ 0	\$ 878,203	\$ (91,729)	\$ 0	\$ 2,398,872

TOWN OF NORTH KINGSTOWN

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCE YEAR ENDED JUNE 30, 2001

	Farmland & Open Space Reserve	2.3M Athletic Facilities Bond Fund	School Technology Bond Fund	Asset Protection Bond Fund	Farmland Preservation Bond Fund	Capital Lease Fund	Totals
Revenue:							
Interest on investments	\$ 15,615	\$ 20,274	\$ 1,005		\$ 12,686	\$ 13,601	\$ 1,512,678
Miscellaneous	269,510						269,510
Total revenues	285,125	20,274	1,005	0	12,686	13,601	1,782,188
Expenditures:							
Capital outlays	107,285	93,568	55,692	2,678	3,627,967	202,427	23,531,451
Interest expense							1,826,550
Total expenditures	107,285	93,568	55,692	2,678	3,627,967	202,427	25,358,001
Excess of revenues over (under) expenditures before other financing sources	177,840	(73,294)	(54,687)	(2,678)	(3,615,281)	(188,826)	(23,575,813)
Other financing sources:							
Operating transfers in							840,000
Operating transfers out							(295,987)
Lease proceeds						630,709	630,709
Bond issuance				385,000	5,160,000		7,680,000
Total other financing sources	0	0	0	385,000	5,160,000	630,709	8,854,722
Excess of revenues and other financing sources over (under) expenditures and other uses	177,840	(73,294)	(54,687)	382,322	1,544,719	441,883	(14,721,091)
Fund balance, July 1, 2000	217,319	374,113	54,687	5,033	0	123,785	31,123,803
Fund balance (deficit), June 30, 2001	\$ 395,159	\$ 300,819	\$ 0	\$ 387,355	\$ 1,544,719	\$ 565,668	\$ 16,402,712

TOWN OF NORTH KINGSTOWN

PROPRIETARY FUND TYPES

Proprietary Funds are used to account for operations that are organized to be self-supporting through user charges. As described on the following pages, the Town maintains both Enterprise and Internal Service Funds which are included within the Proprietary Fund Type definition.

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

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

Water - To account for the operation of the Town's Water Supply Department.

Quonset/Davisville Recreation - To account for the operation of a golf course and a marina facility by the Town.

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

School Cafeteria Fund - To account for the School's Food Service operation.

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

**COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Water</u>	<u>Quonset/ Davisville Recreation</u>	<u>Quonset/ Davisville Reserve</u>	<u>School Cafeteria</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 2,650,744	\$ 546,884	\$ 38,294	\$ 10,029	\$ 3,245,951
User charges receivables	368,655	58,972			427,627
Other receivables	15,660	307		75,175	91,142
Inventory	65,221	26,129		38,250	129,600
Total current assets	3,100,280	632,292	38,294	123,454	3,894,320
Property, plant and equipment:					
Land	89,520	494,950			584,470
Building	6,727,611	1,905,080			8,632,691
Equipment and furniture	1,196,007	390,094		14,504	1,600,605
Motor vehicles	96,720	587,746			684,466
Less: accumulated depreciation	(4,837,529)	(1,206,947)		(7,767)	(6,052,243)
Net property, plant and equipment	3,272,329	2,170,923	0	6,737	5,449,989
TOTAL ASSETS	\$ 6,372,609	\$ 2,803,215	\$ 38,294	\$ 130,191	\$ 9,344,309

LIABILITIES AND FUND EQUITY

Current liabilities:					
Accounts payable	\$ 128,117	\$ 57,077		\$ 15,671	\$ 200,865
Deferred revenue		192,807			192,807
Other liabilities	27,785				27,785
Compensated absences payable	37,431	23,918			61,349
Current portion of loan payable	86,000	31,000			117,000
Total current liabilities	279,333	304,802	\$ 0	15,671	599,806

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

**COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Water</u>	<u>Quonset/ Davisville Recreation</u>	<u>Quonset/ Davisville Reserve</u>	<u>School Cafeteria</u>	<u>Total</u>
Long-term liabilities:					
Loan payable (net of current portion)	512,864	522,384			1,035,248
Total long-term liabilities	<u>512,864</u>	<u>522,384</u>	<u>0</u>	<u>0</u>	<u>1,035,248</u>
<u>FUND EQUITY</u>					
Contributed capital		494,117			494,117
Retained Earnings:					
Reserved for future commitments	5,580,412	30,000	38,294	114,520	30,000
Unreserved	5,580,412	1,451,912	38,294	114,520	7,185,138
Total fund equity	<u>5,580,412</u>	<u>1,976,029</u>	<u>38,294</u>	<u>114,520</u>	<u>7,709,255</u>
TOTAL LIABILITIES AND FUND EQUITY	\$ 6,372,609	\$ 2,803,215	\$ 38,294	\$ 130,191	\$ 9,344,309

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, TRANSFERS AND CHANGES IN RETAINED EARNINGS
YEAR ENDED JUNE 30, 2001

	<u>Water</u>	<u>Quonset/ Davisville Recreation</u>	<u>Quonset/ Davisville Reserve</u>	<u>School Cafeteria</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 2,057,847	\$ 1,495,736		\$ 826,025	\$ 4,379,608
Sundry sales and rentals	78,049				78,049
Miscellaneous	8,060	147		261,011	269,218
Total operating revenues	2,143,956	1,495,883	\$ 0	1,087,036	4,726,875
Operating expenses:					
Water operations	1,744,778				1,744,778
Golf course		395,166			395,166
Pro shop		335,023			335,023
Allen's Harbor		137,333			137,333
School cafeteria				1,075,618	1,075,618
Depreciation	177,070	194,746		1,758	373,574
Total operating expenses	1,921,848	1,062,268	0	1,077,376	4,061,492
Operating income	222,108	433,615	0	9,660	665,383
Non-operating revenues (expenses):					
Interest income	128,419	20,911	2,042	1,349	152,721
Interest expense	(39,133)	(25,309)			(64,442)
Total non-operating revenues (expenses):	89,286	(4,398)	2,042	1,349	88,279
Income before transfers	311,394	429,217	2,042	11,009	753,662
Operating transfers out:					
Operating transfer to other funds	0	(411,163)	0	0	(411,163)
Total operating transfers out	0	(411,163)	0	0	(411,163)

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES, TRANSFERS AND CHANGES IN RETAINED EARNINGS
YEAR ENDED JUNE 30, 2001**

	<u>Water</u>	<u>Quonset/ Davisville Recreation</u>	<u>Quonset/ Davisville Reserve</u>	<u>School Cafeteria</u>	<u>Total</u>
Net income	311,394	18,054	2,042	11,009	342,499
Depreciation charged to contributed capital		12,579			12,579
Increase in retained earnings	311,394	30,633	2,042	11,009	355,078
Retained earnings - July 1, 2000, as restated	5,269,018	1,451,279	36,252	103,511	6,860,060
Retained earnings - June 30, 2001	\$ 5,580,412	\$ 1,481,912	\$ 38,294	\$ 114,520	\$ 7,215,138

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001

	Water	Quonset/ Davisville Recreation	Quonset/ Davisville Reserve	School Cafeteria	Total
Cash flows from operating activities:					
Cash received from customers	\$ 2,142,685	\$ 1,471,996		\$ 826,025	\$ 4,440,706
Cash payments to suppliers for goods and services	(1,199,895)	(524,360)	\$ (46)	(660,370)	(2,384,671)
Cash payments to employees for services	(543,430)	(391,919)		(413,919)	(1,349,268)
Miscellaneous revenues	(4,722)	147		233,607	229,032
Net cash provided by operating activities	394,638	555,864	(46)	(14,657)	935,799
Cash flows from noncapital financing activities:					
Operating transfers to other funds	0	(411,163)	0	0	(411,163)
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(33,932)	(94,670)			(128,602)
Loan principal payments	(81,710)	(30,808)			(112,518)
Interest expense	(42,420)	(25,309)			(67,729)
Net cash used in capital and related financing activities	(158,062)	(150,787)	0	0	(308,849)
Cash flows from investing activities:					
Interest and dividends on investments	128,419	20,911	2,042	1,349	152,721
Net cash provided by investing activities	128,419	20,911	2,042	1,349	152,721
Net increase (decrease) in cash and cash equivalents	364,995	14,825	1,996	(13,308)	368,508
Cash and cash equivalents, July 1, 2000	2,285,749	532,059	36,298	23,337	2,877,443
Cash and cash equivalents, June 30, 2001	\$ 2,650,744	\$ 546,884	\$ 38,294	\$ 10,029	\$ 3,245,951

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001

	<u>Water</u>	<u>Quonset/ Davisville Recreation</u>	<u>Quonset/ Davisville Reserve</u>	<u>School Cafeteria</u>	<u>Total</u>
	\$ 222,108	\$ 433,615	\$ 0	\$ 9,660	\$ 665,383
Operating income	177,070	194,746		1,758	373,574
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:					
Depreciation	6,789	(33,119)			(26,330)
Decrease (increase) in accounts receivable	(17,062)	(1,210)			(18,272)
Increase in inventory	(12,782)	264		(27,404)	(39,922)
Decrease (increase) in other receivable	25,127	(51,016)		3,450	(22,439)
Increase (decrease) in accounts payable		9,115			9,115
Increase in deferred revenues	17,511	(770)	(46)		16,695
Increase (decrease) in other liabilities	(18,372)			(2,121)	(20,493)
Decrease in due to other funds	(5,751)	4,239			(1,512)
Increase (decrease) in compensated absences					
Net cash provided by (used for) operating activities	\$ 394,638	\$ 555,864	\$ (46)	\$ (14,657)	\$ 935,799

Reconciliation of operating income to net cash provided by (used for) operating activities:
 Operating income
 Adjustments to reconcile operating income to net cash provided by (used for) operating activities:
 Depreciation
 Decrease (increase) in accounts receivable
 Increase in inventory
 Decrease (increase) in other receivable
 Increase (decrease) in accounts payable
 Increase in deferred revenues
 Increase (decrease) in other liabilities
 Decrease in due to other funds
 Increase (decrease) in compensated absences
Net cash provided by (used for) operating activities

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

COMBINING SCHEDULE OF REVENUES - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2001

	Water Fund		Quonset/Davisville Recreation Fund		Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
Revenues:						
Charges for services:						
Use of water	\$ 2,177,247	\$ 2,135,896	\$ 949,434	\$ 918,095	\$ 2,177,247	\$ 2,135,896
Daily green fees		\$ (41,351)		\$ (31,339)		\$ (41,351)
Annual green fees			120,650	112,768	949,434	918,095
Docking and mooring fees			132,000	155,682	120,650	112,768
Reappropriated fund balance			30,000	30,000	120,650	112,768
Total charges for services	2,177,247	2,135,896	1,232,084	1,216,545	3,409,331	3,352,441
						Variance Favorable (Unfavorable)
Sales and rentals:						
Clothing and merchandise			45,200	52,245	45,200	52,245
Rental income			51,165	51,450	51,165	51,450
Gas carts			207,295	199,673	207,295	199,673
Hand carts, lockers and club storage			4,822	5,823	4,822	5,823
Total sales and rentals	0	0	308,482	309,191	308,482	309,191
						Variance Favorable (Unfavorable)
Other income:						
Investment earnings	40,000	128,419	15,000	20,911	55,000	149,330
Miscellaneous income	6,000	8,060	2,700	147	8,700	8,207
Total other income	46,000	136,479	17,700	21,058	63,700	157,537
						Variance Favorable (Unfavorable)
Total revenues	\$ 2,223,247	\$ 2,272,375	\$ 1,558,266	\$ 1,546,794	\$ 3,781,513	\$ 3,819,169

TOWN OF NORTH KINGSTOWN

ENTERPRISE FUNDS

COMBINING SCHEDULE OF EXPENDITURES AND TRANSFERS - BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2001

	Water Fund		Quonset/Davisville Recreation Fund		Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
						Variance Favorable (Unfavorable)
Expenditures:						
Operations:						
Water supply	\$ 24,329	\$ 10,076	\$	\$	\$ 24,329	\$ 10,076
Pumping	360,004	298,385			360,004	298,385
Water treatment	89,331	57,950			89,331	57,950
Water transportation and distribution	391,063	387,395			391,063	387,395
Accounting and collection	25,605	25,542			25,605	25,542
Administration and general expense	457,767	425,048			457,767	425,048
Customer services	74,526	59,113			74,526	59,113
Ground water committee	269,327	361,153			269,327	361,153
Wastewater	91,350	35,805			91,350	35,805
Golf course			\$ 486,651	\$ 395,166	\$ 486,651	\$ 395,166
Pro shop			431,126	335,023	431,126	335,023
Allen's Harbor			161,209	137,333	161,209	137,333
Total operations	1,783,302	1,660,467	1,078,986	867,522	2,862,288	2,527,989
						Variance Favorable (Unfavorable)
Other expenditures:						
Operational reserve	30,000				30,000	30,000
Debt service	120,844	120,843	56,117	56,117	176,961	176,960
Capital outlay	289,101	84,311			289,101	84,311
Capital reserve			12,000		12,000	12,000
Total other expenditures	439,945	205,154	68,117	56,117	508,062	261,271
Operating transfers out:						
Transfer to other funds	0	0	411,163	411,163	411,163	411,163
Total expenditures and operating transfers out	\$ 2,223,247	\$ 1,865,621	\$ 1,558,266	\$ 1,334,802	\$ 3,781,513	\$ 3,200,423
						Variance Favorable (Unfavorable)
						\$ 581,090

TOWN OF NORTH KINGSTOWN

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the Town on a cost-reimbursement basis.

Workers' Compensation - To account for the operations of the Town's self-insurance activities for workers' compensation claims.

Property Damage - To account for operations of the Town's self-insurance activities for damage to Town property as determined by the Self-Insurance Committee.

TOWN OF NORTH KINGSTOWN

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	<u>Workers'</u> <u>Compensation</u>	<u>Property</u> <u>Damage</u>	<u>Total</u>
<u>ASSETS</u>			
<i>Current assets:</i>			
Cash and cash equivalents	\$ 1,504,588	\$ 869,828	\$ 2,374,416
<i>TOTAL ASSETS</i>	<u>\$ 1,504,588</u>	<u>\$ 869,828</u>	<u>\$ 2,374,416</u>
<u>LIABILITIES AND FUND EQUITY</u>			
<i>Current liabilities:</i>			
Accounts and claims payable	\$ 77,181		\$ 77,181
<i>Fund equity:</i>			
Retained earnings	1,427,407	\$ 869,828	2,297,235
<i>TOTAL LIABILITIES AND FUND EQUITY</i>	<u>\$ 1,504,588</u>	<u>\$ 869,828</u>	<u>\$ 2,374,416</u>

TOWN OF NORTH KINGSTOWNINTERNAL SERVICE FUNDSCOMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
YEAR ENDED JUNE 30, 2001

	<u>Workers'</u> <u>Compensation</u>	<u>Property</u> <u>Damage</u>	<u>Total</u>
Operating revenues:			
Charges for insurance and services	\$ 0	\$ 38,167	\$ 38,167
Operating expenses:			
Program costs	24,511	56,367	80,878
Operating loss	(24,511)	(18,200)	(42,711)
Non-operating revenue:			
Interest income	85,471	49,670	135,141
Net income	60,960	31,470	92,430
Retained earnings, beginning of year	1,366,447	838,358	2,204,805
Retained earnings, end of year	<u>\$ 1,427,407</u>	<u>\$ 869,828</u>	<u>\$ 2,297,235</u>

TOWN OF NORTH KINGSTOWNINTERNAL SERVICE FUNDS**COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	<u>Workers'</u> <u>Compensation</u>	<u>Property</u> <u>Damage</u>	<u>Total</u>
<i>Cash flows from operating activities:</i>			
Charges for services		\$ 38,167	\$ 38,167
Program costs	\$ (11,960)	(57,352)	(69,312)
<i>Net cash used for operating activities</i>	<u>(11,960)</u>	<u>(19,185)</u>	<u>(31,145)</u>
<i>Cash flows from investing activities</i>			
Investment income	85,471	49,670	135,141
<i>Net increase in cash and cash equivalents</i>	73,511	30,485	103,996
<i>Cash and cash equivalents, June 30, 2000</i>	<u>1,431,077</u>	<u>839,343</u>	<u>2,270,420</u>
<i>Cash and cash equivalents, June 30, 2001</i>	<u>\$ 1,504,588</u>	<u>\$ 869,828</u>	<u>\$ 2,374,416</u>
<i>Reconciliation of operating loss to net cash used for operating activities:</i>			
Operating loss	\$ (24,511)	\$ (18,200)	\$ (42,711)
Increase (decrease) in accounts and claims payable	12,551	(985)	11,566
<i>Net cash used for operating activities</i>	<u>\$ (11,960)</u>	<u>\$ (19,185)</u>	<u>\$ (31,145)</u>

TOWN OF NORTH KINGSTOWN

FIDUCIARY FUNDS

TRUST

Expendable trust funds and non-expendable trust funds were established to account for assets held by the Town in a fiduciary capacity for individuals, governmental entities and others. Such trust funds operate by carrying out specific terms of trust indentures, statutes, ordinances, grant requirements or other governing regulations.

EXPENDABLE TRUST FUNDS

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

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

Wilson Park - To account for monies received as donations for the upkeep and improvement of Wilson Park.

Termination Trust Fund - To account for monies set aside to pay accrued sick and vacation due upon retirement.

Health Insurance Reserve Fund – To account for monies set aside to pay health insurance due upon retirement.

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

Updike
Gardiner
Library
Tennis

Henry Reynolds Indigent Care - An account established to receive the annual interest proceeds from a trust account at Fleet National Bank which was established to benefit the poor and needy of North Kingstown and is authorized to be used as required by the Welfare Director.

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

NON-EXPENDABLE TRUST FUNDS

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

Thomas J. Casey
H.N. Reynolds Outside
John J. Spink Outside
John B. Spink Outside

(CONTINUED)

TOWN OF NORTH KINGSTOWN

FIDUCIARY FUNDS

NON-EXPENDABLE TRUST FUNDS (Continued)

Burial Funds - To account for the transfer of interest earned in these funds to the General Fund for care and maintenance expenses for certain burial lots by the Town of North Kingstown. The following is a list of Burial Funds included in this section:

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

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

Lawton
Dubois
Weeks
Wood
E. Rogers/C. Levalley
Cogan

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

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

Elizabeth Miller
William D. Davis

AGENCY

Agency Funds were established to function as clearing mechanisms for cash resources which are collected and disbursed to authorized recipients.

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

Payroll Fund - To account for the Town's payroll expenses.

School Payroll Fund - To account for the School's payroll expenses.

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

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

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

Senior Outreach - To account for donations received by the Town of North Kingstown to be used to assist elderly in need.

(CONTINUED)

TOWN OF NORTH KINGSTOWN

FIDUCIARY FUNDS

AGENCY

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

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

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

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

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

Surplus Equipment Escrow - To account for funds received from surplus equipment activities.

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

FIDUCIARY FUNDS

**COMBINING BALANCE SHEET
JUNE 30, 2001**

	Trust Funds			Agency Funds	Totals
	Expendable	Non-Expendable	Police Pension		
ASSETS					
Cash and cash equivalents	\$ 1,303,334	\$ 102,620	\$ 375,141	\$ 963,850	\$ 2,744,945
Investments			3,572,123		3,572,123
Due from other funds				471,535	471,535
TOTAL ASSETS	\$ 1,303,334	\$ 102,620	\$ 3,947,264	\$ 1,435,385	\$ 6,788,603
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 46,698			\$ 8,257	\$ 8,257
Due to other funds					46,698
Due to student groups				163,635	163,635
Deposits held in custody for others				733,014	733,014
Payroll withholding				530,479	530,479
Total liabilities	46,698	\$ 0	\$ 0	1,435,385	1,482,083
Fund Balances:					
Reserved for employee retirement system			3,947,264		3,947,264
Reserved for trust principal		58,764			58,764
Unreserved	1,256,636	43,856			1,300,492
Total fund balances	1,256,636	102,620	3,947,264	0	5,306,520
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,303,334	\$ 102,620	\$ 3,947,264	\$ 1,435,385	\$ 6,788,603

TOWN OF NORTH KINGSTOWN

EXPENDABLE TRUST FUNDS

**COMBINING BALANCE SHEET
JUNE 30, 2001**

	Anniversary Funds	Tri-Centennial Park	400th Anniversary	Wilson Park	Termination Trust Fund	Health Insurance Reserve	School Funds	Henry Reynolds Indigent Care	Anne Ward Wallou Memorial Garden	Totals
Cash	\$ 5,813	\$ 2,977	\$ 3,775	\$ 944,723	\$ 300,620	\$ 22,271	\$ 18,710	\$ 4,445	\$ 1,303,334	

ASSETS

LIABILITIES AND FUND BALANCE

Liabilities:										
Due to other funds	\$ 0	\$ 0	\$ 0	\$ 46,698	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 46,698
Fund Balance:										
Unreserved	5,813	2,977	3,775	898,025	300,620	22,271	18,710	4,445	1,256,636	
TOTAL LIABILITIES AND FUND BALANCE	\$ 5,813	\$ 2,977	\$ 3,775	\$ 944,723	\$ 300,620	\$ 22,271	\$ 18,710	\$ 4,445	\$ 1,303,334	

TOWN OF NORTH KINGSTOWN

EXPENDABLE TRUST FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001**

	Anniversary Funds	Tri-Centennial Park	400th Anniversary	Wilson Park	Termination Trust Fund	Health Insurance Reserve	School Funds	Henry Reynolds Indigent Care	Anne Ward Wallou Memorial Garden	Totals
Revenues:										
Interest on investments	\$ 184	\$	170	\$ 120	\$ 49,247	\$ 5,620	\$ 728	\$ 1,051	\$ 283	\$ 57,403
Other					100,000	200,000				300,000
Total revenues	184	170	170	120	149,247	205,620	728	1,051	283	357,403
Expenditures:										
Per trust agreements	0	0	0	0	90,037	0	551	0	819	91,407
Excess of revenues over (under) expenditures	184	170	170	120	59,210	205,620	177	1,051	(536)	265,996
Fund balances, July 1, 2000	5,629	2,807	2,807	3,655	838,815	95,000	22,094	17,659	4,981	990,640
Fund balances, June 30, 2001	\$ 5,813	\$ 2,977	\$ 2,977	\$ 3,775	\$ 898,025	\$ 300,620	\$ 22,271	\$ 18,710	\$ 4,445	\$ 1,256,636

TOWN OF NORTH KINGSTOWN

EXPENDABLE TRUST FUNDS

SCHOOL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	<u>Updike</u>	<u>Gardiner</u>	<u>Library</u>	<u>Tennis Fund</u>	<u>Totals</u>
<u>ASSETS</u>					
Cash	\$ 3,728	\$ 9,649	\$ 8,634	\$ 260	\$ 22,271
<u>FUND BALANCES</u>					
Unreserved	\$ 3,728	\$ 9,649	\$ 8,634	\$ 260	\$ 22,271

TOWN OF NORTH KINGSTOWN

EXPENDABLE TRUST FUNDS

SCHOOL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 2001

	<u>Updike</u>	<u>Gardiner</u>	<u>Library</u>	<u>Tennis Fund</u>	<u>Totals</u>
Revenues:					
Interest income	\$ 107	\$ 261	\$ 354	\$ 6	\$ 728
Expenditures:					
Expenditures	7	16	527	1	551
Excess of revenues over (under) expenditures	100	245	(173)	5	177
Fund balances, July 1, 2000	3,628	9,404	8,807	255	22,094
Fund balances, June 30, 2001	\$ 3,728	\$ 9,649	\$ 8,634	\$ 260	\$ 22,271

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2001

	Poor Funds	Burial Funds	Probate Funds	Veterans Memorial Scholarship Fund	Library Funds	Totals
<u>ASSETS</u>						
Cash	\$ 29,202	\$ 19,740	\$ 39,347	\$ 7,285	\$ 7,046	\$ 102,620
<u>FUND BALANCES</u>						
Reserved for principal	\$ 6,000	\$ 13,000	\$ 26,064	\$ 6,700	\$ 7,000	\$ 58,764
Unreserved	23,202	6,740	13,283	585	46	43,856
TOTAL FUND BALANCES	\$ 29,202	\$ 19,740	\$ 39,347	\$ 7,285	\$ 7,046	\$ 102,620

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	Poor Funds	Burial Funds	Probate Funds	Veterans Memorial Scholarship Fund	Library Funds	Totals
Operating revenues:						
Other	\$ 0	\$ 0	\$ 2,573	\$ 0	\$ 0	\$ 2,573
Operating expenses:						
Per trust agreements	0	344	23,321	0	245	23,910
Operating income (loss)	0	(344)	(20,748)	0	(245)	(21,337)
Non-operating revenues:						
Investment income	922	656	3,112	410	229	5,329
Net income (loss)	922	312	(17,636)	410	(16)	(16,008)
Fund balances, July 1, 2000	28,280	19,428	56,983	6,875	7,062	118,628
Fund balances, June 30, 2001	\$ 29,202	\$ 19,740	\$ 39,347	\$ 7,285	\$ 7,046	\$ 102,620

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	Poor Funds	Burial Funds	Probate Funds	Veterans Memorial Scholarship Fund	Library Funds	Totals
Cash flows from operating activities:						
Trust expenses		\$ (344)	\$ (23,321)		\$ (245)	\$ (23,910)
Other			2,573			2,573
Net cash provided by (used for) operating activities	\$ 0	(344)	(20,748)	\$ 0	(245)	(21,337)
Cash flows from investing activities:						
Investment income	922	656	3,112	410	229	5,329
Net increase (decrease) in cash	922	312	(17,636)	410	(16)	(16,008)
Cash, July 1, 2000	28,280	19,428	56,983	6,875	7,062	118,628
Cash, June 30, 2001	\$ 29,202	\$ 19,740	\$ 39,347	\$ 7,285	\$ 7,046	\$ 102,620
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Cash flows from operating activities:	\$ 0	\$ (344)	\$ (20,748)	\$ 0	\$ (245)	\$ (21,337)
Operating income (loss)						

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**POOR FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Thomas J. Casey</u>	<u>H.N. Reynolds Outside</u>	<u>John J. Spink Outside</u>	<u>John B. Spink Outside</u>	<u>Totals</u>
<u>ASSETS</u>					
Cash	\$ 2,078	\$ 2,078	\$ 20,037	\$ 5,009	\$ 29,202
<u>FUND BALANCES</u>					
Reserved for principal	\$ 500	\$ 500	\$ 4,000	\$ 1,000	\$ 6,000
Unreserved	1,578	1,578	16,037	4,009	23,202
TOTAL FUND BALANCES	\$ 2,078	\$ 2,078	\$ 20,037	\$ 5,009	\$ 29,202

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

POOR FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001**

	<u>Thomas J. Casey</u>	<u>H.N. Reynolds</u>	<u>John J. Spink</u>	<u>John B. Spink</u>	<u>Totals</u>
		<u>Outside</u>	<u>Outside</u>	<u>Outside</u>	
Operating revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating expenses - Per trust agreements	0	0	0	0	0
Operating income	0	0	0	0	0
Non-operating revenues - Investment income	65	65	634	158	922
Net income	65	65	634	158	922
Fund balance, July 1, 2000	2,013	2,013	19,403	4,851	28,280
Fund balance, June 30, 2001	<u>\$ 2,078</u>	<u>\$ 2,078</u>	<u>\$ 20,037</u>	<u>\$ 5,009</u>	<u>\$ 29,202</u>

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

POOR FUNDS

**COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	Thomas J. Casey	H.N. Reynolds Outside	John J. Spink Outside	John B. Spink Outside	Totals
Cash flows from investing activities:					
Investment income	\$ 65	\$ 65	\$ 634	\$ 158	\$ 922
Net increase in cash	65	65	634	158	922
Cash, July 1, 2000	2,013	2,013	19,403	4,851	28,280
Cash, June 30, 2001	<u>\$ 2,078</u>	<u>\$ 2,078</u>	<u>\$ 20,037</u>	<u>\$ 5,009</u>	<u>\$ 29,202</u>

Reconciliation of operating income to net cash provided by operating activities:

Cash flows from operating activities:
Operating income

\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
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TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**BURIAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	Hall	Vaughn	Young	Rebecca Hammond	W.H. Welling	George C. Hall	B.H. Davis
<u>ASSETS</u>							
Cash	\$ 503	\$ 101	\$ 302	\$ 302	\$ 8,261	\$ 201	\$ 503
<u>FUND BALANCES</u>							
Reserved for principal	\$ 500	\$ 100	\$ 300	\$ 300	\$ 2,300	\$ 200	\$ 500
Unreserved	3	1	2	2	5,961	1	3
TOTAL FUND BALANCES	\$ 503	\$ 101	\$ 302	\$ 302	\$ 8,261	\$ 201	\$ 503

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**BURIAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Updike</u>	<u>Mary Carpenter</u>	<u>Smith- Lawton</u>	<u>Old Baptist Cemetery</u>	<u>Smith</u>	<u>Totals</u>
<u>ASSETS</u>						
Cash	\$ 2,218	\$ 1,007	\$ 4,630	\$ 705	\$ 1,007	\$ 19,740
<u>FUND BALANCES</u>						
Reserved for principal	\$ 1,500	\$ 1,000	\$ 4,600	\$ 700	\$ 1,000	\$ 13,000
Unreserved	718	7	30	5	7	6,740
TOTAL FUND BALANCES	\$ 2,218	\$ 1,007	\$ 4,630	\$ 705	\$ 1,007	\$ 19,740

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

BURIAL FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	Hall	Vaughn	Young	Rebecca Hammond	W.H. Welling	George C. Hall	B.H. Davis
Operating revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating expenses - Per trust agreements	17	3	11	11	0	7	17
Operating income (loss)	(17)	(3)	(11)	(11)	0	(7)	(17)
Non-operating revenues - Investment income	16	3	10	10	262	6	16
Net income (loss)	(1)	0	(1)	(1)	262	(1)	(1)
Fund balance, July 1, 2000	504	101	303	303	7,999	202	504
Fund balance, June 30, 2001	\$ 503	\$ 101	\$ 302	\$ 302	\$ 8,261	\$ 201	\$ 503

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**BURIAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001**

	<u>Updike</u>	<u>Mary Carpenter</u>	<u>Smith- Lawton</u>	<u>Old Baptist Cemetery</u>	<u>Smith</u>	<u>Totals</u>
Operating revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating expenses - Per trust agreements	22	35	162	24	35	344
Operating income (loss)	(22)	(35)	(162)	(24)	(35)	(344)
Non-operating revenues - Investment income	93	33	151	23	33	656
Net income (loss)	71	(2)	(11)	(1)	(2)	312
Fund balance, July 1, 2000	2,147	1,009	4,641	706	1,009	19,428
Fund balance, June 30, 2001	\$ 2,218	\$ 1,007	\$ 4,630	\$ 705	\$ 1,007	\$ 19,740

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**BURIAL FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	Hall	Vaughn	Young	Rebecca Hammond	W.H. Welling	George C. Hall	B.H. Davis
Cash flows from operating activities:							
Trust expenses	\$ (17)	\$ (3)	\$ (11)	\$ (11)		\$ (7)	\$ (17)
	16	3	10	10	\$ 262	6	16
Cash flows from investing activities:							
Investment income	(1)	0	(1)	(1)	262	(1)	(1)
Net increase (decrease) in cash	504	101	303	303	7,999	202	504
Cash, July 1, 2000	\$ 503	\$ 101	\$ 302	\$ 302	\$ 8,261	\$ 201	\$ 503

Reconciliation of operating income to net cash provided by operating activities:

Cash flows from operating activities:							
Operating income (loss)	\$ (17)	\$ (3)	\$ (11)	\$ (11)	\$ 0	\$ (7)	\$ (17)

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**BURIAL FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	Updike	Mary Carpenter	Smith-Lawton	Old Baptist Cemetery	Smith	Totals
Cash flows from operating activities:						
Trust expenses	\$ (22)	\$ (35)	\$ (162)	\$ (24)	\$ (35)	\$ (344)
	93	33	151	23	33	656
Cash flows from investing activities:						
Investment income	71	(2)	(11)	(1)	(2)	312
	2,147	1,009	4,641	706	1,009	19,428
Net increase (decrease) in cash						
Cash, July 1, 2000						
Cash, June 30, 2001	\$ 2,218	\$ 1,007	\$ 4,630	\$ 705	\$ 1,007	\$ 19,740

Reconciliation of operating income to net cash provided by operating activities:

Cash flows from operating activities:						
Operating income (loss)	\$ (22)	\$ (35)	\$ (162)	\$ (24)	\$ (35)	\$ (344)

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

PROBATE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001

	<u>Lawton</u>	<u>Dubois</u>	<u>Weeks</u>	<u>Wood</u>	<u>E. Rogers/ C. Levalley</u>	<u>Cogan</u>	<u>Totals</u>
<u>ASSETS</u>							
Cash	\$ 7,912	\$ 27,679	\$ 2,152	\$ 0	\$ 1,104	\$ 500	\$ 39,347
<u>FUND BALANCES</u>							
Reserved for principal	\$ 750	\$ 21,741	\$ 2,073		\$ 1,000	\$ 500	\$ 26,064
Unreserved	7,162	5,938	79		104		13,283
TOTAL FUND BALANCES	\$ 7,912	\$ 27,679	\$ 2,152	\$ 0	\$ 1,104	\$ 500	\$ 39,347

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

PROBATE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2001

	<u>Lawton</u>	<u>Dubois</u>	<u>Weeks</u>	<u>Wood</u>	<u>E. Rogers/ C. Levalley</u>	<u>Cogan</u>	<u>Totals</u>
Operating revenues - Other	\$ 0	\$ 0	\$ 2,073	\$ 0	\$ 0	\$ 500	\$ 2,573
Operating expenses - Per trust agreement	0	0	0	23,321	0	0	23,321
Operating income (loss)	0	0	2,073	(23,321)	0	500	(20,748)
Non-operating revenues - Investment income	250	1,565	79	1,159	59		3,112
Net income (loss)	250	1,565	2,152	(22,162)	59	500	(17,636)
Fund balance, July 1, 2000	7,662	26,114	0	22,162	1,045	0	56,983
Fund balance, June 30, 2001	\$ 7,912	\$ 27,679	\$ 2,152	\$ 0	\$ 1,104	\$ 500	\$ 39,347

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**PROBATE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	<u>Lawton</u>	<u>Dubois</u>	<u>Weeks</u>	<u>Wood</u>	<u>E. Rogers/ C. Levalley</u>	<u>Cogan</u>	<u>Totals</u>
Cash flows from operating activities:							
Other			\$ 2,073			\$ 500	\$ 2,573
Trust expenses				\$ (23,321)			(23,321)
Net cash provided by (used for) operating activities	\$ 0	\$ 0	2,073	(23,321)	\$ 0	500	(20,748)
Cash flows from investing activities:							
Investment income	250	1,565	79	1,159	59		3,112
Net increase (decrease) in cash	250	1,565	2,152	(22,162)	59	500	(17,636)
Cash, July 1, 2000	7,662	26,114	0	22,162	1,045	0	56,983
Cash, June 30, 2001	\$ 7,912	\$ 27,679	\$ 2,152	\$ 0	\$ 1,104	\$ 500	\$ 39,347

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:

Cash flows from operating activities:							
Operating income (loss)	\$ 0	\$ 0	\$ 2,073	\$ (23,321)	\$ 0	\$ 500	\$ (20,748)

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**LIBRARY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2001**

	<u>Elizabeth Miller</u>	<u>William D. Davis</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash	\$ 2,013	\$ 5,033	\$ 7,046
<u>FUND BALANCES</u>			
Reserved for principal	\$ 2,000	\$ 5,000	\$ 7,000
Unreserved	13	33	46
<u>TOTAL FUND BALANCES</u>	<u>\$ 2,013</u>	<u>\$ 5,033</u>	<u>\$ 7,046</u>

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

LIBRARY FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2001**

	Elizabeth <u>Miller</u>	William D. <u>Davis</u>	<u>Totals</u>
<i>Operating revenues</i>	\$ 0	\$ 0	\$ 0
<i>Operating expenses</i>	70	175	245
<i>Operating loss</i>	(70)	(175)	(245)
<i>Non-operating revenues</i> - Investment income	65	164	229
<i>Net income loss</i>	(5)	(11)	(16)
<i>Fund balance, July 1, 2000</i>	2,018	5,044	7,062
<i>Fund balance, June 30, 2001</i>	<u>\$ 2,013</u>	<u>\$ 5,033</u>	<u>\$ 7,046</u>

TOWN OF NORTH KINGSTOWN

NON-EXPENDABLE TRUST FUNDS

**LIBRARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2001**

	Elizabeth <u>Miller</u>	William D. <u>Davis</u>	<u>Totals</u>
<i>Cash flows from operating activities:</i>			
Trust expenses	\$ (70)	\$ (175)	\$ (245)
<i>Cash flows from investing activities:</i>			
Investment income	65	164	229
<i>Net decrease in cash</i>	(5)	(11)	(16)
<i>Cash, July 1, 2000</i>	2,018	5,044	7,062
<i>Cash, June 30, 2001</i>	<u>\$ 2,013</u>	<u>\$ 5,033</u>	<u>\$ 7,046</u>
 <i>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</i>			
Cash flows from operating activities:			
Operating loss	<u>\$ (70)</u>	<u>\$ (175)</u>	<u>\$ (245)</u>

TOWN OF NORTH KINGSTOWN

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2001**

	Balance <u>July 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2001</u>
<u>SCHOOL ACTIVITY FUND</u>				
<u>ASSETS</u>				
Cash	\$ 127,980	\$ 580,930	\$ 545,275	\$ 163,635
<u>LIABILITIES</u>				
Due to student groups	\$ 127,980	\$ 579,642	\$ 543,987	\$ 163,635
<u>PAYROLL FUND</u>				
<u>ASSETS</u>				
Cash	\$ 1,312	\$ 25,733,010	\$ 25,702,716	\$ 31,606
Due from other funds	76,730	11,562,528	11,616,216	23,042
TOTAL ASSETS	\$ 78,042	\$ 37,295,538	\$ 37,318,932	\$ 54,648
<u>LIABILITIES</u>				
Payroll withholdings	\$ 78,042	\$ 18,144,385	\$ 18,167,779	\$ 54,648
<u>SCHOOL PAYROLL FUND</u>				
<u>ASSETS</u>				
Cash	\$ 53,205	\$ 60,588,951	\$ 60,614,818	\$ 27,338
Due from other funds	429,216	27,415,854	27,396,577	448,493
TOTAL ASSETS	\$ 482,421	\$ 88,004,805	\$ 88,011,395	\$ 475,831
<u>LIABILITIES</u>				
Payroll withholdings	\$ 482,421	\$ 43,224,166	\$ 43,230,756	\$ 475,831

(CONTINUED)

TOWN OF NORTH KINGSTOWN

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2001**

	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
<u>RECREATION ESCROW</u>				
<u>ASSETS</u>				
Cash	\$ 15,537	\$ 110,884	\$ 100,010	\$ 26,411
<u>LIABILITIES</u>				
Accounts payable	\$ 4,423	\$ 94,799	\$ 98,490	\$ 732
Deposits held in custody for others	11,114	123,977	109,412	25,679
TOTAL LIABILITIES	\$ 15,537	\$ 218,776	\$ 207,902	\$ 26,411
<u>SENIOR CITIZENS CENTER</u>				
<u>ASSETS</u>				
Cash	\$ 12,441	\$ 51,276	\$ 46,537	\$ 17,180
<u>LIABILITIES</u>				
Accounts payable	\$ 1,271	\$ 44,698	\$ 38,794	\$ 7,175
Deposits held in custody for others	11,170	72,451	73,616	10,005
TOTAL LIABILITIES	\$ 12,441	\$ 117,149	\$ 112,410	\$ 17,180
<u>ARTS COUNCIL</u>				
<u>ASSETS</u>				
Cash	\$ 3,217	\$ 10,516	\$ 6,768	\$ 6,965
<u>LIABILITIES</u>				
Accounts payable	\$ 0	\$ 7,618	\$ 7,268	\$ 350
Deposits held in custody for others	3,217	10,516	7,118	6,615
TOTAL LIABILITIES	\$ 3,217	\$ 18,134	\$ 14,386	\$ 6,965

(CONTINUED)

TOWN OF NORTH KINGSTOWN

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2001**

	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
<u>SENIOR OUTREACH</u>				
<u>ASSETS</u>				
Cash	\$ 759	\$ 3,736	\$ 3,004	\$ 1,491
<u>LIABILITIES</u>				
Accounts payable	\$ 0	\$ 2,804	\$ 2,804	\$ 0
Deposits held in custody for others	759	6,018	5,286	1,491
TOTAL LIABILITIES	\$ 759	\$ 8,822	\$ 8,090	\$ 1,491
<u>PROJECT D.A.R.E.</u>				
<u>ASSETS</u>				
Cash	\$ 746	\$ 12,362	\$ 5,859	\$ 7,249
<u>LIABILITIES</u>				
Accounts payable	\$ 0	\$ 5,487	\$ 5,487	\$ 0
Deposits held in custody for others	746	14,730	8,227	7,249
TOTAL LIABILITIES	\$ 746	\$ 20,217	\$ 13,714	\$ 7,249
<u>LEISURE SERVICES BROCHURE</u>				
<u>ASSETS</u>				
Cash	\$ 900	\$ 0	\$ 0	\$ 900
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 900	\$ 0	\$ 0	\$ 900

(CONTINUED)

TOWN OF NORTH KINGSTOWN

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2001**

	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
<u>DEVELOPER SURETY ESCROW</u>				
<u>ASSETS</u>				
Cash	\$ 348,940	\$ 16,323,649	\$ 16,022,536	\$ 650,053
<u>LIABILITIES</u>				
Accounts payable	\$ 0	540,782	540,782	\$ 0
Deposits held in custody for others	348,940	779,857	478,744	650,053
TOTAL LIABILITIES	\$ 348,940	\$ 1,320,639	\$ 1,019,526	\$ 650,053

SENIOR CITIZENS BUS
GASOLINE ESCROW

<u>ASSETS</u>				
Cash	\$ 61	\$ 0	\$ 0	\$ 61
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 61	\$ 0	\$ 0	\$ 61

OLD LIBRARY PARK FUND

<u>ASSETS</u>				
Cash	\$ 14,593	\$ 400,284	\$ 395,275	\$ 19,602
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 14,593	\$ 5,159	\$ 150	\$ 19,602

(CONTINUED)

TOWN OF NORTH KINGSTOWN

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2001**

	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
<u>SURPLUS EQUIPMENT ESCROW</u>				
<u>ASSETS</u>				
Cash	\$ 11,329	\$ 30	\$ 0	\$ 11,359
<u>LIABILITIES</u>				
Deposits held in custody for others	\$ 11,329	\$ 30	\$ 0	\$ 11,359
<u>TOTAL - ALL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash	\$ 591,020	\$ 103,815,628	\$ 103,442,798	\$ 963,850
Due from other funds	505,946	38,978,382	39,012,793	471,535
TOTAL ASSETS	\$ 1,096,966	\$ 142,794,010	\$ 142,455,591	\$ 1,435,385
<u>LIABILITIES</u>				
Accounts payable	\$ 5,694	\$ 155,406	\$ 152,843	\$ 8,257
Due to student groups	127,980	579,642	543,987	163,635
Deposits held in custody for others	402,829	1,012,738	682,553	733,014
Payroll withholdings	560,463	61,368,551	61,398,535	530,479
TOTAL LIABILITIES	\$ 1,096,966	\$ 63,116,337	\$ 62,777,918	\$ 1,435,385

(CONCLUDED)

TOWN OF NORTH KINGSTOWN

ACCOUNT GROUPS

Account Groups are not funds, but are accounting records of the general fixed assets and general long-term debt of the Town. The General Long-Term Debt Account Group is used to record the outstanding long-term debt other than debt recorded in Proprietary Funds. The General Fixed Asset Account Group is used to maintain control and cost information for all fixed assets other than those accounted for in the Proprietary and Non-Expendable Trust Funds.

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF GENERAL LONG-TERM DEBT
JUNE 30, 2001**

Amount to be provided:

Amount to be provided for the payment of general long-term debt \$ 58,367,731

TOTAL AVAILABLE AND TO BE PROVIDED \$ 58,367,731

General long-term debt payable:

Serial Bonds:

School \$ 41,557,954

Open space 10,609,436

Public facilities 2,694,416

Library 899,810

Total serial bonds 55,761,616

Other:

Accrued compensated absences 1,668,808

Capital leases payable 937,307

Total other 2,606,115

TOTAL LONG-TERM DEBT PAYABLE \$ 58,367,731

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001**

	Balance July 1, 2000	Increase in Capital Lease Obligations	Decrease in Capital Lease Obligations	Net Decrease in Accrued Compensated Absences	General Obligation Bonds Retired	General Obligation Bonds Additions	Balance June 30, 2001
Amount to be provided for retirement of long-term debt	\$ 53,375,684	\$ 630,709	\$ (189,621)	\$ (1,784,849)	\$ (1,344,192)	\$ 7,680,000	\$ 58,367,731
Total to be provided	\$ 53,375,684	\$ 630,709	\$ (189,621)	\$ (1,784,849)	\$ (1,344,192)	\$ 7,680,000	\$ 58,367,731
General Long-Term Debt Payable:							
Serial bonds payable	\$ 49,425,808				\$ (1,344,192)	\$ 7,680,000	\$ 55,761,616
Accrued compensated absences	3,453,657			\$ (1,784,849)			1,668,808
Capital lease payable	496,219	\$ 630,709	\$ (189,621)				937,307
Total general long-term debt payable	\$ 53,375,684	\$ 630,709	\$ (189,621)	\$ (1,784,849)	\$ (1,344,192)	\$ 7,680,000	\$ 58,367,731

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF GENERAL FIXED ASSETS
JUNE 30, 2001**

General fixed assets:	
Land	\$ 5,332,654
Buildings	16,131,859
Equipment	16,107,134
Total general fixed assets	<u>\$ 37,571,647</u>
 Investments in general fixed assets	 <u>\$ 37,571,647</u>

**SCHEDULE OF GENERAL FIXED ASSETS BY SOURCES
JUNE 30, 2001**

General fixed assets:	
Land	\$ 5,332,654
Buildings	16,131,859
Equipment	16,107,134
Total general fixed assets	<u>\$ 37,571,647</u>
 Investments in general fixed assets from:	
General Fund	\$ 13,251,160
Special Revenue Fund - Library	5,672,326
Special Revenue Fund - School Department	18,648,161
Total investments in general fixed assets	<u>\$ 37,571,647</u>

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
JUNE 30, 2001**

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Total</u>
General government:				
Town Council			\$ 2,131	\$ 2,131
Town Manager			13,957	13,957
Town Clerk			106,854	106,854
Finance			308,749	308,749
Assessment			43,166	43,166
Planning			25,509	25,509
Welfare			1,839	1,839
Senior citizens			208,397	208,397
Recreation			156,571	156,571
General government land and building	\$ 4,534,288	\$ 761,446		5,295,734
General operating			45,160	45,160
Total general government	4,534,288	761,446	912,333	6,208,067
Public safety:				
Fire			1,917,265	1,917,265
Animal control			46,775	46,775
Harbor			54,083	54,083
Police			1,116,684	1,116,684
Code Enforcement			55,142	55,142
Public safety land and building	29,500	962,738		992,238
Total public safety	29,500	962,738	3,189,949	4,182,187
Public works:				
Administration			46,819	46,819
Highway/Street			1,236,660	1,236,660
Facilities Maintenance			673,093	673,093
Engineering			69,543	69,543
Solid waste			503,291	503,291
Public works land and building	9,600	321,900		331,500
Total public works	9,600	321,900	2,529,406	2,860,906
Library	42,296	2,578,148	3,051,882	5,672,326
School	716,970	11,507,627	6,423,564	18,648,161
Total general fixed assets	\$ 5,332,654	\$ 16,131,859	\$ 16,107,134	\$ 37,571,647

TOWN OF NORTH KINGSTOWN

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2001

<u>Function and Activity</u>	<u>Fixed assets July 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Fixed assets June 30, 2001</u>
General government:				
Town Council	\$ 2,131			\$ 2,131
Town Manager	13,957			13,957
Town Clerk	106,490	\$ 5,037	\$ 4,673	106,854
Finance	198,148	129,855	19,254	308,749
Assessment	27,038	18,072	1,944	43,166
Planning	36,639	1,539	12,668	25,510
Welfare	300	1,539		1,839
Senior citizens	200,781	7,903	287	208,397
Recreation	151,437	7,021	1,887	156,571
General government land and building	5,603,405	4,100	311,771	5,295,734
General operating	77,047	3,057	34,945	45,159
Total general government	6,417,373	178,123	387,429	6,208,067
Public safety:				
Fire	1,851,264	165,089	99,088	1,917,265
Animal control	46,775			46,775
Harbor	53,863	220		54,083
Police	950,400	202,305	36,021	1,116,684
Code Enforcement	14,380	40,762		55,142
Public safety land and building	992,238			992,238
Total public safety	3,908,920	408,376	135,109	4,182,187
Public works:				
Administration	25,899	22,565	1,645	46,819
Highway/Street	1,280,193	4,198	47,731	1,236,660
Engineering	74,845	20,029	25,331	69,543
Solid waste	503,291			503,291
Facilities maintenance	621,362	51,732	1	673,093
Public works land and building	331,500			331,500
Total public works	2,837,090	98,524	74,708	2,860,906
Library	5,648,202	25,070	946	5,672,326
School	18,026,554	667,838	46,231	18,648,161
Total general fixed assets	\$ 36,838,139	\$ 1,377,931	\$ 644,423	\$ 37,571,647

TOWN OF NORTH KINGSTOWN

GENERAL LONG-TERM DEBT

**DEBT SERVICE REQUIREMENTS TO MATURITY
JUNE 30, 2001**

<u>Fiscal Year</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Budget</u> <u>Debt Service</u>
2002	\$ 3,457,447	\$ 2,911,246	\$ 6,368,693
2003	3,323,000	2,719,349	6,042,349
2004	3,262,150	2,550,686	5,812,836
2005	3,235,333	2,354,932	5,590,265
2006	3,200,333	2,212,196	5,412,529
2007	2,749,191	2,058,187	4,807,378
2008	2,669,192	1,917,901	4,587,093
2009	2,589,192	1,794,272	4,383,464
2010	2,594,192	1,671,658	4,265,850
2011	2,599,192	1,546,370	4,145,562
2012	2,599,192	1,418,525	4,017,717
2013	2,209,191	1,297,343	3,506,534
2014	2,214,192	1,182,143	3,396,335
2015	2,214,192	1,067,015	3,281,207
2016	2,219,191	951,275	3,170,466
2017	1,974,581	834,058	2,808,639
2018	1,979,581	727,635	2,707,216
2019	1,989,581	619,420	2,609,001
2020	1,510,000	521,458	2,031,458
2021	1,510,000	435,252	1,945,252
2022	1,320,000	348,480	1,668,480
2023	1,320,000	271,425	1,591,425
2024	1,320,000	193,875	1,513,875
2025	1,320,000	116,325	1,436,325
2026	1,320,000	38,775	1,358,775
Total	\$ 56,698,923	\$ 31,759,801	\$ 88,458,724

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2007**

	<u>Authority</u>	<u>Date</u>	<u>Amount</u>	<u>Interest</u>	<u>Maturities</u>	<u>Outstanding</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding</u>
	<u>Public Law of RI</u>	<u>Issued</u>	<u>Issued</u>	<u>Rate</u>	<u>Amounts</u>	<u>Balance</u>			<u>Balance</u>
	<u>Chapter</u>	<u>Year</u>				<u>July 1, 2000</u>			<u>June 30, 2001</u>
General Fund Debt:									
Open Space	616	1989	\$ 800,000	6.350	60,000	\$ 470,000		\$ 55,000	\$ 415,000
				6.400	65,000				
				6.500	65,000				
				6.600	70,000				
				6.700	75,000				
				6.800	80,000				
Open Space	616	1989	790,000	5.100	53,110	\$ 630,670		\$ 53,110	\$ 577,560
				5.100	52,445				
				5.000	52,445				
				5.000	52,445				
				5.000	52,445				
				5.100	52,445				
				5.200	52,445				
				5.300	52,445				
				5.300	52,445				
				5.400	52,445				
				5.400	52,445				

TOWN OF NORTH KINGSTOWN

SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001

<u>Authority</u>	<u>Public Law of RI</u>	<u>Date</u>	<u>Amount</u>	<u>Interest</u>	<u>Maturities</u>	<u>Outstanding</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding</u>
<u>Chapter</u>	<u>Year</u>	<u>Issued</u>	<u>Issued</u>	<u>Rate</u>	<u>Amounts</u>	<u>Balance</u>			<u>Balance</u>
						<u>July 1, 2000</u>			<u>June 30, 2001</u>
Public Facilities	165	1992	5/15/96	560,000	5.100	37,646	08/01/01		447,062
					5.100	37,177	08/01/02		
					5.000	37,177	08/01/03		
					5.000	37,177	08/01/04		
					5.000	37,177	08/01/05		
					5.100	37,177	08/01/06		
					5.200	37,177	08/01/07		
					5.300	37,177	08/01/08		
					5.300	37,177	08/01/09		
					5.400	37,177	08/01/10		
					5.400	37,177	08/01/11		
School Additions	409	1994	5/15/96	4,600,000	5.100	309,244	08/01/01		3,672,268
					5.100	305,378	08/01/02		
					5.000	305,378	08/01/03		
					5.000	305,378	08/01/04		
					5.000	305,378	08/01/05		
					5.100	305,378	08/01/06		
					5.200	305,378	08/01/07		
					5.300	305,378	08/01/08		
					5.300	305,378	08/01/09		
					5.400	305,378	08/01/10		
					5.400	305,378	08/01/11		
								\$ 309,244	\$ 3,363,024

TOWN OF NORTH KINGSTOWN

SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001

	<u>Authority</u>		<u>Date Issued</u>	<u>Amount Issued</u>	<u>Interest Rate</u>	<u>Maturities</u>		<u>Outstanding Balance July 1, 2000</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding Balance June 30, 2001</u>
	<u>Public Law of RI Chapter</u>	<u>Year</u>				<u>Amounts</u>	<u>Dates</u>				
School Athletics	62	1996	6/15/99	1,505,000	5.000	50,000	06/15/02-03	\$ 1,460,000		\$ 50,000	\$ 1,410,000
					5.000	55,000	06/15/04				
					4.850	60,000	06/15/05				
					4.800	60,000	06/15/06				
					4.800	65,000	06/15/07-08				
					4.800	70,000	06/15/09				
					4.800	75,000	06/15/10				
					4.800	80,000	06/15/11				
					4.900	80,000	06/15/12				
					5.000	85,000	06/15/13				
					5.050	90,000	06/15/14				
					5.100	95,000	06/15/15				
					5.150	100,000	06/15/16				
					5.200	105,000	06/15/17				
					5.250	110,000	06/15/18				
					5.250	115,000	06/15/19				
Refunding - Open Space			12/15/98	1,750,000	4.000	235,000	07/15/01	\$ 1,515,000		\$ 240,000	\$ 1,275,000
					3.600	230,000	07/15/02				
					3.700	220,000	07/15/03				
					3.800	220,000	07/15/04				
					3.900	210,000	07/15/05				
					3.950	80,000	07/15/06				
					4.000	80,000	07/15/07				

TOWN OF NORTH KINGSTOWN

SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001

Authority Public Law of RI Chapter Year	Date Issued	Amount Issued	Interest Rate	Maturities		Outstanding Balance July 1, 2000	Additions	Retirements	Outstanding Balance June 30, 2001
				Amounts	Dates				
School Activities	12/15/98	2,995,000	6.000	150,035	12/15/01	\$ 2,844,965		\$ 150,035	\$ 2,694,930
			5.375	150,035	12/15/02				
			3.700	150,035	12/15/03				
			3.800	150,035	12/15/04				
			3.850	150,035	12/15/05				
			3.900	150,035	12/15/06				
			4.000	150,035	12/15/07-08				
			4.100	150,035	12/15/09				
			4.200	150,035	12/15/10				
			4.250	150,035	12/15/11				
			4.375	150,035	12/15/12				
			4.500	150,035	12/15/13-14				
			4.625	150,035	12/15/15				
			4.700	148,136	12/15/16-17				
			4.750	148,136	12/15/18				
Refunding - School Improvements	12/15/98	1,550,000	4.000	230,000	07/15/01	\$ 1,325,000		\$ 235,000	\$ 1,090,000
			3.600	225,000	07/15/02				
			3.700	220,000	07/15/03				
			3.800	210,000	07/15/04				
			3.900	205,000	07/15/05				

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001**

Authority Public Law of RI Chapter Year	Date Issued	Amount Issued	Interest Rate	Maturities		Outstanding Balance July 1, 2000	Additions	Retirements	Outstanding Balance June 30, 2001
				Amounts	Dates				
Roads/Open Space	12/15/98	3,275,000	6.000	164,062	12/15/01	\$ 3,110,938		\$ 164,062	\$ 2,946,876
			5.375	164,062	12/15/02				
			3.700	164,062	12/15/03				
			3.800	164,062	12/15/04				
			3.850	164,062	12/15/05				
			3.900	164,062	12/15/06				
			4.000	164,062	12/15/07-08				
			4.100	164,062	12/15/09				
			4.200	164,062	12/15/10				
			4.250	164,062	12/15/11				
			4.375	164,062	12/15/12				
			4.500	164,062	12/15/13-14				
			4.625	164,062	12/15/15				
			4.700	161,985	12/15/16-17				
4.750	161,985	12/15/18							
Library Renovations	12/15/98	\$ 1,000,000	6.000	50,095	12/15/01	\$ 949,905		\$ 50,095	\$ 899,810
			5.375	50,095	12/15/02				
			3.700	50,095	12/15/03				
			3.800	50,095	12/15/04				
			3.850	50,095	12/15/05				
			3.900	50,095	12/15/06				
			4.000	50,095	12/15/07-08				
			4.100	50,095	12/15/09				
			4.200	50,095	12/15/10				
			4.250	50,095	12/15/11				
			4.375	50,095	12/15/12				
			4.500	50,095	12/15/13-14				
			4.625	50,095	12/15/15				
			4.700	49,461	12/15/16-17				
4.750	49,461	12/15/18							

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001**

	<u>Authority</u>	<u>Date</u>	<u>Amount</u>	<u>Interest</u>	<u>Maturities</u>	<u>Outstanding</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding</u>
	<u>Public Law of RI</u>	<u>Issued</u>	<u>Issued</u>	<u>Rate</u>	<u>Amounts</u>	<u>Balance</u>			<u>Balance</u>
	<u>Chapter</u>	<u>Year</u>				<u>July 1, 2000</u>			<u>June 30, 2001</u>
High School	16	1996	\$ 33,000,000	5.250	1,320,000	\$33,000,000			\$ 33,000,000
				5.500	1,320,000				
				5.625	1,320,000				
				5.500	1,320,000				
				5.600	1,320,000				
				5.625	1,320,000				
				5.700	1,320,000				
				5.750	1,320,000				
				5.800	1,320,000				
				5.875	1,320,000				
Open Space	20	1998	\$ 3,600,000	6.500	183,050	\$	\$ 3,600,000	0	\$ 3,600,000
				6.000	183,050				
				5.000	183,050				
				4.850	183,050				
				4.800	183,050				
				4.750	183,050				
				4.750	178,357				
				4.800	178,357				
				5.000	178,357				
				5.125	178,357				
				5.250	178,357				
				5.375	178,357				

TOWN OF NORTH KINGSTOWN

SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001

Open Space	Authority Public Law of RI Chapter Year	Date Issued	Amount Issued	Interest Rate	Maturities		Outstanding Balance July 1, 2000	Additions	Retirements	Outstanding Balance June 30, 2001
					Amounts	Dates				
	616 1987	9/15/00	\$ 235,000	6.500	11,950	9/15/01	\$ 0	\$ 235,000		\$ 235,000
				6.000	11,950	9/15/02				
				5.000	11,950	9/15/03				
				4.850	11,950	9/15/04				
				4.800	11,950	9/15/05				
				4.750	11,950	9/15/06-07				
				4.750	11,643	9/15/08-10				
				4.800	11,643	9/15/11				
				5.000	11,643	9/15/12-14				
				5.125	11,643	9/15/15				
				5.250	11,643	9/15/16-19				
				5.375	11,643	9/15/20				
Open Space	20 1998	6/15/01	\$ 400,000	5.500	28,608	6/15/02-03	\$ 0	\$ 400,000		\$ 400,000
				4.375	28,608	6/15/04				
				4.000	28,608	6/15/05				
				3.600	26,008	6/15/06				
				3.750	26,008	6/15/07				
				3.900	26,008	6/15/08				
				4.000	26,008	6/15/09				
				4.100	26,008	6/15/10				
				4.200	26,008	6/15/11				
				4.300	26,008	6/15/12				
				4.400	26,008	6/15/13				
				4.500	26,008	6/15/14				
				4.600	26,008	6/15/15				
				4.700	25,488	6/15/16				

TOWN OF NORTH KINGSTOWN

SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001

	Authority Public Law of RI Chapter	Year	Date Issued	Amount Issued	Interest Rate	Maturities		Outstanding Balance July 1, 2000	Additions	Retirements	Outstanding Balance June 30, 2001
						Amounts	Dates				
Open Space	129/229	2000	6/15/01	\$ 1,160,000	5.500 4.375 4.000 3.600 3.750 3.900 4.000 4.100 4.200 4.300 4.400 4.500 4.600 4.700	82,964 82,964 82,964 75,423 75,423 75,423 75,423 75,423 75,423 75,423 75,423 75,423 75,423 73,914	6/15/02-03 6/15/04 6/15/05 6/15/06 6/15/07 6/15/08 6/15/09 6/15/10 6/15/11 6/15/12 6/15/13 6/15/14 6/15/15 6/15/16	\$ 0	\$ 1,160,000		\$ 1,160,000
Public Works	165	1992	6/15/01	\$ 1,900,000	5.500 4.375 4.000 3.600 3.750 3.900 4.000 4.100 4.200 4.300 4.400 4.500 4.600 4.700	135,891 135,891 135,891 123,537 123,537 123,537 123,537 123,537 123,537 123,537 123,537 123,537 123,537 121,066	6/15/02-03 6/15/04 6/15/05 6/15/06 6/15/07 6/15/08 6/15/09 6/15/10 6/15/11 6/15/12 6/15/13 6/15/14 6/15/15 6/15/16	\$ 0	\$ 1,900,000		\$ 1,900,000

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001**

	Authority Public Law of RI Chapter Year	Date Issued	Amount Issued	Interest Rate	Maturities Amounts	Dates	Outstanding Balance July 1, 2000	Additions	Retirements	Outstanding Balance June 30, 2001
Public Works	166 1992	6/15/01	\$ 385,000	5.500	27,537	6/15/02-03	\$ 0	\$ 385,000		\$ 385,000
				4.375	27,537	6/15/04				
				4.000	27,537	6/15/05				
				3.600	25,032	6/15/06				
				3.750	25,032	6/15/07				
				3.900	25,032	6/15/08				
				4.000	25,032	6/15/09				
				4.100	25,032	6/15/10				
				4.200	25,032	6/15/11				
				4.300	25,032	6/15/12				
				4.400	25,032	6/15/13				
				4.500	25,032	6/15/14				
				4.600	25,032	6/15/15				
				4.700	24,532	6/15/16				
<hr/>										
Obligations Under Capital Lease:							\$ 49,425,808	\$ 7,680,000	\$ 1,344,192	\$ 55,761,616
Citizens			480,000	4.48	128,000	7/30/01	\$ 250,510		\$ 122,510	\$ 128,000
Citizens			200,000	4.34	50,132	7/30/01	\$ 150,485		\$ 48,046	\$ 102,439
				4.34	52,307	7/30/02				
Deere Credit, Inc.			122,545	5.60	23,982	10/20/01	\$ 95,224		\$ 19,065	\$ 76,159
				5.60	25,360	10/20/02				
				5.60	26,817	10/20/03				
Citizens			630,709	5.30	126,142	12/28/01-06	\$ 0	\$ 630,709		\$ 630,709
<hr/>										
Total long-term debt account group							\$ 496,219	\$ 630,709	\$ 189,621	\$ 937,307
							\$ 49,922,027	\$ 8,310,709	\$ 1,533,813	\$ 56,698,923

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF LONG-TERM DEBT
YEAR ENDED JUNE 30, 2001**

	<u>Authority</u> <u>Public Law of RI</u> <u>Chapter</u> <u>Year</u>	<u>Date</u> <u>Issued</u>	<u>Amount</u> <u>Issued</u>	<u>Interest</u> <u>Rate</u>	<u>Maturities</u>		<u>Outstanding</u> <u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding</u> <u>Balance</u> <u>June 30, 2001</u>
					<u>Amounts</u>	<u>Dates</u>				
Enterprise Fund Debt:										
Public Improvement:										
Water tower		10/7/96	900,000	5.750	86,408	10/7/01	\$ 680,574	\$ 81,710	\$ 598,864	
				5.750	91,377	10/7/02				
				5.750	96,631	10/7/03				
				5.750	102,187	10/7/04				
				5.750	108,063	10/7/05				
				5.750	114,198	10/7/06				
Q/D Recreation		12/15/98	615,000	6.000	30,808	12/15/01	\$ 584,192	\$ 30,808	\$ 553,384	
				5.375	30,808	12/15/02				
				3.700	30,808	12/15/03				
				3.800	30,808	12/15/04				
				3.850	30,808	12/15/05				
				3.900	30,808	12/15/06				
				4.000	30,808	12/15/07-08				
				4.100	30,808	12/15/09				
				4.200	30,808	12/15/10				
				4.250	30,808	12/15/11				
				4.375	30,808	12/15/12				
				4.500	30,808	12/15/13-15				
				4.700	30,419	12/15/16-17				
				4.750	30,419	12/15/18				
Total long-term debt										
							\$ 1,264,766	\$ 0	\$ 112,518	\$ 1,152,248
							\$51,186,793	\$ 8,310,709	\$ 1,646,331	\$ 57,851,171

TOWN OF NORTH KINGSTOWN
SUPPLEMENTARY INFORMATION

The information provided herein contains schedules which the Town deems necessary to provide additional disclosures.

THE TOWN OF
NORTH KINGSTOWN, RHODE ISLAND

STATISTICAL SECTION

TOWN OF NORTH KINGSTOWN

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

LAST TEN FISCAL YEARS (1)

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
General government	\$ 4,935,355	\$ 4,294,109	\$ 4,374,433	\$ 3,434,508	\$ 3,224,369
Public safety	\$ 8,946,977	\$ 8,647,435	\$ 8,397,280	\$ 7,878,245	\$ 7,604,265
Public works	\$ 3,750,904	\$ 3,459,956	\$ 3,196,476	\$ 3,609,213	\$ 3,679,032
Education	\$ 41,719,508	\$ 39,107,712	\$ 37,551,560	\$ 34,711,315	\$ 32,464,689
Human resources	\$ 1,909,148	\$ 1,842,729	\$ 1,955,234	\$ 2,123,528	\$ 1,814,810
Capital improvement	\$ 23,531,451	\$ 7,856,089	\$ 5,470,694	\$ 2,249,067	\$ 5,285,928
Debt service	\$ 4,012,305	\$ 2,936,840	\$ 1,477,845	\$ 1,820,271	\$ 769,514
Other				\$ 447	
TOTAL	\$ 88,805,648	\$ 68,144,870	\$ 62,423,522	\$ 55,826,594	\$ 54,842,607

(1) This schedule includes expenditures of the General Fund, Special Revenue Funds, Debt Service and Capital Project Funds after elimination of transfer between these funds.

TOWN OF NORTH KINGSTOWN

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

LAST TEN FISCAL YEARS (1)

	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
General government	\$ 3,079,558	\$ 3,362,978	\$ 3,323,485	\$ 4,003,604	\$ 3,670,024
Public safety	\$ 7,612,298	\$ 7,000,544	\$ 6,927,734	\$ 7,316,006	\$ 6,743,595
Public works	\$ 3,900,436	\$ 3,405,914	\$ 2,417,992	\$ 2,089,048	\$ 1,937,413
Education	\$ 32,207,641	\$ 30,437,009	\$ 29,245,062	\$ 28,987,603	\$ 27,408,557
Human resources	\$ 1,834,893	\$ 1,591,449	\$ 1,330,939	\$ 1,468,747	\$ 1,520,424
Capital improvement	\$ 2,909,803	\$ 343,012	\$ 739,276	\$ 878,047	\$ 898,214
Debt service	\$ 913,240	\$ 1,020,724	\$ 1,078,665	\$ 1,065,968	\$ 1,000,617
Other		\$ 92,610	\$ 452,687	\$ 63,719	\$ 174,228
TOTAL	\$ 52,457,869	\$ 47,254,240	\$ 45,515,840	\$ 45,872,742	\$ 43,353,072

(1) This schedule includes expenditures of the General Fund, Special Revenue Funds, Debt Service and Capital Project Funds after elimination of transfer between these funds.

TOWN OF NORTH KINGSTOWN

GENERAL GOVERNMENTAL REVENUES BY SOURCE

LAST TEN FISCAL YEARS (1)

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Taxes	\$ 44,883,156	\$ 42,758,479	\$ 40,769,858	\$ 37,770,965	\$ 34,807,161
Intergovernmental revenues	16,835,239	14,836,130	14,174,653	13,214,911	12,408,786
Other	6,496,096	5,142,352	5,664,831	3,476,097	2,646,575
TOTAL	\$ 68,214,491	\$ 62,736,961	\$ 60,609,342	\$ 54,461,973	\$ 49,862,522
	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Taxes	\$ 33,050,988	\$ 31,741,576	\$ 31,618,879	\$ 30,659,213	\$ 26,925,540
Intergovernmental revenues	12,780,087	11,005,370	10,767,297	11,274,213	13,990,709
Other	2,948,771	2,352,633	2,299,048	2,751,798	3,194,032
TOTAL	\$ 48,779,846	\$ 45,099,579	\$ 44,685,224	\$ 44,685,224	\$ 44,110,281

(2) This schedule includes revenues of the General Fund, Special Revenue Funds, Debt Service and Capital Project Funds.

TOWN OF NORTH KINGSTOWN

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Net Adjusted Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collected</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes To Tax Levy</u>
1991/1992	27,091,107	25,101,388	92.66%	1,315,659	26,417,047	97.51%	2,873,913	10.61%
1992/1993	28,055,292	26,247,293	93.56%	1,756,280	28,003,573	99.82%	2,924,410	10.42%
1993/1994	28,863,476	27,232,688	94.35%	1,665,896	28,898,584	100.12%	2,805,101	9.72%
1994/1995	28,840,863	27,579,528	95.63%	1,488,730	29,068,258	100.79%	2,522,171	8.75%
1995/1996	31,037,326	29,812,237	96.05%	1,112,102	30,924,339	99.64%	2,534,065	8.16%
1996/1997	32,674,331	31,280,074	95.73%	1,100,294	32,380,368	99.10%	2,724,267	8.34%
1997/1998	35,738,674	34,325,596	96.05%	1,248,475	35,574,071	99.54%	2,696,351	7.54%
1998/1999	38,338,764	36,994,035	96.49%	1,295,062	38,289,097	99.87%	2,591,196	6.76%
1999/2000	40,225,839	38,986,528	96.92%	1,286,536	40,273,064	100.12%	2,454,705	6.10%
2000/2001	42,225,274	41,097,232	97.33%	1,278,165	42,375,397	100.36%	2,365,928	5.60%

TOWN OF NORTH KINGSTOWN

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
"UNAUDITED"

LAST TEN FISCAL YEARS (1)

Fiscal Year	Real Property		Personal Property		Total Assessed Value (1)	Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value			
1991/1992	784,474,974	1,802,928,614	155,636,079	155,636,079	940,111,053	1,958,564,693	0.480
1992/1993	777,344,534	1,860,325,883	148,915,952	148,915,952	926,260,486	2,009,241,835	0.461
1993/1994	790,026,434	2,066,040,658	156,980,638	156,980,638	947,007,072	2,223,021,296	0.426
1994/1995	1,348,154,900	1,348,154,900	187,454,955	187,454,955	1,535,609,855	1,535,609,855	1.000
1995/1996	1,378,485,000	1,443,273,795	188,068,180	188,068,180	1,566,553,180	1,631,341,975	0.955
1996/1997	1,401,248,700	1,499,336,100	200,492,952	200,492,952	1,601,741,652	1,699,829,052	0.935
1997/1998	1,433,174,000	1,508,604,210	211,230,520	211,230,520	1,644,404,520	1,719,834,730	0.950
1998/1999	1,470,037,800	1,594,401,085	230,918,953	230,918,953	1,700,956,753	1,825,320,038	0.922
1999/2000	1,500,902,170	1,658,455,436	230,541,395	230,541,395	1,765,207,767	1,888,996,831	0.920
2000/2001	1,536,301,370	1,745,797,011	222,929,548	222,929,548	1,759,230,918	1,968,726,559	0.880

(1) Gross amount is reflected without deduction for exemptions.

TOWN OF NORTH KINGSTOWN
PROPERTY TAX RATES
(PER \$1,000 OF ASSESSED VALUE)
"UNAUDITED"
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Total Tax Rate</u>	<u>Municipal Portion</u>	<u>School Portion</u>
1992	29.08	8.47	20.61
1993	30.64	8.95	21.69
1994	30.83	9.14	21.69
1995	19.26	5.59	13.67
1996	20.24	5.82	14.42
1997	20.76	6.01	14.75
1998	22.04	6.39	15.65
1999	22.79	7.09	15.70
2000:			
Real Estate	23.68	7.18	16.50
Motor Vehicle	22.04	6.68	15.36
Tangible	23.68	7.18	16.50
Inventory	20.52	6.22	14.30
2001:			
Real Estate	21.94	5.57	16.37
Motor Vehicle	22.04	5.51	16.53
Tangible	21.94	5.57	16.37

TOWN OF NORTH KINGSTOWN**WATER ASSESSMENTS****LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Current Year Collections</u>	<u>Total Outstanding Assessments at Fiscal Year-End (1)</u>
1991/1992	\$ 1,292,749	\$ 620,684
1992/1993	\$ 1,165,307	\$ 661,334
1993/1994	\$ 1,451,786	\$ 686,940
1994/1995	\$ 1,506,050	\$ 665,226
1995/1996	\$ 1,577,581	\$ 551,541
1996/1997	\$ 2,099,135	\$ 198,021
1997/1998	\$ 1,818,357	\$ 185,690
1998/1999	\$ 1,972,837	\$ 172,558
1999/2000	\$ 2,191,025	\$ 158,492
2000/2001	\$ 2,020,279	\$ 142,615

- (1) All outstanding assessments are collected in full by the end of the following fiscal year through the tax sale process. No receivables are uncollectible.

TOWN OF NORTH KINGSTOWN

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND
NET BONDED DEBT PER CAPITA
"UNAUDITED"**

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Assessed Value (2)</u>	<u>Gross Bonded Debt</u>	<u>Debt Payable from Enterprise Revenues</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
1992	23,786	\$ 930,126,467	\$ 7,825,000	\$ 627,138	\$ 7,197,862	0.77%	\$ 302.61
1993	23,786	\$ 915,628,830	\$ 7,250,000	\$ 438,270	\$ 6,811,730	0.74%	\$ 286.38
1994	23,786	\$ 936,642,267	\$ 6,450,000	\$ 271,195	\$ 6,178,805	0.66%	\$ 259.77
1995	23,786	\$ 1,512,225,068	\$ 5,645,000	\$ 1,016,398	\$ 5,543,302	0.37%	\$ 233.04
1996	23,786	\$ 1,542,372,324	\$ 10,925,000	\$ 0	\$ 10,925,000	0.71%	\$ 459.30
1997	23,786	\$ 1,578,054,704	\$ 11,365,000	\$ 900,000	\$ 10,465,000	0.66%	\$ 439.96
1998	23,786	\$ 1,622,101,177	\$ 10,430,907	\$ 830,907	\$ 9,600,000	0.59%	\$ 403.60
1999	23,786	\$ 1,678,779,770	\$ 19,117,841	\$ 757,841	\$ 18,360,000	1.09%	\$ 771.88
2000	23,786	\$ 1,709,592,473	\$ 50,690,574	\$ 680,574	\$ 50,010,000	2.93%	\$ 2,102.50
2001	26,326	\$ 1,759,230,918	\$ 56,913,864	\$ 1,152,248	\$ 55,761,616	3.17%	\$ 2,118.12

(1) U.S. Department of Commerce, Bureau of Census 1990 and 2000.

(2) Net taxable assessed value.

TOWN OF NORTH KINGSTOWN

**COMPUTATION OF LEGAL DEBT MARGIN
"UNAUDITED"**

JUNE 30, 2001

Assessed value	\$ 1,759,230,918
Less: exemptions	<u>(30,711,114)</u>
NET TOTAL TAXABLE ASSESSED VALUE	<u>\$ 1,728,519,804</u>
Debt limit - 3 percent of total assessed value	51,855,594
Amount of debt applicable to debt limit:	
Water Tower Issue	<u>1,152,248</u>
LEGAL DEBT MARGIN	<u>\$ 50,703,346</u>

Note: The Town has only one debt issue outstanding under the Maximum Aggregate Indebtedness provision (3% Debt Limit) - Rhode Island General Law 45-12-2. All other Town debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

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

TOWN OF NORTH KINGSTOWN

COMPUTATION OF OVERLAPPING DEBT

JUNE 30, 2001

The Town of North Kingstown does not have any overlapping governmental units, and accordingly, does not have any overlapping debt.

TOWN OF NORTH KINGSTOWN

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
1992	\$ 606,289	\$ 394,328	\$ 1,000,617	\$ 43,353,072	0.0231
1993	\$ 636,132	\$ 429,836	\$ 1,065,968	\$ 45,872,742	0.0232
1994	\$ 632,925	\$ 445,740	\$ 1,078,665	\$ 45,515,840	0.0237
1995	\$ 635,503	\$ 385,221	\$ 1,020,724	\$ 47,254,240	0.0216
1996	\$ 568,302	\$ 344,938	\$ 913,240	\$ 52,457,869	0.0174
1997	\$ 460,000	\$ 309,514	\$ 769,514	\$ 54,842,607	0.0140
1998	\$ 865,000	\$ 721,118	\$ 1,586,118	\$ 55,644,644	0.0285
1999	\$ 870,000	\$ 427,660	\$ 1,297,660	\$ 62,423,522	0.0208
2000	\$ 1,319,190	\$ 986,342	\$ 2,305,532	\$ 68,144,870	0.0338
2001	\$ 1,344,192	\$ 841,563	\$ 2,185,755	\$ 88,805,648	0.0246

TOWN OF NORTH KINGSTOWN

**REVENUE BOND COVERAGE
WATER BONDS**

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Gross Revenues (1)</u>	<u>Direct Operating Expenses (2)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Principal</u>	<u>Debt Service Requirements Interest</u>	<u>Total</u>	<u>Coverage</u>
1991/1992	\$ 1,292,749	\$ 1,032,515	\$ 260,234	\$ 193,711	\$ 50,287	\$ 243,998	\$ 16,236
1992/1993	\$ 1,205,957	\$ 1,250,070	\$ (44,113)	\$ 188,868	\$ 39,149	\$ 228,017	\$ (272,130)
1993/1994	\$ 1,422,247	\$ 1,378,374	\$ 43,873	\$ 167,075	\$ 27,817	\$ 194,892	\$ (151,019)
1994/1995	\$ 1,484,336	\$ 1,427,136	\$ 57,200	\$ 169,497	\$ 17,458	\$ 186,955	\$ (129,755)
1995/1996	\$ 1,506,349	\$ 1,490,766	\$ 15,583	\$ 101,698	\$ 6,610	\$ 108,308	\$ (92,725)
1996/1997	\$ 1,569,468	\$ 1,496,749	\$ 72,719	\$ 0	\$ 0	\$ 0	\$ 72,719
1997/1998	\$ 1,806,026	\$ 1,759,703	\$ 46,323	\$ 69,093	\$ 49,531	\$ 118,624	\$ (72,301)
1998/1999	\$ 1,959,705	\$ 1,946,845	\$ 12,860	\$ 73,066	\$ 43,950	\$ 117,016	\$ (104,156)
1999/2000	\$ 2,214,595	\$ 1,779,305	\$ 435,290	\$ 77,267	\$ 40,289	\$ 117,556	\$ 317,734
2000/2001	\$ 2,057,847	\$ 1,922,461	\$ 135,386	\$ 81,710	\$ 42,420	\$ 124,130	\$ 11,256

(1) Gross revenues does not include interest and miscellaneous income.

(2) Total expenses exclusive of bond interest.

TOWN OF NORTH KINGSTOWNDEMOGRAPHIC STATISTICS
"UNAUDITED"

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>		<u>School Enrollment (1)</u>	<u>Unemployment Rate Percent (2)</u>
1991/1992	23,786	(3)	4,277	7.9%
1992/1993	23,786		4,292	6.7%
1993/1994	23,786		4,241	5.0%
1994/1995	23,786		4,354	5.8%
1995/1996	23,786		4,470	3.4%
1996/1997	23,786		4,482	4.2%
1997/1998	23,786		4,533	2.9%
1998/1999	23,786		4,539	2.8%
1999/2000	23,786		4,560	2.8%
2000/2001	26,326	(4)	4,560	3.4%

Sources:

- (1) North Kingstown School Department as of June 30th of each year. Numbers include resident students sent out.
- (2) Rhode Island Department of Employment Security.
- (3) U.S. Department of Commerce, Bureau of the Census 1990.
- (4) U.S. Department of Commerce, Bureau of the Census 2000.

TOWN OF NORTH KINGSTOWN

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
"UNAUDITED"**

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Residential Construction (1)</u>		<u>Commercial Construction (1)</u>		<u>Bank Deposits</u>	<u>Taxable</u>		<u>Property Value</u>		<u>Total</u>
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>		<u>Commercial</u>	<u>Nontaxable</u>	<u>Residential</u>	<u>Nontaxable</u>	
1991/1992	67	7,904,719	10	1,797,235	N/A	147,464,544	111,949,910	637,010,430	111,949,910	896,424,884
1992/1993	131	10,914,070	2	589,700	N/A	145,683,844	157,911,210	631,660,690	157,911,210	935,255,744
1993/1994	131	17,113,666	9	4,427,650	N/A	151,967,944	161,009,410	638,058,490	161,009,410	951,035,844
1994/1995	138	13,967,813	4	943,000	N/A	168,446,300	310,431,000	1,179,708,600	310,431,000	1,658,585,900
1995/1996	153	16,441,443	6	11,905,114	N/A	172,443,300	310,184,700	1,206,041,700	310,184,700	1,688,669,700
1996/1997	147	15,493,941	2	187,285	N/A	173,329,550	339,744,000	1,227,919,150	339,744,000	1,740,992,700
1997/1998	167	16,171,887	16	17,571,217	N/A	204,710,400	323,003,500	1,228,463,600	323,003,500	1,756,177,500
1998/1999	134	14,771,530	7	1,675,150	N/A	207,092,900	324,483,200	1,262,944,900	324,483,200	1,794,521,000
1999/2000	151	17,506,881	11	18,621,736	N/A	208,536,370	325,207,100	1,292,365,800	325,207,100	1,826,109,270
2000/2001	115	13,946,610	9	11,878,148	N/A	213,811,670	343,118,710	1,322,489,700	343,118,710	1,879,420,080

Information relating to the Town of North Kingstown only is not available.

(1) Information obtained from Building Official

TOWN OF NORTH KINGSTOWNPRINCIPAL TAXPAYERS
"UNAUDITED"

JUNE 30, 2001

<u>Taxpayer</u>	<u>Total Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Narragansett Electric Company	\$ 27,553,850	1.23%
Electric Boat Corporation	21,649,170	0.96%
Brown & Sharpe Manufacturing Co.	18,857,800	0.84%
Hunt River Shopping Center	10,440,700	0.46%
Wal-Mart Stores, Inc.	9,410,550	0.42%
Quidnessett Country Club	7,582,580	0.34%
Providence Gas Co.	6,809,200	0.30%
Zakapone Real Estate Associates, Inc.	6,678,800	0.30%
Heritage Village Associates	5,779,300	0.26%
Home Depot USA, Inc.	5,749,100	0.26%
Toray Plastics America	4,917,970	0.22%
Meadows Professional	4,875,800	0.22%
Millcreek Limited	4,717,400	0.21%
Essex Village Company	4,506,800	0.20%
Kingstown Plaza Limited Partnership	4,086,300	0.18%
Wickford Junction Associates, LLC	4,013,700	0.18%
Kings Grant Co.	3,964,600	0.18%
High Lea Properties LLC	3,797,000	0.17%
Arch Specialty Chemicals, Inc.	3,676,350	0.16%
South County Nursing & Rehabilitation	3,658,000	0.16%
Wickford Shipyard, Inc.	3,637,900	0.16%
Wickford Village Associates	3,619,500	0.16%
OCG Microelectronic Materials	3,601,600	0.16%
Coxcom, Inc.	2,964,960	0.13%
Don W. Stone	2,862,000	0.13%
Total	<u>\$ 179,410,930</u>	

TOWN OF NORTH KINGSTOWN**PRINCIPAL EMPLOYERS
"UNAUDITED"**

JUNE 30, 2001

<u>Name</u>	<u>Type of Business</u>	<u>Number of Employees</u>
<u>Private Employers</u>		
Electric Boat Corporation	Submarine Hull Components	1500
Toray Plastics America, Inc.	Polypropylene Film	800
Perspectives Corporation	Operate Program for Disabled Adults	600
Browne & Sharpe Mfg. Co.	Metrology Products	400
The Stop & Shop Co., Inc.	Groceries and Miscellaneous Merchandise	225
Ocean State Jobbers, Inc.	Retail Closeouts and General Merchandise Stores	200
Wal-Mart	Discount Department Store	200
Custom Design, Inc.	Jewelry Displays and Silk Screening	150
Grinnell Corporation	Engineered Pipe Supports	150
Gregg's	Food and Beverage Sales	150
South County Nursing Center	Nursing Facility	150
Scalabrini Villa	Nursing Homes	120
Ames Department Store	Department Store	100
Maro Display, Inc.	Point of Purchase Displays	100
North Atlantic Distribution, Inc.	Storage and Preparation of Imported Cars	100
John J. Orr & Sons, Inc.	Stevedores, Marine Terminal	100
Icon International, Inc.	Commercial and Architectural Lighting Fixtures	94
R.I. Beverage Packaging Co.	Beverage Warehousing	90
Community Care Nurses, Inc.	Comprehensive Home Health Care	85
Arch Chemicals, Inc.	Manufacturer of Photoresist Chemicals	75
Roberts Health Centre, Inc.	Long-Term Nursing Care	75
Automation Software, Inc.	Software Engineering Service and Training	70
SENESCO	Shipbuilders	60
Lafayette Nursing Home	Skilled and Intermediate Nursing Care	60
Paul Bailey's Dodge	New, Used, Service and Body Repair, Rental	60
JT's Lumber Co., Inc.	Sale of Lumber and Building Materials	60
Total		<u>5774</u>
<u>Public Installations</u>		
Town of North Kingstown		800
R.I. Air National Guard		303
Army Aviation Support Facility		58
Total		<u>1161</u>

TOWN OF NORTH KINGSTOWN

TAX REVENUE BY SOURCE

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Operations</u>	<u>Debt Service</u>	<u>Total Taxes</u>
1991/1992	\$ 26,047,490	\$ 1,000,617	\$ 27,048,107
1992/1993	\$ 26,988,976	\$ 1,065,968	\$ 28,054,944
1993/1994	\$ 27,798,022	\$ 1,078,665	\$ 28,876,687
1994/1995	\$ 27,820,139	\$ 1,020,724	\$ 28,840,863
1995/1996	\$ 30,124,086	\$ 913,240	\$ 31,037,326
1996/1997	\$ 34,037,647	\$ 769,514	\$ 34,807,161
1997/1998	\$ 36,547,863	\$ 1,586,118	\$ 38,133,981
1998/1999	\$ 39,472,198	\$ 1,297,660	\$ 40,769,858
1999/2000	\$ 42,758,479	\$ 2,305,532	\$ 45,064,011
2000/2001	\$ 44,883,156	\$ 2,185,755	\$ 47,068,911

TOWN OF NORTH KINGSTOWN

**MISCELLANEOUS STATISTICS
"UNAUDITED"**

JUNE 30, 2001

<u>Town Incorporated</u>	1674
<u>Home Rule Charter Adopted</u>	1954
<u>Type of Government</u>	Town Council/Manager
<u>Fiscal Year Begins</u>	July 1

Population:

Official U.S. Census

1900	4,194
1910	4,084
1920	3,397
1930	4,279
1940	4,604
1950	14,810
1960	18,977
1970	29,793
1980	21,938
1990	23,786
2000	26,326

Area of Town 44.2 square miles

Miles of Roads:

Local paved	151.79
State paved	42.65

Municipal Employees:

Exclusive of Library, Police, Fire and Regular Education	92
Part-Time	158

Construction (1999-2000)

Permits issued	980
Total Value	32,359,496

Fire Protection

Fire Stations - Town Owned	3
Employees: Uniformed	66
Civilian	3
Fire Alarm Boxes	319
Fire Hydrants	978

(CONTINUED)

TOWN OF NORTH KINGSTOWN**MISCELLANEOUS STATISTICS
"UNAUDITED"**

JUNE 30, 2001

<u>Police Protection</u>	
Police Buildings	1
Animal Control Buildings	1
Employees: Law Enforcement	48
Civilian	11
Animal control	3
Harbor Division	5
 <u>Presidential Election (November 7, 2000)</u>	
Registered Voters	19,374
Number of Votes Cast	13,003
Percentage Voting	67%
 <u>Recreation</u>	
Parks and Public Squares	12
Acres for Recreation (Development)	358.6
Tot Lots	4
Playfields and Major Recreation Facilities	4
Playgrounds	5
Bandstand	1
Undeveloped Sites	10
Municipal Tennis Courts	6
In-Line Hockey Courts	1
Bathing Beaches	1
Golf Courses	1
Marina	1
Ball Diamonds (INC RIPA):	
Youth Baseball	12
Softball	6
Basketball Courts (outdoor)	7
Football Fields	2
Boat Landings	2
Soccer Fields	8
Lacrosse Fields	1
 <u>Library</u>	
Buildings	1
Employees:	
Regular	12
Part-time	17

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**MISCELLANEOUS STATISTICS
"UNAUDITED"**

JUNE 30, 2001

Education

Central Administrative Building	1
Schools:	
High	1
Middle	2
Elementary	6
Early Childhood Center	<u>1</u>
Total Schools	<u>10</u>

Students *

Kindergarten/Pre-One	332
Elementary (1-5)	1782
Middle (6-9)	1019
High (9-12)	1291
Special Education Program	<u>86</u>
Sub-total in our Schools	4510
Resident Pupils Sent Out	<u>50</u>
Total Students	<u>4560</u>

Personnel **

Administrative and Certified	19
Non-Certified	14
Classroom Teachers	362.65
Aides	87
Lunch Workers, Bus Drivers	50
Clerical	38
Operation and Maintenance	46

* Enrollment as of June 2001

** Totals as of June 2001 measured in FTE

Municipal Buildings - (Excluding Library, Fire, Police and Education)

Town Hall	Highway Garage - 55 Oak Hill Road
Town Hall Annex	Highway Garage - Rear of Water Dept.
Beachwood Senior Center	Transfer Station - Three Buildings
Community Center	Donald Downes Playground Rec. Bldg.
Town Beach Snack Bar and Beach Facilities	Water Department:
Little Red School House	5 Towers
Allen Harbor (3 buildings)	5 Booster Pumping Stations (Water & Sewer)
Golf Course/Facilities:	3 Bay Garage
Maintenance Buildings	PRV Vault
Hazmat Building	8 Well Buildings
Golf Course Club House	30 Reynolds Street & Garage

(CONTINUED)

TOWN OF NORTH KINGSTOWN

**MISCELLANEOUS STATISTICS
"UNAUDITED"**

JUNE 30, 2001

Wickford Public Restrooms	Signal Rock Recreation Center:
Wilson Park Recreation:	Main Building
Facilities	Storage Building
2 Concession Stands & Restrooms	Press Box/Concession
Gazebo	House & Garage - 37 Oak Hill Road
Wilson Park Maintenance Facility	Bandstand
Ryan Park Nature Center	McGinn Park Concession Building (includes
(includes Meeting Room, Concessions, Restrooms)	Restrooms, Utility Room and Press Box)
Ryan Park Press Box (2)	McGinn Park Conex Storage Box
35 West Main Street	

(CONCLUDED)

THE TOWN OF
NORTH KINGSTOWN, RHODE ISLAND

SINGLE AUDIT SECTION

TOWN OF NORTH KINGSTOWN

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2001**

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures Incurred</u>
<i>U.S. Department of Housing and Urban Development:</i>		
Community Development Block Grant (CDBG)	14.219	\$ 94,645
CAED Planning Grant	14.246	<u>16,218</u>
<i>Total U.S. Department of Housing and Urban Development</i>		<u>110,863</u>
<i>U.S. Department of Education:</i>		
ECIA Chapter I	84.010	240,834
PL 94-142	84.027	326,962
Title VI	84.151	18,286
Title VI – Class Size	84.151	106,972
Title II	84.164	28,385
Preschool Services	84.173	28,361
Drug-free schools	84.186	25,151
Child opportunity - homeless	84.298	<u>18,000</u>
<i>Total U.S. Department of Education</i>		<u>792,951</u>
<i>U.S. Department of Agriculture:</i>		
National school lunch	10.555	204,243
National school milk	10.556	1,800
National school breakfast	10.557	21,374
Farmland Protection Program*	10.913	400,000
Resource Protection Project	10.xxx	<u>1,139</u>
<i>Total U.S. Departure of Agriculture</i>		<u>628,556</u>
<i>U.S. Department of Justice:</i>		
Local Law Enforcement Block Grant	16.004	<u>10,043</u>
<i>Total U.S. Department of Justice</i>		<u>10,043</u>
<i>Total Expenditures of Federal Awards</i>		<u>\$1,542,413</u>

*Denotes major program

TOWN OF NORTH KINGSTOWN

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2001**

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Town of North Kingstown. All federal awards received from federal agencies are included on the Schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

3. Determination of Major Programs

The determination of major federal awards programs was based upon the overall level of expenditures for all federal programs for the Town of North Kingstown. As such, the threshold for determining Type A and Type B programs are defined as those with program expenditures greater than \$300,000 or 3 percent of total expenditures when the total expenditures are over \$10,000,000. The Town had one program with expenditures greater than \$300,000. For the fiscal year ended June 30, 2001, the Farmland Protection Program Grant was the major program of the Town of North Kingstown.



CERTIFIED PUBLIC ACCOUNTANTS

BUSINESS CONSULTANTS

Providence, Rhode Island

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Town Council
Town of North Kingstown
North Kingstown, Rhode Island

We have audited the general purpose financial statements of the Town of North Kingstown, Rhode Island as of and for the year ended June 30, 2001, and have issued our report thereon dated December 10, 2001. 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.

Compliance

As part of obtaining reasonable assurance about whether the Town of North Kingstown's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of North Kingstown's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the Town of North Kingstown in a separate letter dated December 10, 2001.

This report is intended solely for the information and use of the Town Council, management, federal awarding agencies and those governments from which federal awards were received and is not intended to be and should not be used by anyone other than these specified parties.

Cayer Prescott Clune & Chatellier, LLP

December 10, 2001



CERTIFIED PUBLIC ACCOUNTANTS

BUSINESS CONSULTANTS

Providence, Rhode Island

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Town Council
Town of North Kingstown
North Kingstown, Rhode Island

Compliance

We have audited the compliance of the Town of North Kingstown, Rhode Island with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The Town of North Kingstown's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the Town of North Kingstown's management. Our responsibility is to express an opinion on the Town of North Kingstown's compliance based on our audit.

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 programs occurred. An audit includes examining, on a test basis, evidence about the Town of North Kingstown'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. Our audit does not provide a legal determination on the Town of North Kingstown's compliance with those requirements.

In our opinion, the Town of North Kingstown complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

The management of the Town of North Kingstown is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Town of North Kingstown's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Town Council, management, and those other governments from which federal awards were received and is not intended to be and should not be used by anyone other than these specified parties.

December 10, 2001

Caym Prescott Chen & Chittler, LLP