

# City of Pawtucket Rhode Island



# Pawtucket

— JOIN THE EVOLUTION —

**Basic Financial Statements  
And Required Supplementary Information  
Fiscal Year Ended June 30, 2015**

**Including Independent Audit Report of  
Certified Public Accountants**

**Donald R. Grebien  
Mayor**



**Joanna L'Heureux  
Finance Director**

**Prepared by Finance Department**

# CITY OF PAWTUCKET, RHODE ISLAND

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# CITY OF PAWTUCKET, RHODE ISLAND

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# **INTRODUCTORY SECTION**

**This Section Contains the Following Subsections**

**LIST OF CITY OFFICIALS  
ORGANIZATIONAL CHART**

**CITY OF PAWTUCKET, RHODE ISLAND**

**LIST OF CITY OFFICIALS**

**JUNE 30, 2015**

CITY COUNCIL

DAVID P. MORAN, PRESIDENT

THOMAS E. HODGE

SANDRA C. CANO

JOHN J. BARRY III

TERENCE MERCER

TIMOTHY RUDD

LORENZO TETREAULT

MARY E. BRAY

MARK J. WILDENHAIN

MAYOR

DONALD R. GREBIEN

DIRECTOR OF ADMINISTRATION

ANTONIO J. PIRES

FINANCE DEPARTMENT

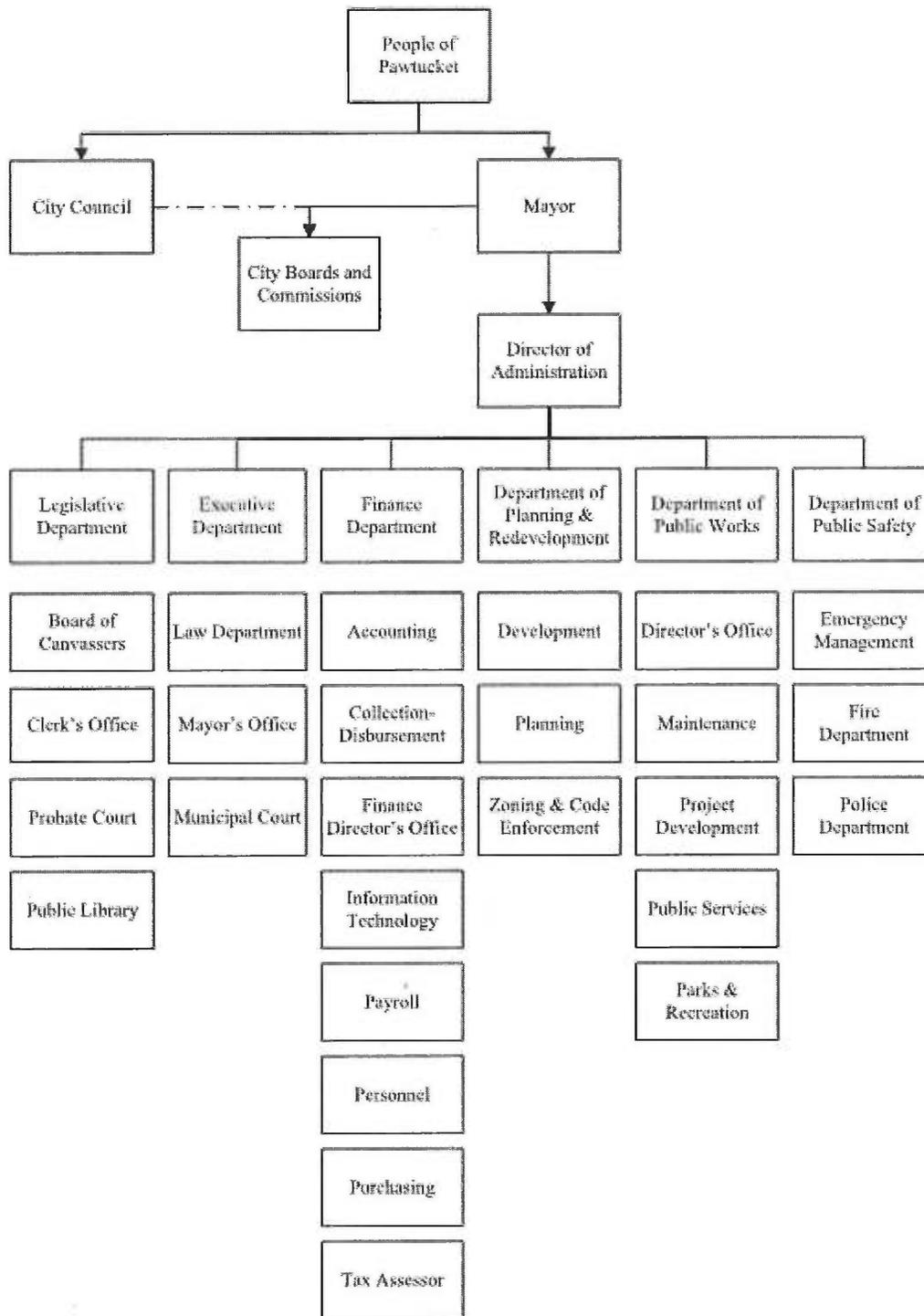
JOANNA L'HEUREUX, FINANCE DIRECTOR

JEANNINE BOURSKI, DEPUTY FINANCE DIRECTOR

SHAUN STROBEL, TAX COLLECTOR

ROBERT W. BURNS, TAX ASSESSOR

DAVID CLEMENTE, PURCHASING DIRECTOR



# **FINANCIAL SECTION**

This Section Contains the Following Subsections

INDEPENDENT AUDITORS' REPORT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
BASIC FINANCIAL STATEMENTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
REQUIRED SUPPLEMENTARY INFORMATION  
OTHER SUPPLEMENTARY INFORMATION

## INDEPENDENT AUDITORS' REPORT

To the Honorable President and  
Members of City Council  
**City of Pawtucket, Rhode Island**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pawtucket, Rhode Island (the City) as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Pawtucket Business Development Corporation (PBDC), which represents less than one percent, of the assets, net position, and revenues of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for PBDC, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Pawtucket, Rhode Island, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the City of Pawtucket, Rhode Island implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB No.27* and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB No. 68*. As discussed in Note 15 to the financial statements, management analyzed the requirements of GASB No. 68 and 71, and determined that the beginning net position should be restated. The beginning net position has been reduced by \$166,187,774 to reflect the net pension liability as of June 30, 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17 and budgetary comparison schedules, schedule of changes to City's net pension liability and related ratios and schedule of employer contributions on pages 86 through 106, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pawtucket, Rhode Island's basic financial statements. The combining and individual nonmajor fund financial statements, and other exhibits, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2016, on our consideration of the City of Pawtucket, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pawtucket, Rhode Island's internal control over financial reporting and compliance.

*Marcum LLP*

Providence, RI  
March 8, 2016

**MANAGEMENT'S DISCUSSION AND  
ANALYSIS**

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

Our discussion and analysis of the City of Pawtucket, Rhode Island's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2015. This discussion and analysis should be read in conjunction with the City's financial statements that follow this section.

**Financial Highlights**

- ❖ The City's total net position increased by \$8,699,599 as a result of this year's operations. On a government-wide basis, the City's liabilities and deferred inflows of resources for the City exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$133,828,067.
- ❖ Net position of business activities increased by \$3,355,914, or 4.4%, while net position of governmental activities increased by \$5,343,685 or 2.5%.
- ❖ The City's government-wide (governmental and business activities) operating expenses were \$238,558,937, a 1% increase from the prior year, while revenues collected were \$247,258,536 a 4.8% increase from the prior year.
- ❖ As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$32,603,502. Approximately 33% of this amount, \$10,870,665 is unassigned and available for use at the government's discretion.
- ❖ The remaining fund balance of \$21,732,837 includes \$1,392,612 in non-spendable funds, \$14,913,620 in restricted funds, \$2,956,396 in committed funds and \$2,470,209 in assigned funds.

**New Significant Accounting Standards**

For the fiscal year ended June 30, 2015, the City adopted two new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB) that relate to pension activity:

- GASB statement No. 68, "*Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No 27,*" and
- GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*"

GASB Statement No. 68 (Statement) establishes standards of accounting financial reporting, but not funding or budgetary standards, for the City's defined benefit pension plans. This Statement replaces the requirements of prior GASB statements impacting accounting and disclosure of pensions.

The significant impact to the City of implementing Statement No. 68 is the reporting of the City's unfunded pension liability on the City's full accrual basis of accounting government-wide financial statements and in the enterprise funds. There are also new note disclosure requirements and supplementary schedules required by the Statement.

**CITY OF PAWTUCKET, RHODE ISLAND**  
*Management's Discussion and Analysis*

**New Significant Accounting Standards (continued)**

The measurement date for the pension liabilities in the plans administrated by the State of Rhode Island is as of June 30, 2014. This date reflects one year lag and was used so that these financial statements could be issued in an expedient manner. Contributions made by the City subsequent to the measure date are reported as deferred outflows of resources in accordance with Statement No. 71 for these plans.

In order to implement the Statement, the City's June 30, 2014 net position has been restated to reflect the cumulative effect resulting from the implementation of GASB Statement No. 68. The restatement decreased the City's net position by \$166,187,774 to (\$142,527,666). Please refer to Note 11 for more information regarding the City's pensions and Note 14 regarding the restatement.

The adoption of Statement No. 68 has no impact on the City's governmental fund financial statements, which continue to report expenditures equal to the amount of the City's actuarially determined contribution (formerly referred to as the "annual required contribution"). The calculation of pension contributions is also unaffected by this Statement.

**Overview of the Financial Statements**

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

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

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

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

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

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

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

**CITY OF PAWTUCKET, RHODE ISLAND**  
*Management's Discussion and Analysis*

**Overview of the Financial Statements (Continued)**

Both of the government-wide financial statements distinguish functions of the City, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City's governmental activities include legislative, judicial and general administrative, financial administration, planning, engineering and inspection, public safety, public works, education and interest on long-term debt. The City's business activities include the Pawtucket Water Supply Board, School Lunch Program and 175 Main St.

The government-wide financial statements are reported on pages 18 through 19.

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

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

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

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

The governmental funds financial statements are presented on pages 20 through 23.

The City adopts an annual budget for its General Fund and for its School Unrestricted Revenue Unrestricted Fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with this budget.

**CITY OF PAWTUCKET, RHODE ISLAND**  
*Management's Discussion and Analysis*

**Overview of the Financial Statements (Continued)**

***Proprietary Funds*** - The City's proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City has three enterprise funds. The Pawtucket Water Supply Board, which accounts for the City's water system; School Lunch Program, which accounts for School Lunch operations; and 175 Main Street, which is an office building. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for health & dental benefits. Because these services predominately benefit governmental rather than business type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Pawtucket Water Supply Board and the School Lunch Fund since they are considered to be major funds of the City. The internal service fund financial statement provides information for health & dental plan benefits.

The basic proprietary fund financial statements are presented on pages 24 through 27.

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

The fiduciary fund financial statements can be found on pages 28 and 29.

***Notes to Financial Statements*** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 30 through 85.

***Other Information*** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the City's operations. Required Supplementary information is presented on pages 86 through 106.

The combining statements referred to earlier in connection with non-major governmental funds, are presented on pages 107 through 172.

The Agency funds are presented on page 173.

**Government-wide Financial Analysis**

**Analysis of the City of Pawtucket's Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. The City of Pawtucket, governmental activities liabilities and deferred inflows exceeded assets and deferred outflows by \$210,628,115 as of June 30, 2015. This is an increase of \$5,343,685 from the previous year which is a result of the implementation of GASB No. 68 in the year ended June 30, 2015 and the restatement of the June 30, 2014 balances.

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

Listed below is a comparison of the City's net position for the current and prior fiscal years.

	City of Pawtucket Net Position					
	2015			2014 (AS RESTATED)		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 62,383,196	\$ 5,681,350	\$ 68,064,546	\$ 48,430,637	\$ 30,934,131	\$ 79,364,768
Capital assets	152,645,800	179,508,747	332,154,547	142,538,308	154,601,492	297,139,800
Total assets	<u>215,028,996</u>	<u>185,190,097</u>	<u>400,219,093</u>	<u>190,968,945</u>	<u>185,535,623</u>	<u>376,504,568</u>
Deferred outflows	15,731,115	724,053	16,455,168	8,740,863	717,907	9,458,770
Current and other liabilities	30,051,059	7,433,603	37,484,662	36,349,232	9,496,515	45,845,747
Long-term liabilities	396,053,644	100,609,694	496,663,338	379,332,376	103,312,881	482,645,257
Total liabilities	<u>426,104,703</u>	<u>108,043,297</u>	<u>534,148,000</u>	<u>415,681,608</u>	<u>112,809,396</u>	<u>528,491,004</u>
Deferred inflows	15,283,523	1,070,805	16,354,328	-	-	-
Net position:						
Net investment in						
capital assets	90,255,631	56,867,810	147,123,441	104,691,768	55,531,597	160,223,365
Restricted	21,301,919	23,309,865	44,611,784	5,220,493	22,958,612	28,179,105
Unrestricted as restated				(325,884,061)	(5,046,075)	(330,930,136)
Unrestricted	<u>(322,185,665)</u>	<u>(3,377,627)</u>	<u>(325,563,292)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ (210,628,115)</u>	<u>\$ 76,800,048</u>	<u>\$ (133,828,067)</u>	<u>\$ (215,971,800)</u>	<u>\$ 73,444,134</u>	<u>\$ (142,527,666)</u>

As discussed in Note 1 and Note 14 to the financial statements and the previous financial highlights section, the City restated its 2014 net position to reflect the adoption of GASB No. 68.

The largest portion of the City's net position, \$142,123,441 consists of its net investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The City uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities. An additional portion of the City's net position, \$45,042,702 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors. As of June 30, 2015 the City of Pawtucket reports a negative balance in net position for the government as a whole.

### **Analysis of the City's Operations**

Governmental activities increased the City's net position by \$5,343,685 for the current period, while business-type activities increased by \$3,355,914 for the current period. Due to the implementation of GASB No. 68, we had to restate the FY2014 net position ending balance resulting in the new opening net position of (\$215,971,800) for the governmental activities and \$73,444,134 for the business-type activities.

Amounts reported for governmental activities in the statement of activities are different from the amounts reported as fund expenditures. See page 23 for the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities for a detailed explanation of these differences.

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

The following schedule presents the Changes in Net Position for the current and prior years' activity.

	Changes in Net Position					
	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$ 9,715,409	\$ 19,210,485	\$ 28,925,894	\$ 7,448,328	\$ 19,037,449	\$ 26,485,777
Operating Grants & Contributions	17,120,291	4,073,740	21,194,031	22,994,017	3,896,744	26,890,761
Capital Grants & Contributions	3,397,507		3,397,507	1,402,522		1,402,522
General Revenues:						
Property Tax	100,908,065		100,908,065	97,986,880		97,986,880
State aid, unrestricted State aid, Teachers' pension	85,080,836		85,080,836	78,954,330	54,637	79,008,967
Investment earnings	4,543,015		4,543,015			
Other Revenues	1,193,408	252,717	1,446,125	1,465,448	328,274	1,793,722
Total revenues	1,531,481	231,582	1,763,063	1,375,869	233,806	1,609,675
	<u>223,490,012</u>	<u>23,768,524</u>	<u>247,258,536</u>	<u>211,627,394</u>	<u>23,550,910</u>	<u>235,178,304</u>
Expenses:						
Legislative & Executive	6,380,146		6,380,146	5,743,824		5,743,824
Finance	2,912,530		2,912,530	2,812,478		2,812,478
Public Safety	51,293,763		51,293,763	50,389,691		50,389,691
Public Works	17,826,044		17,826,044	13,134,135		13,134,135
Planning	2,114,046		2,114,046	6,602,573		6,602,573
Education	124,698,569		124,698,569	123,524,630		123,524,630
Interest Expense	2,642,562		2,642,562	1,739,327		1,739,327
Other	10,278,668		10,278,668	11,487,983		11,487,983
Water Supply Board		15,530,529	15,530,529		15,465,303	15,465,303
175 Main Street		490,950	490,950		509,477	509,477
School Lunch Fund		4,391,131	4,391,131		4,293,019	4,293,019
Total Expense	<u>218,146,327</u>	<u>20,412,610</u>	<u>238,558,937</u>	<u>215,434,641</u>	<u>20,267,799</u>	<u>235,702,440</u>
Change in net position	<u>5,343,685</u>	<u>3,355,914</u>	<u>8,699,599</u>	<u>(3,807,247)</u>	<u>3,283,111</u>	<u>(524,136)</u>
Net position, Beginning of the year:						
As originally reported	-	-	-	(51,365,944)	75,550,188	24,184,244
GASB 68 implementation	-	-	-	(160,798,609)	(5,389,165)	(166,187,774)
As restated	<u>(215,971,800)</u>	<u>73,444,134</u>	<u>(142,527,666)</u>	<u>(212,164,553)</u>	<u>70,161,023</u>	<u>(142,003,530)</u>
Net position, end of year	<u>\$ (210,628,115)</u>	<u>\$ 76,800,048</u>	<u>\$ (133,828,067)</u>	<u>\$ (215,971,800)</u>	<u>\$ 73,444,134</u>	<u>\$ (142,527,666)</u>

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

**Financial Analysis of the City of Pawtucket's Funds**

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$32,603,502. Of this amount, \$10,870,665 constitutes net unassigned fund balance. The remainder of the fund balance is classified as follows:

**Non-Spendable:**

Perpetual care and endowment permant funds	\$ 1,147,875
School department prepaid items	224,937
City special revenue funds	19,800
<b>Total Non-Spendable fund balance</b>	<b>\$ 1,392,612</b>

**Restricted:**

Restricted for City special revenue funds	\$ 1,859,234
Restricted for School Capital projects funds	500,000
Restricted for School medical reservation	1,782,635
Restricted for HUD special revenue funds	350,149
Restricted for general School purposes	205,981
Restricted for School special revenue funds	350,061
Restricted for Capital projects funds	9,865,560
<b>Total Restricted fund balance</b>	<b>\$ 14,913,620</b>

**Committed:**

Committed for Charter Reserve	\$ 700,000
Committed for City special revenue funds	1,568,879
Committed for payoff of recycling bins	687,517
<b>Total Committed fund balance</b>	<b>\$ 2,956,396</b>

**Assigned**

Assigned for City medical reservation	\$ 1,808,208
Assigned for snow removal	150,000
Assigned for revaluation	512,001
<b>Total Assigned fund balance</b>	<b>\$ 2,470,209</b>

<b>Total</b>	<b>\$ 21,732,837</b>
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**Proprietary Funds** - The City of Pawtucket's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail.

Unrestricted net position of the respective proprietary funds are (\$3,377,627).

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

**General Fund Budgeting Highlights for the Fiscal Year Ending**  
**June 30, 2015 and June 30, 2014**

**REVENUE:**

**Real Estate, Tangible and Auto Taxes** – were under budget by \$718,228. Prior year taxes came in slightly lower than budgeted by \$58,890 in total. Current year taxes came in lower than anticipated due to mainly Motor Vehicle as this tends to be cyclical with registrations due every two years. Real Estate tax was under budget by \$435,504 of the variance. Motor Vehicle tax was under budget by \$210,146. Tangible tax was under budget by \$72,578. In prior year comparison, we were under last year by \$1,572,888 due to a decrease in values and collecting a lot of prior year Motor Vehicle taxes in the previous fiscal year.

**Current Other Revenues** – exceeded the budget by \$30,449 and over last year by \$38,584 primarily due to the commercial commission coming in higher than previous year and also higher payment of state realty transfer tax due to a change in the market.

**License and Permit Revenue** – exceeded the budget by \$95,747 and under last year by \$14,150. The variance for this year is mainly the result of Building, Plumbing, and Inspection fees coming in higher than budgeted. We were slightly under what we collected last year in both licenses and permits.

**Intergovernmental Revenue** – exceeded the budget by \$287,853 and was over last year by \$322,922. The variance for this year was mainly due to State Mandated Revaluation which was not budgeted for as well as an increase in Meals tax and Auto Phase-out. The variance for last year is due to the legislature giving us more money for Auto Phase-out and Distressed Communities money than the previous year.

**Charges for Services** – exceeded the budget by \$395,069 and over last year by \$474,344. This year's variance was mainly due to a one time bond premium. The variance for last year is due mainly because of a bond premium, higher rescue fees, and an increase in employee medical copays.

**Fines and Forfeitures** – exceeded the budget by \$99,205 and over last year by \$64,931. The variance for this year and last year was mainly due to higher snow tow ticket revenue due to the unprecedented snow storms in 2015.

**Interest Revenue** – exceeded the budget by \$169,534 and under last year by \$191,192. We saw an increase in interest charged for late payment of taxes, as well as an increase in our interest rates due to having more money to invest yielding more interest income. The variance for last year was due to less interest on tax payments being collected.

**Other Financing Sources** – was over budget by \$711,799 and exceeded last year by \$890,518. The variance for this year is mainly due to recording of a bond premium of \$900,419.

**Total Revenue** – exceeded the budget by \$1,071,428 mainly due to the increase in intergovernmental and fines and forfeitures as explained above. We are over last year \$13,063.

**CITY OF PAWTUCKET, RHODE ISLAND**  
*Management's Discussion and Analysis*

**EXPENSES:**

**Legislative** – The Legislative Department was under budget by \$114,980 and over last year \$271,155.

**Board of Canvassers Division** – was under budget by \$14,698 and over last year by \$134,800. The variances are mostly due to an election being held during this fiscal year and none last fiscal year.

**Library Division** – was under budget by \$98,471 and over last year \$106,899. The variances are mostly due to a lag in hiring and also a decrease in the heating line this fiscal year.

There were no material variances in the **City Council, City Clerk's, and Probate Court Divisions.**

**Executive** – The Executive Department was under budget by \$67,950 and over last year 26,747.

**Mayor's Office** – was under budget by \$60,377 and under last year \$34,226. This was mainly due to a lag in hiring.

**Law Department** – was under budget by \$6,318 and over last year \$60,725. The variances are mostly due to a lag in hiring and an increase in legal fees this fiscal year.

There was no material variance in the **Municipal Court Division.**

**Finance** - The Finance Department was under budget by \$51,050 and over last year \$282,029.

**Tax Assessors Division** - was over budget by \$157,095 and over last year \$234,898. The variance is mostly due to a state mandated revaluation expense that was not budgeted.

**Tax Collections Division** – was under budget by \$54,310 and under last year \$13,070. The variance from last year is due to the tax bill consultant and postage being lower than the previous year.

**Information Technology Division** – was under budget \$52,371 and over last year by \$12,718. This was due to a combination a lag in hiring, and also a savings in our telephone maintenance line due to installation of new lines.

**Personnel Division** – was under budget \$108,361 and over last year by \$9,882. This was mainly due to the HR Directors position being budgeted but unfilled.

There were no other material variances in the **Finance Director, Accounting, Purchasing or Payroll Divisions.**

**Planning** - The Planning Department was under budget by \$109,835 and under last year \$80,797.

**Zoning & Code Enforcement Division** – was under budget by \$107,677 and under last year by \$86,372. The variances were mostly due to lag in hiring and a significant decrease in the Demo/Clearing line item.

**There were no significant variances in the Planning, or Development Division.**

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

**Public Safety** – The Public Safety Department consists of the Police Department, Fire Department, and the Civil Defense Department.

**Police** – The Police Department was under budget by \$47,369 and over last year by \$913,721.

**Uniform Police Division** - was over budget by \$69,134 and over last year \$884,910. This year uniform salaries were over budget \$257,606 mainly due to the retro payment of the Arbitration award of 2.5% increase for the FY14 CBA. Restoration was also under budget \$97,585 due to DOT and other vendor payments to use police officer vehicles during road construction. In current year the medical costs for our injured on duty police officers was over budget by \$170,522. The main difference between this year and last year is due to an increased contribution of \$305,019 to the pension plan, increased Medical IOD, and healthcare costs.

**Civilian Police Division** - was under budget by \$45,698 and over last year \$49,096. The variances were mostly due to a decrease in the number of recruits in the academy this year over last year.

**Animal Control Division** – was under budget by \$70,805 and under last year \$20,285. This was mostly due to a lag in hiring and less veterinarian bills this year.

**Fire** –The Fire Department was over budget by \$347,859 and over last year \$649,522.

**Uniform Fire Division** – was over budget by \$430,979 and over last year \$428,968. This year Fire overtime was over budget by \$296,168 while Medical IOD was over budget by \$182,232. The main difference between last year and this year is due to an increased contribution of \$305,019 to the pension plan, increased Medical IOD, and healthcare costs.

**Civilian Fire Division** – was under budget by \$43,908 and over last year \$266,100. This was mostly due to the hiring of 16 part time positions for dispatchers for the first time this year.

**Fire Prevention Division** – was under budget by \$39,212 and under last year \$45,546. The variance was mainly due to a lag in hiring and using fire prevention funds to absorb excess overtime.

**There were no material differences in the Crossing Guard or Civil Defense Divisions.**

**Public Works** – The Public Works Department was over budget by \$57,848 and over last year \$568,623.

**Public Works Director Division** – was over budget by \$26,156 and over last year \$52,382. The variance is mainly due to a reorganization of personnel within the entire Public Works Department in the previous year.

**Engineering Division** – was under budget by \$37,536 and under last year \$32,306. The variance is mainly due to a lag in hiring in the current year.

**Public Building Maintenance Division** – was over budget \$60,723 and over last year \$91,235. The variance is mainly due to an increase in overtime as offices were remodeled and moved this year.

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

**City Hall Maintenance Division** – was under budget by \$69,465 and under last year \$19,691. The variance is mainly due to a decrease in the electric and heating bill in the current year.

**Sewer Maintenance Division** – was under budget by \$48,321 and over last year \$22,173. The variance is mainly due to lower costs for pumping station services and a lower sewer bill.

**Beautification Division** – was under budget by \$22,760 and over last year \$167,744. The variance for this year is due to a lag in hiring and for last year, the variance is mainly due to an increase in the contract and the loss of the school chargeback for refuse services.

**Street Cleaning and Snow Removal Division** – was over budget by \$295,826 and over last year \$332,251. The variances contributing to being over budget this year were the sand/salt supply line and the snow storm salaries which were higher than the average budgeted. The largest contributing expense over last year was the equipment rental line which was due to the multiple snow storms and having to rent equipment to move the snow off of the streets by pay loaders.

**Parks Division** – was under budget by \$65,941 and under last year \$28,779. The variance is mainly due to a leave of absence.

There were no other material variances in the **Equipment Maintenance, Public Building Maintenance, Transfer Station, Streets and Bridges, Traffic, Recreation, and Daggett Farm Divisions.**

**Fixed Charges (Non-Departmental Costs)** – The Fixed Charges Section were under budget by \$385,025 and under last year by \$507,986.

**Debt Service** – was under budget by \$423,963 and under last year \$13,925. The main reason for the difference from last year to this year is we budgeted for a new equipment lease which did not happen until December saving us lease principal and interest of \$684,468. We also had a savings due to a refunding of \$434,376.

**Operating Insurance** – was under budget by \$146,989 and under last year \$76,382. Both variances are mainly due not fully expending our claims and judgments line in the current year.

**Interdepartmental Contributions** – were under budget by \$224,642 and under last year \$328,734. The main reason for the variance for both this year and last is due to not having to fund the school deficit reduction plan in the amount of \$511,462.

**Other Employee Benefits** – was over budget by \$53,340 and over last year \$357,519. The major variance for this year was the increase in workers compensation. We also increased our budget for our retiree health care in FY15 by \$154,313.

**Fixed Charges** – was over budget by \$358,300 and over last year \$569,180. Accrued hours payoff was under budget \$150,228 and over last year \$88,382 due to more retirements in the current year. Arbitration fees were over budget \$69,242 and over last year by \$132,644 due to the police arbitration. We also paid a down payment for the purchase of a building for the school department which was not budgeted of \$200,000.

There were no other material variances in the **Contribution Support Division.**

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

**Total Expenses** – were under budget by \$402,289 and over last year \$3,160,248. This year's variance is due to some retirements, a lag in hiring, and 1 million was in Debt Service plus \$500,000 for school deficit reduction plan as explained above.

**The City of Pawtucket's Capital Assets**

The City of Pawtucket's investment in capital assets for its governmental and business-type activities amounts to \$307,458,529 net of accumulated depreciation at June 30, 2015. Included are land, building and improvements, construction in progress, motor vehicles, furniture and equipment and infrastructure. Additional information on the City of Pawtucket's capital assets is located in note 4 to the financial statements and can be found on page 46.

City of Pawtucket Capital Assets (Net of Accumulated Depreciation)						
	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land and improvements	\$ 22,077,850	\$ 5,871,100	\$ 27,948,950	\$ 21,867,850	\$ 5,796,400	\$ 27,664,250
Construction in progress	1,119,704	8,534,520	9,654,224	1,252,468	9,570,680	10,823,148
Buildings and improvements	54,928,817		54,928,817	43,703,954	2,116,472	45,820,426
Distribution and collection systems		81,206,159	81,206,159		79,424,137	79,424,137
Motor Vehicles	3,792,293		3,792,293	3,486,397		3,486,397
Machinery, equipment & furniture	1,409,551	265,632	1,675,183	1,096,198	359,352	1,455,550
Infrastructure	69,317,585	58,935,318	128,252,903	71,131,441	57,334,451	128,465,892
	<u>\$ 152,645,800</u>	<u>\$ 154,812,729</u>	<u>\$ 307,458,529</u>	<u>\$ 142,538,308</u>	<u>\$ 154,601,492</u>	<u>\$ 297,139,800</u>

Construction in process for governmental activities relate to the City's Slater Park pavilion project and the Blackstone Wall repair project. These projects will be funded by a combination of grant monies and bond debt expected to be issued in the upcoming years. Construction in process for business-type activities relate to Pawtucket Water Supply Board annual water main replacement contracts to be funded from bond proceeds available from bonds issued in fiscal year 2013, and rate revenue restricted for infrastructure improvements. The water transmission and distribution system capital improvements, which will benefit the rate payers for many years, are paid from debt financing on an as needed basis.

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

**The City of Pawtucket's Capital Assets (Continued)**

The City has the following commitments related to construction project contracts at June 30, 2015:  
 City:

Slater Park Pavilion	\$ 148,515
School Building Purchase	<u>\$ 300,000</u>
	\$ 448,515

PWSB:

Main Replacement Contract MR-10	<u>\$3,676,469</u>
	<u>\$4,124,984</u>

**The City of Pawtucket's Debt Administration**

At the end of the current fiscal year, the City of Pawtucket's Governmental Activities had a total bonded debt of \$51,158,658. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the City's long-term liabilities:

The following is a summary of the City's long-term debt:

	City of Pawtucket					
	General Obligation Bonds and Notes Payable					
	2015			2014		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
General obligation bonds	\$ 51,158,658		\$ 51,158,658	\$ 31,512,110		\$ 31,512,110
Bond premiums and capital leases	9,897,418	290,202	10,187,620	6,334,430	304,021	6,638,451
Water and clean water bonds		97,534,230	97,534,230		97,500,787	97,500,787
Notes and loans payable	7,430,000	-	7,430,000	12,670,000	884,407	13,554,407
	<u>\$ 68,486,076</u>	<u>\$ 97,824,432</u>	<u>\$ 166,310,508</u>	<u>\$ 50,516,540</u>	<u>\$ 98,689,215</u>	<u>\$ 149,205,755</u>

Additional information on the City's long-term liabilities can be found in note 7 of the Notes to the Financial Statements and on pages 51 through 53.

The City maintains a "Baa2" rating from Moody's and a BBB+; outlook stable, from Fitch for general obligation debt. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable City property on the general obligation debt that a municipality can issue. The City of Pawtucket's limit is \$103,461,863 at fiscal year-end. The City's outstanding general obligation debt that is applicable to the debt limit is \$3,500,000 at year-end, which is \$99,961,863 under the State imposed limitation.

**CITY OF PAWTUCKET, RHODE ISLAND**  
***Management's Discussion and Analysis***

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

The City of Pawtucket's total general fund budget for fiscal year 2016 amounts to \$227,575,201, which reflects an increase of \$8,330,756, or 3.80% more than the fiscal 2015 budget of \$219,244,445. Of the City's 2016 budget \$110,727,236 or 48.7%, is budgeted for educational purposes and \$116,847,965 or 51.3% is budgeted for other purposes.

The City's tax rate for fiscal year 2016 is \$33.61 per thousand for commercial real property, \$21.89 per thousand for residential real property, \$53.30 per thousand for motor vehicles and \$52.09 per thousand for tangible personal property. Taxes for retail/wholesale inventory have been completely phased out.

**Request for Information**

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the City's finances and to show the City's accountability for the tax dollars received. Questions concerning this report, or requests for additional information, should be directed to Ms. Joanna L'Heureux, Finance Director, Pawtucket City Hall, 137 Roosevelt Avenue, Pawtucket, RI 02860, Telephone (401)728-0500.

Joanna L'Heureux  
Finance Director

# **BASIC FINANCIAL STATEMENTS**

## CITY OF PAWTUCKET, RHODE ISLAND

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## STATEMENT OF NET POSITION

JUNE 30, 2015

	Primary Government			Discretely Presented Component Unit Pawtucket Business Development Corporation
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 36,279,299	\$ 3,296,536	\$ 39,575,835	\$ 331,585
Investments	720,854	--	720,854	--
Real estate and personal property taxes receivable	7,250,410	--	7,250,410	--
Water user fees receivable	--	3,953,818	3,953,818	--
Due from federal and state government	4,374,571	451,843	4,826,414	--
Due from RICWFA	4,956,169	--	4,956,169	--
Internal balances	2,595,671	(2,595,671)	--	--
Other receivables	3,261,410	643	3,262,053	792
Prepaid items	224,937	129,268	354,205	191,262
Inventories	--	444,913	444,913	--
Notes receivable	2,719,875	--	2,719,875	--
<b>Total current assets</b>	<b>62,383,196</b>	<b>5,681,350</b>	<b>68,064,546</b>	<b>523,639</b>
<b>Noncurrent assets</b>				
Restricted assets:				
Cash and cash equivalents	--	19,114,441	19,114,441	--
Investments	--	5,581,577	5,581,577	--
Capital assets:				
Capital assets not being depreciated	23,197,554	14,405,620	37,603,174	--
Capital assets being depreciated	129,448,246	140,407,109	269,855,355	--
<b>Total noncurrent assets</b>	<b>152,645,800</b>	<b>179,508,747</b>	<b>332,154,547</b>	<b>--</b>
<b>Total assets</b>	<b>215,028,996</b>	<b>185,190,097</b>	<b>400,219,093</b>	<b>523,639</b>
<b>Deferred outflows of resources</b>				
Deferred loss on refunding bonds	--	80,370	80,370	--
Pension	15,731,115	643,683	16,374,798	--
<b>Total deferred outflows of resources</b>	<b>15,731,115</b>	<b>724,053</b>	<b>16,455,168</b>	<b>--</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities	11,825,141	1,345,284	13,170,425	--
Accrued interest payable	748,919	1,275,577	2,024,496	--
Unearned revenue	2,973,719	--	2,973,719	--
Bond anticipation note	7,200,000	--	7,200,000	--
Deposits	--	22,109	22,109	--
Long-term liabilities due within one year	5,774,992	4,790,633	10,565,625	--
<b>Total current liabilities</b>	<b>28,522,771</b>	<b>7,433,603</b>	<b>35,956,374</b>	<b>--</b>
<b>Noncurrent liabilities</b>				
Other noncurrent liabilities	--	410,061	410,061	--
Long-term liabilities	397,581,931	100,199,633	497,781,564	--
<b>Total noncurrent liabilities</b>	<b>397,581,931</b>	<b>100,609,694</b>	<b>498,191,625</b>	<b>--</b>
<b>Total liabilities</b>	<b>426,104,702</b>	<b>108,043,297</b>	<b>534,147,999</b>	<b>--</b>
<b>Deferred inflows of resources</b>				
Pension	15,283,523	1,070,805	16,354,328	--
<b>Total deferred inflows of resources</b>	<b>15,283,523</b>	<b>1,070,805</b>	<b>16,354,328</b>	<b>--</b>
<b>Net position</b>				
Net investment in capital assets	90,255,631	56,867,810	147,123,441	--
Restricted for:				
Trust agreements	--	18,879,770	18,879,770	--
Public utilities commission order	--	4,430,095	4,430,095	--
Other purposes	21,732,837	--	21,732,837	522,201
Unrestricted	(322,616,583)	(3,377,627)	(325,994,210)	1,438
<b>Total net position</b>	<b>\$ (210,628,115)</b>	<b>\$ 76,800,048</b>	<b>\$ (133,828,067)</b>	<b>\$ 523,639</b>

The accompanying notes are an integral part of these financial statements.

CITY OF PAWTUCKET, RHODE ISLAND

A-2

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Pawtucket Business Development Corporation
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
<b>Governmental Activities:</b>								
Legislative, judicial and general administrative	\$ 6,380,146	\$ 850,307	\$ --	\$ 2,361,278	\$ (3,168,561)	\$ --	\$ (3,168,561)	\$ --
Financial administration	2,912,530	--	--	--	(2,912,530)	--	(2,912,530)	--
Public safety	51,293,763	3,908,768	3,759,926	--	(43,625,069)	--	(43,625,069)	--
Public works	17,826,044	2,545,405	--	1,036,229	(14,244,410)	--	(14,244,410)	--
Planning, engineering and inspection	2,114,045	19,034	1,734,572	--	(360,439)	--	(360,439)	--
Other	10,278,668	--	--	--	(10,278,668)	--	(10,278,668)	--
Education	124,698,569	2,391,895	11,625,793	--	(110,680,881)	--	(110,680,881)	--
Interest on long-term debt	2,642,562	--	--	--	(2,642,562)	--	(2,642,562)	--
<b>Total Governmental Activities</b>	<u>218,146,327</u>	<u>9,715,409</u>	<u>17,120,291</u>	<u>3,397,507</u>	<u>(187,913,120)</u>	<u>--</u>	<u>(187,913,120)</u>	<u>--</u>
<b>Business-Type Activity:</b>								
School lunch fund	4,391,131	413,369	3,950,650	--	--	(27,112)	(27,112)	--
Water Supply Board	15,530,529	18,701,897	123,090	--	--	3,294,458	3,294,458	--
175 Main Street	490,950	95,219	--	--	--	(395,731)	(395,731)	--
<b>Total Business-Type Activity</b>	<u>20,412,610</u>	<u>19,210,485</u>	<u>4,073,740</u>	<u>--</u>	<u>--</u>	<u>2,871,615</u>	<u>2,871,615</u>	<u>--</u>
<b>Total Primary Government</b>	<u>\$ 238,558,937</u>	<u>\$ 28,925,894</u>	<u>\$ 21,194,031</u>	<u>\$ 3,397,507</u>	<u>(187,913,120)</u>	<u>2,871,615</u>	<u>(185,041,505)</u>	<u>--</u>
<b>Component Unit</b>								
Pawtucket Business Development Corp	\$ 16,983	\$ --	\$ 5,500	\$ --	--	--	--	(11,483)
<b>General Revenues:</b>								
Taxes:								
Property taxes levied for general purposes					100,908,065		100,908,065	
State aid, unrestricted					85,080,836		85,080,836	
State aid, teachers' pension plan					4,543,015		4,543,015	
Investment and interest income					1,193,408	252,717	1,446,125	11,533
Other revenues					1,531,481	231,582	1,763,063	
<b>Total General Revenues</b>					<u>193,256,805</u>	<u>484,299</u>	<u>193,741,104</u>	<u>11,533</u>
<b>Change in Net Position</b>					5,343,685	3,355,914	8,699,599	50
<b>Net Position - Beginning of Year, as Restated</b>					(215,971,800)	73,444,134	(142,527,666)	523,589
<b>Net Position - End of Year</b>					<u>\$ (210,628,115)</u>	<u>\$ 76,800,048</u>	<u>\$ (133,828,067)</u>	<u>\$ 523,639</u>

The accompanying notes are an integral part of these financial statements.

# **FUND FINANCIAL STATEMENTS**

**CITY OF PAWTUCKET, RHODE ISLAND**

**B-1**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	General Fund	School Unrestricted Fund	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 13,571,158	\$ 4,835,384	\$ 16,291,556	\$ 34,698,098
Investments	--	--	720,854	720,854
Real estate and personal property tax receivable	7,250,410	--	--	7,250,410
Due from federal and state governments	1,783,396	462,290	2,128,885	4,374,571
Due from RICWFA	--	--	4,956,169	4,956,169
Due from other funds	6,095,459	--	--	6,095,459
Other receivables	--	73,688	1,666,464	1,740,152
Prepaid items	--	224,937	--	224,937
Notes receivable	--	--	2,719,875	2,719,875
<b>Total Assets</b>	<b>28,700,423</b>	<b>5,596,299</b>	<b>28,483,803</b>	<b>62,780,525</b>
<b>Liabilities, deferred inflows and fund balances (deficits)</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 3,200,228	\$ 2,882,746	\$ 4,128,506	\$ 10,211,480
Due to other funds	--	--	3,499,788	3,499,788
Unearned revenue	2,973,719	--	--	2,973,719
Bond anticipation note	--	--	7,200,000	7,200,000
<b>Total liabilities</b>	<b>6,173,947</b>	<b>2,882,746</b>	<b>14,828,294</b>	<b>23,884,987</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue - property taxes	6,292,036	--	--	6,292,036
<b>Total deferred inflows of resources</b>	<b>6,292,036</b>	<b>--</b>	<b>--</b>	<b>6,292,036</b>
<b>Fund balances</b>				
Non-spendable	--	224,937	1,167,675	1,392,612
Restricted	--	2,488,616	12,425,004	14,913,620
Committed	1,387,517	--	1,568,879	2,956,396
Assigned	2,470,209	--	--	2,470,209
Unassigned	12,376,714	--	(1,506,049)	10,870,665
<b>Total fund balances</b>	<b>16,234,440</b>	<b>2,713,553</b>	<b>13,655,509</b>	<b>32,603,502</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 28,700,423</b>	<b>\$ 5,596,299</b>	<b>\$ 28,483,803</b>	<b>\$ 62,780,525</b>

*The accompanying notes are an integral part of these financial statements.*

**CITY OF PAWTUCKET, RHODE ISLAND**

B-2

**RECONCILIATION OF THE BALANCE SHEET  
OF GOVERNMENTAL FUNDS (B-1) TO THE STATEMENT OF NET POSITION (A-1)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**Amounts Reported for Governmental Activities in the Statement of Net Position Differ Because:**

<b>Total Net Position (B-1)</b>	\$ 32,603,502
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	152,645,800
Deferred outflows relating to Pensions are recorded in the statement of net position	15,731,115
Deferred inflows relating to Pensions are recorded in the statement of net position	(15,283,523)
Long-term liabilities and related items are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities (net of premiums) at year-end consist of:	
Bonds payable	(51,158,658)
Loans payable	(230,000)
Bond premium	(898,869)
Capital leases	(8,987,680)
Compensated absences	(7,976,495)
Unearned revenues (net of an allowance for uncollectible) are recorded in the funds, but are not deferred under the measurement focus employed in the Statement of Net Position.	6,292,036
Accrual for net OPEB obligation	(90,253,231)
Accrual for net pension liability	(241,600,615)
Accrual for net pension obligation	(723,088)
Accrued interest payable is recorded in government activities, but is not recorded in the funds.	<u>(788,409)</u>
<b>Total Net Position (A-1)</b>	<u>\$ (210,628,115)</u>

*The accompanying notes are an integral part of these financial statements.*

CITY OF PAWTUCKET, RHODE ISLAND

B-3

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General Fund	School Unrestricted Fund	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
General property taxes and payments in lieu of taxes	\$ 98,448,885	\$ --	\$ --	\$ 98,448,885
Intergovernmental and departmental	6,448,304	74,773,360	--	81,221,664
Licenses	226,330	--	--	226,330
Permits	623,977	--	--	623,977
Fines and forfeitures	430,225	--	--	430,225
Charges for service	3,478,543	2,247,945	2,708,389	8,434,877
Operating grants and contributions	-	--	17,120,291	17,120,291
Capital grants and contributions	-	--	3,397,507	3,397,507
Investment and interest income	1,159,534	--	33,874	1,193,408
On behalf pension contribution	-	4,543,015	--	4,543,015
Other revenues	1,531,481	--	--	1,531,481
<b>Total revenues</b>	<b>112,347,279</b>	<b>81,564,320</b>	<b>23,260,061</b>	<b>217,171,660</b>
<b>Expenditures</b>				
Legislative and executive	3,725,842	--	676,664	4,402,506
Finance	2,953,987	--	--	2,953,987
Planning	1,527,107	--	5,277,372	6,804,479
Public safety	44,305,552	--	3,957,795	48,263,347
Public works	11,141,625	--	8,760,105	19,901,730
Other fixed and general charges	11,215,607	--	--	11,215,607
Education	--	106,527,612	15,450,252	121,977,864
Debt service principal	3,796,442	87,128	--	3,883,570
Debt service interest	2,486,783	47,655	--	2,534,438
On behalf pension contribution	--	4,543,015	--	4,543,015
<b>Total expenditures</b>	<b>81,152,945</b>	<b>111,205,410</b>	<b>34,122,188</b>	<b>226,480,543</b>
<b>Excess of revenues over (under) expenditures before other financing sources (uses)</b>	<b>31,194,334</b>	<b>(29,641,090)</b>	<b>(10,862,127)</b>	<b>(9,308,883)</b>
<b>Other financing sources (uses)</b>				
Transfers from other funds	154,630	31,855,984	980,181	32,990,795
Transfers to other funds	(30,575,666)	--	(842,685)	(31,418,351)
Advance refunding bonds issued	7,571,748	--	--	7,571,748
Bond proceeds	-	--	22,500,000	22,500,000
Capital lease proceeds	-	473,184	3,100,000	3,573,184
Payments to refunding bond escrow agent	(7,571,748)	--	--	(7,571,748)
Bond premium	900,419	--	--	900,419
<b>Total other financing sources (uses)</b>	<b>(29,520,617)</b>	<b>32,329,168</b>	<b>25,737,496</b>	<b>28,546,047</b>
<b>Net change in fund balances</b>	<b>1,673,717</b>	<b>2,688,078</b>	<b>14,875,369</b>	<b>19,237,164</b>
<b>Fund balances (deficit) - beginning of year</b>	<b>14,560,723</b>	<b>25,475</b>	<b>(1,219,860)</b>	<b>13,366,338</b>
<b>Fund balances - end of year</b>	<b>\$ 16,234,440</b>	<b>\$ 2,713,553</b>	<b>\$ 13,655,509</b>	<b>\$ 32,603,502</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF PAWTUCKET, RHODE ISLAND**

B-4

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE OF GOVERNMENTAL FUNDS (B-2) TO THE STATEMENT OF ACTIVITIES (A-2)  
FOR THE YEAR ENDED JUNE 30, 2015**

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<b>Net Change in Fund Balances - Total Governmental Funds (B-3)</b>	<b>\$ 19,237,164</b>
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	15,817,729
Depreciation expense	(5,708,487)
Loss on disposal of capital assets	(1,750)
Proceeds from issuance of long-term debt	(34,545,351)
Change in accrued interest	(39,490)
Decrease (increase) in liability for compensated absences	(211,218)
Unearned revenues are recorded in the funds, but are not deferred under the measurement focus employed	12,705,823
Principal payments made on long-term obligations	11,386,684
Accrual for OPEB obligation	(9,824,429)
Change in net pension obligation	58,181
Changes for net pension liability, deferred inflows and outflows of resources	(3,531,171)
<b>Change in Net Position of Governmental Activities (A-2)</b>	<b>\$ 5,343,685</b>

*The accompanying notes are an integral part of these financial statements.*

## CITY OF PAWTUCKET, RHODE ISLAND

C-1

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	School Lunch Fund	Water Supply Board	175 Main Street		Internal Service Fund
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 136,411	\$ 2,281,516	\$ 878,609	\$ 3,296,536	\$ 1,581,201
Water user fees receivable	--	3,953,818	--	3,953,818	--
Due from federal and state government	451,756	87	--	451,843	--
Inventories	--	444,913	--	444,913	--
Other receivables	--	--	643	643	1,521,258
Prepaid items	--	129,268	--	129,268	--
<b>Total current assets</b>	<b>588,167</b>	<b>6,809,602</b>	<b>879,252</b>	<b>8,277,021</b>	<b>3,102,459</b>
<b>Noncurrent assets</b>					
Restricted cash and cash equivalents	--	19,114,441	--	19,114,441	--
Investments	--	5,471,002	110,575	5,581,577	--
Capital assets:					
Land	--	5,871,100	--	5,871,100	--
Non-depreciable assets	--	8,534,520	--	8,534,520	--
Depreciable assets, net	--	140,407,109	--	140,407,109	--
<b>Total noncurrent assets</b>	<b>--</b>	<b>179,398,172</b>	<b>110,575</b>	<b>179,508,747</b>	<b>--</b>
<b>Total assets</b>	<b>588,167</b>	<b>186,207,774</b>	<b>989,827</b>	<b>187,785,768</b>	<b>3,102,459</b>
<b>Deferred outflows of resources</b>					
Deferred loss on refunding bonds	--	80,370	--	80,370	--
Pension asset	--	643,683	--	643,683	--
<b>Total deferred outflows of resources</b>	<b>--</b>	<b>724,053</b>	<b>--</b>	<b>724,053</b>	<b>--</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Accounts payable and accrued expenses	503,782	837,474	4,028	1,345,284	3,102,459
Accrued interest payable	--	1,275,577	--	1,275,577	--
Deposits	--	22,109	--	22,109	--
Due to General Fund	--	2,595,671	--	2,595,671	--
Long-term debt due within one year	--	4,790,633	--	4,790,633	--
<b>Total current liabilities</b>	<b>503,782</b>	<b>9,521,464</b>	<b>4,028</b>	<b>10,029,274</b>	<b>3,102,459</b>
<b>Noncurrent liabilities</b>					
Accounts payable from restricted assets	--	200,857	--	200,857	--
Accrued expenses	--	209,204	--	209,204	--
Net pension liability	--	4,774,689	--	4,774,689	--
Net OPEB obligation	--	1,530,256	--	1,530,256	--
Accrued compensated absences and vacation	--	774,800	--	774,800	--
Bonds, loans and notes payable	--	93,119,888	--	93,119,888	--
<b>Total noncurrent liabilities</b>	<b>--</b>	<b>100,609,694</b>	<b>--</b>	<b>100,609,694</b>	<b>--</b>
<b>Total liabilities</b>	<b>503,782</b>	<b>110,131,158</b>	<b>4,028</b>	<b>110,638,968</b>	<b>3,102,459</b>
<b>Deferred inflows of resources</b>					
Pension liability	--	1,070,805	--	1,070,805	--
<b>Total deferred inflows of resources</b>	<b>--</b>	<b>1,070,805</b>	<b>--</b>	<b>1,070,805</b>	<b>--</b>
<b>Net position</b>					
Net investment in capital assets	--	56,867,810	--	56,867,810	--
Restricted for:					
Trust agreement	--	18,879,770	--	18,879,770	--
Public utilities commission order	--	4,430,095	--	4,430,095	--
Other purposes	--	--	--	--	--
Unrestricted	84,385	(4,447,811)	985,799	(3,377,627)	--
<b>Total net position</b>	<b>\$ 84,385</b>	<b>\$ 75,729,864</b>	<b>\$ 985,799</b>	<b>\$ 76,800,048</b>	<b>\$ --</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF PAWTUCKET, RHODE ISLAND**

C-2

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015**

	Business-Type Activities Enterprise Funds			Total	Governmental
	School Lunch Fund	Water Supply Board	175 Main Street		Internal Service Fund
<b>Operating revenues</b>					
Charges for services	\$ 413,369	\$ 18,398,756	\$ 90,870	\$ 18,902,995	\$ 32,982,488
Operating grants and contributions	-	-	4,349	4,349	-
Other income	--	303,141	--	303,141	604,995
<b>Total operating revenues</b>	<u>413,369</u>	<u>18,701,897</u>	<u>95,219</u>	<u>19,210,485</u>	<u>33,587,483</u>
<b>Operating expenses</b>					
General and administrative	--	1,904,004	415,415	2,319,419	32,015,039
Customer service	--	501,911	--	501,911	--
Source of supply	--	1,084,652	--	1,084,652	--
Purification	--	2,796,572	--	2,796,572	--
Transmission and distribution	--	1,718,072	--	1,718,072	--
Engineering	--	403,486	--	403,486	--
Meters	--	502,703	--	502,703	--
Depreciation and amortization	--	2,755,163	67,926	2,823,089	--
School lunch program	4,391,131	--	--	4,391,131	--
<b>Total operating expenses</b>	<u>4,391,131</u>	<u>11,666,563</u>	<u>483,341</u>	<u>16,541,035</u>	<u>32,015,039</u>
<b>Income (loss) from operations</b>	<u>(3,977,762)</u>	<u>7,035,334</u>	<u>(388,122)</u>	<u>2,669,450</u>	<u>1,572,444</u>
<b>Non-operating revenues (expenses)</b>					
Rental income, net	--	25,149	--	25,149	--
Intergovernmental income	--	123,090	--	123,090	--
Federal grants	3,878,020	--	--	3,878,020	--
State matching funds	72,630	--	--	72,630	--
Miscellaneous non-operating income	--	206,433	--	206,433	--
Interest income	--	250,127	2,590	252,717	--
Interest expense	--	(3,863,966)	(7,609)	(3,871,575)	--
<b>Total non-operating revenues (expenses)</b>	<u>3,950,650</u>	<u>(3,259,167)</u>	<u>(5,019)</u>	<u>686,464</u>	<u>--</u>
<b>Transfers</b>					
Transfers in	--	19,576,325	--	19,576,325	210,191
Transfers out	--	(19,576,325)	--	(19,576,325)	(1,782,635)
<b>Total transfers</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(1,572,444)</u>
<b>Change in net position</b>	<u>(27,112)</u>	<u>3,776,167</u>	<u>(393,141)</u>	<u>3,355,914</u>	<u>--</u>
<b>Net Position - beginning of year, as restated</b>	<u>111,497</u>	<u>71,953,697</u>	<u>1,378,940</u>	<u>73,444,134</u>	<u>--</u>
<b>Net position - end of year</b>	<u>\$ 84,385</u>	<u>\$ 75,729,864</u>	<u>\$ 985,799</u>	<u>\$ 76,800,048</u>	<u>\$ --</u>

*The accompanying notes are an integral part of these financial statements.*

**CITY OF PAWTUCKET, RHODE ISLAND**

C-3

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015**

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	School Lunch Fund	Water Supply Board	175 Main St		Internal Service Fund
<b>Cash flows from operating activities:</b>					
Cash received from customers	\$ 413,369	\$ 18,699,671	\$ 103,605	\$ 19,216,645	\$ 33,690,789
Cash payments to suppliers for goods and services	(4,296,552)	(6,779,107)	(381,633)	(11,457,292)	--
Cash payments to employees for services	(97,626)	(2,219,451)	--	(2,317,077)	--
Payment of administrative expenses	--	--	--	--	(31,798,993)
<b>Net cash provided by (used in) operating activities</b>	<b>(3,980,809)</b>	<b>9,701,113</b>	<b>(278,028)</b>	<b>5,442,276</b>	<b>1,891,796</b>
<b>Cash flows from non-capital financing activities:</b>					
Transfers out to City	--	--	--	--	(1,572,444)
Rental income received	--	25,149	--	25,149	--
Intergovernmental revenue	3,950,650	123,090	--	4,073,740	--
Miscellaneous non-operating revenue received	--	19,079	--	19,079	--
Interfund borrowings	(160,029)	(142,332)	--	(302,361)	--
<b>Net cash provided by (used in) non-capital financing activities</b>	<b>3,790,621</b>	<b>24,986</b>	<b>--</b>	<b>3,815,607</b>	<b>(1,572,444)</b>
<b>Cash flows from capital and related financing activities:</b>					
Principal paid on bonds, notes and loans	--	(4,253,419)	(884,407)	(5,137,826)	--
Proceeds from bond issuance	--	4,289,990	--	4,289,990	--
Additions to capital assets	--	(5,082,874)	(67,925)	(5,150,799)	--
Interest paid on bonds, notes and loans	--	(3,815,485)	(7,609)	(3,823,094)	--
Proceeds from sale of property and equipment	--	--	2,116,472	2,116,472	--
<b>Net cash provided by (used in) capital-related financing activities</b>	<b>--</b>	<b>(8,861,788)</b>	<b>1,156,531</b>	<b>(7,705,257)</b>	<b>--</b>
<b>Cash flows from investing activities:</b>					
Purchase/sale of investments, net	--	385	(2,590)	(2,205)	--
Investment income	--	250,128	2,590	252,718	--
<b>Net cash provided by investing activities</b>	<b>--</b>	<b>250,513</b>	<b>--</b>	<b>250,513</b>	<b>--</b>
<b>Net increase (decrease) in cash and cash equivalents (including restricted cash and equivalents)</b>	<b>(190,188)</b>	<b>1,114,824</b>	<b>878,503</b>	<b>1,803,139</b>	<b>319,352</b>
<b>Cash and cash equivalents - beginning of year (including restricted cash and equivalents)</b>	<b>326,599</b>	<b>20,281,133</b>	<b>106</b>	<b>20,607,838</b>	<b>1,261,849</b>
<b>Cash and cash equivalents - end of year (including restricted cash and equivalents)</b>	<b>\$ 136,411</b>	<b>\$ 21,395,957</b>	<b>\$ 878,609</b>	<b>\$ 22,410,977</b>	<b>\$ 1,581,201</b>
Unrestricted cash, per statement of net position	\$ 136,411	\$ 2,281,516	\$ 878,609	\$ 3,296,536	\$ 1,581,201
Restricted cash, per statement of net position	--	19,114,441	--	19,114,441	--
<b>Total cash and cash equivalents, per statement of net position</b>	<b>\$ 136,411</b>	<b>\$ 21,395,957</b>	<b>\$ 878,609</b>	<b>\$ 22,410,977</b>	<b>\$ 1,581,201</b>

*The accompanying notes are an integral part of these financial statements.*

CITY OF PAWTUCKET, RHODE ISLAND

C-3

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	School Lunch Fund	Water Supply Board	175 Main St		Internal Service Fund
<b>Reconciliation of operating income to net cash</b>					
<b>Provided by operating activities</b>					
Operating income (loss)	<u>\$ (3,977,762)</u>	<u>\$ 7,035,334</u>	<u>\$ (388,122)</u>	<u>\$ 2,669,450</u>	<u>\$ 1,572,444</u>
<b>Adjustments to reconcile operating income to net</b>					
<b>Cash provided by operating activities</b>					
Depreciation	--	2,755,163	67,926	2,823,089	--
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable and accrued revenue	(179,848)	--	8,386	(171,462)	103,306
(Increase) decrease in inventories	--	24,551	--	24,551	--
(Increase) decrease in prepaid items	--	(129,268)	41,261	(88,007)	--
(Increase) decrease in user charges receivable	--	(7,227)	--	(7,227)	--
Increase (decrease) in accounts payable and accrued expenses	176,801	(126,429)	(7,479)	42,893	216,046
Increase (decrease) in accrued compensated absences and vacation	--	52,427	--	52,427	--
Increase (decrease) in OPEB	--	91,562	--	91,562	--
Increase (decrease) in deposits	--	5,000	--	5,000	--
<b>Total adjustments</b>	<u>(3,047)</u>	<u>2,665,779</u>	<u>110,094</u>	<u>2,772,826</u>	<u>319,352</u>
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (3,980,809)</u>	<u>\$ 9,701,113</u>	<u>\$ (278,028)</u>	<u>\$ 5,442,276</u>	<u>\$ 1,891,796</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF PAWTUCKET, RHODE ISLAND**

**D-1**

**STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2015**

	City Pension Trust Fund	Agency Funds
<b>Assets</b>		
Cash equivalents	\$ 4,448,355	\$ 311,365
Investments, at Fair Value:		
Common Stock	73,770,409	--
U.S. Government obligations	13,956,313	--
U.S. Government agency obligations	6,424,462	--
Domestic corporate bonds	6,273,675	--
Total Investments	<u>100,424,859</u>	<u>--</u>
Receivables:		
Interest and dividends	270,956	--
Other	168,762	--
Total Receivables	<u>439,718</u>	<u>--</u>
<b>Total Assets</b>	<u>105,312,932</u>	<u>311,365</u>
<b>Liabilities</b>		
Amounts held for the benefit of others	--	311,365
Accounts payable and accrued expenses	1,616,251	--
Total Liabilities	<u>1,616,251</u>	<u>311,365</u>
<b>Net Position</b>		
Held in trust for pension benefits and other purposes	<u>\$ 103,696,681</u>	<u>\$ --</u>

*The accompanying notes are an integral part of these financial statements.*

**CITY OF PAWTUCKET, RHODE ISLAND**

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**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	City Pension Trust Fund
<b>Additions</b>	
Contributions:	
Employer and plan members	\$ 12,996,379
Plan members	1,527,777
<b>Total Contributions</b>	<u>14,524,156</u>
<b>Investment Income</b>	
Net increase in fair value of investments	4,211,466
Interest and dividends	1,728,222
Other	628
<b>Net Investment Earnings</b>	<u>5,940,316</u>
Less: investment expenses	<u>(420,593)</u>
<b>Total Additions</b>	<u>20,043,879</u>
<b>Deductions</b>	
Benefits paid	13,253,087
Administrative and other expenses	314,837
<b>Total Deductions</b>	<u>13,567,924</u>
<b>Change in Net Position</b>	6,475,955
<b>Net Position - Beginning of Year</b>	<u>97,220,726</u>
<b>Net Position - End of Year</b>	<u>\$ 103,696,681</u>

*The accompanying notes are an integral part of these financial statements.*

## **NOTES TO FINANCIAL STATEMENTS**

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### *REPORTING ENTITY*

The City of Pawtucket is a municipal corporation governed by a Council/Mayor form of government with a nine member City Council headed by a Council President. In some matters, including the issuance of short and long-term debt, the general laws of the State of Rhode Island govern the City. The City provides the following services: Public Safety (police, fire, traffic safety, inspections, zoning and building), Public Works (sanitation, highways and streets, engineering and building maintenance), Parks and Recreation, Education, Social Services, and General Administrative Services.

The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

The Pawtucket Business Development Corporation is a nonprofit corporation whose purpose is to promote the growth of business and industry in Pawtucket through loans to local businesses. It is discretely presented as a component unit. Complete financial statements for the Pawtucket's Business Development Corporation may be obtained at their administrative office at 137 Roosevelt Ave, Pawtucket, RI 02860.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### *RECENTLY ISSUED ACCOUNTING STANDARDS*

The City has implemented the following governmental accounting standards during fiscal year ended June 30, 2015:

- ✓ GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, effective for the fiscal year ending June 30, 2015.
- ✓ GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment to GASB Statement No. 68*, effective for the fiscal year ending June 30, 2015.

The City will adopt the following new accounting pronouncement in future years:

- ✓ GASB Statement No. 72 – *Fair Value Measurement and Application*. The requirements of this statement are effective for financial statements for reporting periods beginning after June 15, 2015.
- ✓ GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016.
- ✓ GASB Statement No. 74 – *Financial Reporting for Postemployment Benefits Other Than Pensions* – The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015.
- ✓ GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017.
- ✓ GASB Statement No. 76 – *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, effective for fiscal year ending June 30, 2016.
- ✓ GASB Statement No. 77 – *Tax Abatement Disclosures*, effective for the City’s fiscal year ending June 30, 2016.
- ✓ GASB Statement No. 78 – *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*, effective for the City’s fiscal year ending June 30, 2016.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *RECENTLY ISSUED ACCOUNTING STANDARDS (CONTINUED)*

- ✓ GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants*, effective for the City's fiscal year ending June 30, 2016.
- ✓ *GASB Statement No. 80 – Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, effective for the Authority's fiscal year ending June 30, 2017.

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

#### *BASIS OF PRESENTATION*

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

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

##### **Fund Financial Statements**

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

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

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

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *GOVERNMENTAL FUNDS*

##### **General Fund**

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

##### **Special Revenue Funds**

- Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted, committed or assigned to expenditures for certain purposes for the City and School.
- HUD Funds are used to account for resources restricted, committed or assigned for the acquisition or assistance with urban development projects or other related items.

##### **Capital Project Funds**

Capital Project Funds are used to account for resources restricted, committed or assigned for the acquisition or construction of specific capital projects or items.

##### **Permanent Funds**

The Permanent Funds account for assets held by the City pursuant to trust agreements. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

##### **Proprietary Funds**

Proprietary funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Operating revenues of the Proprietary Funds consist of customer/taxpayer charges for uses and services and certain other miscellaneous revenues. All other revenues of the Proprietary Funds are considered non-operating sources of revenue. Operating expenses for the enterprise funds includes costs of providing services, including administration and depreciation on capital assets. All other expense items not meeting the above criteria is reported as non-operating expenses.

**CITY OF PAWTUCKET, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***FIDUCIARY FUNDS (NOT INCLUDED IN GOVERNMENT-WIDE STATEMENTS)***

**Fiduciary Funds**

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

**Agency Funds**

Agency funds account for assets held by the City in a purely custodial capacity. The reporting entity includes five agency funds. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. The agency funds for the City are those funds relating to the Student Activity Funds.

**Pension Trust Fund**

The Pension Trust Fund is used to account for funds that are to be used for the payment of retirement benefits to former police and fire employees.

***MAJOR FUNDS***

The funds further classified as major are as follows:

<u>Fund</u>	<u>Brief Description</u>
<b><i>Governmental:</i></b>	
General Fund:	See above for description
School Unrestricted Fund	This fund is used to report all financial transactions of the Pawtucket School Department, except those legally or administratively required to be accounted for in other funds.
<b><i>Proprietary:</i></b>	
School Lunch:	Fund accounts for lunch operations at all the schools.
Water Supply Board	This fund accounts for the City’s water system.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *MEASUREMENT FOCUS*

On the government-wide Statement of Net Position and the Statement of Activities both governmental and business-like activities are presented using the economic resources measurement focus as defined in item (b) below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- (a) All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and deferred outflows and liabilities and deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. The City considers property taxes as available if they are collected within 60 days after year end.
- (b) All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position and cash flows. All assets and deferred outflows and liabilities and deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
- (c) Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

#### *BASIS OF ACCOUNTING*

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

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *BASIS OF ACCOUNTING (CONTINUED)*

All proprietary funds, private purpose trust funds and agency funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE*

##### **Cash and Cash Equivalents**

For purposes of the cash flow statement, the proprietary funds consider all investments with original maturities of three months or less when purchased to be cash equivalents.

##### **Investments**

The City's cash and cash equivalents consist of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

##### **Accounts Receivable**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include property taxes, other receivables and intergovernmental receivables. Business-type activities report service fees as its major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivables are based upon historical trends and the periodic aging of accounts receivable. The allowance for uncollectible taxes receivable accounts amounted to \$3,500,000 at June 30, 2015. Major receivable balances for the governmental activities include property taxes and intergovernmental receivables 26% and 31%, respectively, of total governmental receivables. Business-type activities report service fees as its major receivables.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)*

##### **Inventories**

Inventories are stated at cost (using the average cost method) and are recorded as expenditures when consumed.

##### **Capital Assets**

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Library collections, capital assets that are not being depreciated, are placed into service using the replacement method of cost for any new assets and the expense is charged to depreciation expense in the year of acquisition. As of June 30, 2015, the City's infrastructure assets have been capitalized and reported within the financial statements.

The City defines capital assets as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical costs (for certain assets acquired prior to 1960). Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1979) is included as part of the governmental capital assets reported in the government-wide statements. Donated assets are recorded at estimated fair market value at the date of donation.

The Pawtucket Water Supply Board's (PWSB in the Enterprise Funds) assets are used as collateral for water improvement revenue bonds.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)***

**Capital Assets (Continued)**

Depreciation of all exhaustible capital assets is recorded, as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Autos and information processing equipment .....	5
Trucks .....	8
Equipment, furniture and fixtures.....	10
Heavy Equipment .....	25
Buildings, infrastructure, water lines and fire hydrants.....	39 1/2
Sewer mains and certain water assets .....	75-100

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. Open encumbrances at year-end are closed out and reevaluated at the beginning of the following fiscal year.

**Property Taxes**

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

All property taxes for fund statement purposes are recognized in compliance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards on the Fund statements.

The City's fiscal 2015 property taxes were levied in July of 2014 on assessed valuation as of December 31, 2013. Upon levy, taxes are billed quarterly and are due on July 15, October 15, January 15, and April 15. Failure to mail payments by due dates will result in lien on taxpayer's property. Assessed values are established by Tax Assessor's Office and are currently calculated at 100% of assessed value for real estate and 100% of market value for motor vehicles. The most recent assessment of all real estate was completed as of December 31, 2013.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)*

##### **Compensated Absences**

Under the terms of various contracts and agreements, City employees are granted vacation and sick leave in the varying amounts based on length of service. The City's policy is to recognize the cost of the vacation and sick leave in governmental funds when paid, and on the accrual basis in proprietary funds. For Governmental Fund Types accrued compensated absences are presented as a current liability for those amounts expected to be paid with current financial resources. In governmental funds compensated absence expenditures are only reported when matured. For those compensated absences not to be paid with current financial resources the liability is recorded in the Statement of Net Position of the Government-wide Financial Statements. See Note 7 for amounts due and payable at June 30, 2015. For Proprietary Fund Types accrued compensated absences are recorded as a liability within those funds. In past years and in future fiscal years the general fund has been used to liquidate the liability for compensated absences in governmental funds other than those which are liabilities on proprietary funds.

##### **Judgments and Claims**

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

##### **Bond Issuance Costs**

As a result of adopting GASB No. 65, bond issuance costs are recognized as expenses in the current period.

##### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employees' Retirement System plan (ERS) and the Municipal Employees' Retirement System plan (MERS) and additions to/deductions from ERS/MERS' fiduciary net position have been determined on the same basis as they are reported by ERS/MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)*

##### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet may report deferred outflows of resources. Deferred outflow of resources represents a consumption of net position, that apply to a future period which will not be recognized as an outflow of resources (expense/expenditure) until that later date. At June 30, 2015 the City of Pawtucket, Rhode Island reports deferred outflows related to pension items in the government-wide statement of net position. The total of \$16,374,798 for deferred outflow of resources related to pension results from the portion of the employer's contributions made in the current fiscal year, but after the measurement date, but not expended until future years. At June 30, 2015, the City has deferred outflows of resources, as shown on the Statement of Net Position – Proprietary Funds, attributable to the Pawtucket Water Supply Board in the amount of \$80,370 related to deferred losses on refunding bonds, determined as the difference between the reacquisition price and net carrying amount of the refunded debt. The deferred loss is amortized over the remaining life of the old debt, prior to refunding, or the life of the new debt, whichever is shorter, using the effective interest method.

In addition to liabilities, the statement of net position and/or balance sheet can report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net position that applies to a future period and which will not be recognized as an inflow of resources (revenue) until a later date. At June 30, 2015 the City of Pawtucket, Rhode Island had two items qualifying as a deferred inflow of resources in the governmental funds balance sheet. Unavailable tax revenue represents taxes receivables which are assessed on December 31, 2013 and prior and is not collected within 60 days of June 30, 2015. Net unavailable tax revenue included in the fund financial statements was \$6,292,036 at June 30, 2015. This amount is deferred and will be recognized as an inflow of resources in the years in which the amounts become available. The City also reports a deferred inflow of resources totaling \$16,354,328 related to pensions in the government-wide statement of net position. A deferred inflow of resources related to pension items results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and include in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

##### **Self-Insurance**

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

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)*

##### **Interfund Transactions**

Non-reciprocal interfund activities:

- Interfund transfers are reported in governmental funds as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.
- Interfund reimbursements are repayments from the fund responsible for particular expenditures or expenses to other funds that initially paid for them. Reimbursements are not displayed separately within the financial statements.
- Interfund transactions are accounted for as expenditures/expenses when they constitute reimbursements from one fund to another. These transactions are recorded as expenditures/expenses in the reimbursing fund and are recorded as reductions of expenditures/expenses in the fund receiving the reimbursement. All other interfund transactions are reported as transfers.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)*

##### **Net Position/Fund Balance Classifications:**

##### **Government-wide Statements**

Net position is displayed in three components:

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

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

##### **Fund Financial Statements**

Governmental fund equity is classified as fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balance is classified as non-spendable, restricted, committed, assigned or unassigned as described below:

- **Non-Spendable** – the amount of fund balance that cannot be spent because it is either not in spendable form or there is a legal or contractual requirement for the funds to remain intact. At the end of each fiscal year, the Finance Director will report the portion of the fund balance that is not in spendable form as Non-Spendable on the annual financial statements.
- **Restricted** – the amount of fund balance that can only be spent on specific expenditures/expenses due to constraints on the spending because of legal restrictions, outside party creditors, and grantor/donor requirements. The City's restricted fund balance amounts are considered to have been spent when an expenditure/expense has been incurred satisfying such restriction. At the end of each fiscal year, the Finance Director will report restricted fund balance amounts that have applicable legal restrictions per GASB No. 54.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE (CONTINUED)*

#### **Net Position/Fund Balance Classifications (Continued):**

#### **Fund Financial Statements (Continued)**

- **Committed** – the City Council, as the City’s highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action taken to establish the commitment. This constraint must be imposed prior to the fiscal year end, but the specific amount may be determined at a later date. At the end of each fiscal year, the Finance Director will report committed fund balances that have been committed by self-imposed actions by the City of Pawtucket’s City Council.
- **Assigned** – the amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. The City does not maintain a spending policy in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition* therefore any remaining positive portion of unassigned fund balance cannot be considered assigned.
- **Unassigned** – the amount of fund balance that remains from residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories, not subject to any constraints or intended use, no external or self-imposed limitations, no set spending plan and are available for any purposes. Unassigned fund balance is commonly used for emergency expenditures not previously considered. In addition, the resources classified as unassigned can be used to cover expenditures for revenues not yet received. At the end of each fiscal year, the Finance Director will report the portion of the unassigned fund balance. It is also used to report negative fund balances in other governmental funds.

Proprietary fund equity is classified the same as in the government-wide statements.

#### **Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the City’s policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Fund Balance Flow Assumption**

Sometimes the City will fund outlays for particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last, unless the City Council has provided otherwise in its commitment or assignment actions by either ordinance or resolution.

#### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year.

### NOTE 2 – BUDGETARY DATA AND BUDGETARY COMPLIANCE

Prior to the passage of the annual budget ordinance, the Council adopts a capital program and capital budget. The capital budget ordinance shows in detail the capital expenditures intended to be made or incurred in the next fiscal year that are to be financed from bond proceeds. These funds are subject to control or appropriation by the Council and must be in full conformity with that part of the capital program applicable to the year which it covers. The Council may amend the capital budget ordinance, but no amendment is valid which does not conform to the capital program. At least 25 days prior to the end of the fiscal year, the budget is legally adopted.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### *LEGAL DEBT MARGIN*

The City's legal debt margin as set forth by State Statute is limited to three percent of total assessed value which approximates \$3,448,728,766 based on the December 31, 2013 assessment. As of June 30, 2015, the City's debt is under the debt limit by \$99,961,863 subject to the Maximum Aggregate Indebtedness provision (3% Debt Limit) of the Rhode Island General Laws 45-12-2. All other City debt has been incurred through special statutory authority which consists of approval by the legislature and voter referendum.

#### *DONOR RESTRICTED ENDOWMENTS*

The City has received certain endowments of Library and Cemetery maintenance. The amounts are reflected in the net position and restricted for perpetual care and endowments. Investment income is approved for the expenditure by the various boards of the benefiting activities and is included in the nonspendable fund balance.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental Activities				
Non-Depreciable Assets				
Land	\$ 21,867,850	\$ 210,000	\$ --	\$ 22,077,850
Construction in progress	1,252,468	1,119,704	1,252,468	1,119,704
Total Capital Assets not Being Depreciated	<u>23,120,318</u>	<u>1,329,704</u>	<u>1,252,468</u>	<u>23,197,554</u>
Depreciable Assets				
Buildings and improvements	83,983,393	14,032,934	--	98,016,327
Motor vehicles	16,004,404	1,071,804	175,500	16,900,708
Machinery, equipment and furniture	7,983,656	635,755	--	8,619,411
Infrastructure	121,999,193	--	--	121,999,193
Total Depreciable Assets	<u>229,970,646</u>	<u>15,740,493</u>	<u>175,500</u>	<u>245,535,639</u>
Total Capital Assets	<u>253,090,964</u>	<u>17,070,197</u>	<u>1,427,968</u>	<u>268,733,193</u>
Less Accumulated Depreciation for:				
Buildings and improvements	40,279,439	2,808,071	--	43,087,510
Motor vehicles	12,518,007	764,158	173,750	13,108,415
Machinery, equipment and furniture	6,887,458	322,402	--	7,209,860
Infrastructure	50,867,752	1,813,856	--	52,681,608
Total Accumulated Depreciation	<u>110,552,656</u>	<u>5,708,487</u>	<u>173,750</u>	<u>116,087,393</u>
Governmental Activities Capital Assets, Net	<u>\$ 142,538,308</u>	<u>\$ 11,361,710</u>	<u>\$ 1,254,218</u>	<u>\$ 152,645,800</u>

Depreciation Expense was Charged to Functions as Follows:

Governmental Activities	
Legislative	\$ 113,386
Finance	22,306
Public Safety	905,085
Public Works	2,766,729
Planning	442,172
Education	1,458,809
Total Governmental Activities Depreciation Expense	<u>\$ 5,708,487</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 4 – CAPITAL ASSETS (CONTINUED)**

Capital asset activity for the year ended June 30, 2015 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Business Type Activities				
Non Depreciable Assets				
Land	\$ 5,796,400	\$ 74,700	\$ --	\$ 5,871,100
Construction in progress	9,570,680	5,082,873	6,119,033	8,534,520
Total Non Depreciable Assets	<u>15,367,080</u>	<u>5,157,573</u>	<u>6,119,033</u>	<u>14,405,620</u>
Depreciable Assets				
Structures and improvements	70,467,167	2,926,125	--	73,393,292
Transmission and distribution	97,210,333	3,118,207	--	100,328,540
Equipment	5,321,658	--	--	5,321,658
Buildings	625,000	--	625,000	--
Building improvements	3,447,919	--	3,447,919	--
Total depreciable assets	<u>177,072,077</u>	<u>6,044,332</u>	<u>4,072,919</u>	<u>179,043,490</u>
Total Capital Assets	<u>192,439,157</u>	<u>11,201,905</u>	<u>10,191,952</u>	<u>193,449,110</u>
Less Accumulated Depreciation for:				
Structures and improvements	13,132,716	1,325,258	--	14,457,974
Transmission and distribution	17,786,196	1,336,185	--	19,122,381
Equipment	4,962,306	93,720	--	5,056,026
Buildings	107,957	--	107,957	--
Building improvements	1,848,490	67,926	1,916,416	--
Total Accumulated Depreciation	<u>37,837,665</u>	<u>2,823,089</u>	<u>2,024,373</u>	<u>38,636,381</u>
Business Type Capital Assets, Net	<u>\$ 154,601,492</u>	<u>\$ 8,378,816</u>	<u>\$ 8,167,579</u>	<u>\$ 154,812,729</u>
Business Activities Depreciation Expense				
Water Supply Board		\$ 2,755,163		
175 Main Street		67,926		
Total Business Activities Depreciation Expense		<u>\$ 2,823,089</u>		
The PWSB has the Following Commitments Related to the Construction Project Contracts at June 30, 2015:				
Main Replacement Contract MR-10		<u>\$ 3,676,469</u>		
Total Commitments		<u>\$ 3,676,469</u>		

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 5 – CASH, CASH EQUIVALENTS AND INVESTMENTS

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

*Investments:* Investments of all idle funds are made through national banks or trust companies, providing that the financial conditions and integrity of the institutions are verifiable and can be monitored. The investment of funds must be in direct obligations of the United States Government and “money market instruments” rated “A” or better. Investments in any one institution cannot exceed five (5) percent of that institutions capital and surplus as set forth in the institutions most recent audited financial statements.

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

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

Cash and Cash Equivalents	
Deposits with financial institutions	\$ 44,667,140
Investments	
Government and agency obligations	39,495,216
U.S. Treasuries	5,471,002
Corporate bonds	6,273,675
Common stocks	74,491,263
Certificate of Deposit	<u>110,575</u>
Total Investments	<u>125,841,731</u>
Total Cash and Investments	<u>\$ 170,508,871</u>
Governmental funds cash and investments	\$ 37,331,738
Enterprise funds cash and investments - C-1	27,992,554
Fiduciary funds cash and investments - D-1	<u>105,184,579</u>
Total government-wide cash and investments	<u>\$ 170,508,871</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 5 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk**

At June 30, 2015, the carrying amount of the City's deposits was \$42,914,479, while the bank balance was \$52,443,559, all of which was covered by federal depository insurance or collateralized by the financial institutions and /or third parties in the name of the City.

Reconciliation to Government-wide Statement of Net Position	
Unrestricted cash, including time deposits	\$ 44,667,140
Restricted cash, including time deposits	<u>19,114,441</u>
Total Cash	63,781,581
Less Fiduciary funds cash, including time deposits (not included in the government-wide statements)	<u>(4,759,720)</u>
Total Cash and Cash Equivalents on A-1	<u>\$ 59,021,861</u>

**Interest Rate Risk:** This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

**Credit Risk:** Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The City has no investment policy that would limit its investment choices due to credit risk other than State Statutes governing investments in obligations of any State or political subdivision or in obligations of the State of Rhode Island or political subdivision.

Information about the exposure of the City's debt type investments to interest rate and credit risk using the segment time distribution model is as follows:

Type of Investment	Moody's Rating	Investment Maturities ( in Years)			Total
		Less Than 1 Year	1-10 Years	Over 10 Years	
U.S. Government and agency obligations	Not Available	\$ --	\$ 35,139,682	\$ 4,355,534	\$ 39,495,216
U.S. Treasuries	Aaa	5,471,002			5,471,002
Corporate bonds	Not Available	<u>--</u>	<u>5,118,477</u>	<u>1,155,198</u>	<u>6,273,675</u>
Total		<u>\$ 5,471,002</u>	<u>\$ 40,258,159</u>	<u>\$ 5,510,732</u>	<u>\$ 51,239,893</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 6 – PROPERTY TAXES**

The City is permitted by state law to levy property taxes. Current tax collections for the City were approximately 96% of the total December 31, 2014 levy.

For year ended June 30, 2015, the City used a tax rate of \$30.88 per thousand for commercial real property, \$23.06 per thousand for residential real property, \$53.30 per thousand for motor vehicles, and \$52.09 per thousand for tangible personal property.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 7 – LONG-TERM LIABILITIES**

**(a) Long-Term Liability Activity**

Long-term liability activity for the year ended June 30, 2015 was as follows:

	(As restated) Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Amounts Due within One Year
<b>Governmental Activities</b>					
Bonds and loans payable:					
Bonds payable	\$ 31,512,110	\$ 30,071,748	\$ 10,425,200	\$ 51,158,658	\$ 3,402,456
Loans payable	270,000	--	40,000	230,000	40,000
Total Bonds and Loans payable	<u>31,782,110</u>	<u>30,071,748</u>	<u>10,465,200</u>	<u>51,388,658</u>	<u>3,442,456</u>
Bonds Premium	18,314	900,419	19,864	898,869	8,510
	<u>31,800,424</u>	<u>30,972,167</u>	<u>10,485,064</u>	<u>52,287,527</u>	<u>3,450,966</u>
<b>Other Liabilities</b>					
Capital Leases	6,316,116	3,573,184	901,620	8,987,680	1,526,376
Compensated Absences	7,765,277	211,218	--	7,976,495	797,650
Claims payable	1,988,274	32,015,039	32,475,025	1,528,288	--
Net OPEB obligation	80,428,802	9,824,429	--	90,253,231	--
Net Pension liability	256,609,358	--	15,008,743	241,600,615	--
Net Pension obligation	781,269	--	58,181	723,088	--
Total Other Liabilities	<u>353,889,096</u>	<u>45,623,870</u>	<u>48,443,569</u>	<u>351,069,397</u>	<u>2,324,026</u>
<b>Governmental Activities</b>					
Long Term Liabilities	<u>\$ 385,689,520</u>	<u>\$ 76,596,037</u>	<u>\$ 58,928,633</u>	<u>\$ 403,356,924</u>	<u>\$ 5,774,992</u>
<b>Business Type Activities</b>					
Bonds, Notes and Loans Payable:					
Bonds and loans payable	\$ 102,655,889	\$ --	\$ 4,256,547	\$ 98,399,342	\$ 4,704,544
Notes payable-175 Main Street	884,407	8,881	893,288	--	--
Less undrawn proceeds	(5,155,102)	--	(4,289,990)	(865,112)	--
Total Bonds, Notes and Loans Payable	<u>98,385,194</u>	<u>8,881</u>	<u>859,845</u>	<u>97,534,230</u>	<u>4,704,544</u>
Bond Premiums	304,021	--	13,819	290,202	--
	<u>98,689,215</u>	<u>8,881</u>	<u>873,664</u>	<u>97,824,432</u>	<u>4,704,544</u>
<b>Other Liabilities</b>					
Compensated Absences	808,462	52,427	--	860,889	86,089
Net OPEB obligation	1,438,694	91,562	--	1,530,256	--
Net Pension liability	5,946,332	--	1,171,643	4,774,689	--
Total Other Liabilities	<u>8,193,488</u>	<u>143,989</u>	<u>1,171,643</u>	<u>7,165,834</u>	<u>86,089</u>
<b>Business Type Activities</b>					
Long-Term Liabilities	<u>\$ 106,882,703</u>	<u>\$ 152,870</u>	<u>\$ 2,045,307</u>	<u>\$ 104,990,266</u>	<u>\$ 4,790,633</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)**

***(b) Debt Service***

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

On June 23, 2011, the City Council approved an ordinance authorizing the City to use accumulated funds for the Pawtucket School Department deficit reduction plan in fiscal year 2011. This ordinance allowed the City to transfer accumulated fund balances in various funds to the City’s General Fund. The Cemetary Perpetual Care permanent fund, transferred \$500,000 to the General Fund, \$350,000 of which was deemed a loan that shall be repaid to the permanent fund in equal payments in the amount of \$40,000 per year for a period of ten years beginning in fiscal year 2013. This loan payable, in the amount of \$230,000, is included the government-wide long term debt obligations.

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

Fiscal Year Ended June 30	Principal	Interest	Total
2016	\$ 3,442,456	\$ 1,792,249	\$ 5,234,705
2017	3,742,421	1,770,110	5,512,531
2018	3,821,754	1,658,238	5,479,992
2019	3,897,368	1,530,748	5,428,116
2020	3,027,616	1,408,896	4,436,512
2021-2025	14,994,043	5,246,489	20,240,532
2026-2030	11,703,000	2,492,845	14,195,845
2031-2035	6,760,000	675,456	7,435,456
<b>TOTALS</b>	<u>\$ 51,388,658</u>	<u>\$ 16,575,031</u>	<u>\$ 67,963,689</u>

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

### NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

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

Fiscal Year Ended June 30	Principal	Interest	Total
2016	\$ 4,704,544	\$ 3,749,822	\$ 8,454,366
2017	4,839,562	3,612,694	8,452,256
2018	4,982,374	3,466,419	8,448,793
2019	5,133,086	3,310,735	8,443,821
2020	5,251,000	3,146,264	8,397,264
2021-2025	28,965,000	12,921,206	41,886,206
2026-2030	23,456,000	7,621,259	31,077,259
2031-2035	21,067,776	3,096,072	24,163,848
<b>TOTALS</b>	<u>\$ 98,399,342</u>	<u>\$ 40,924,471</u>	<u>\$ 139,323,813</u>

#### *(c) Advanced Refundings and Defeased Debt*

On November 19, 2014, the City issued \$7,685,000 of General Obligation Bonds with an average interest rate of 3.00% to advance refund \$25,080,000 of outstanding 2001 and 2005 Series bonds dated 7/1/2001 and 7/1/2005, respectively, with an interest rate ranging from 3.25% to 6%. As a result of the advance refunding, the City saw an economic gain over the life of the bonds of \$412,125, which is the net difference of the increase to principal of \$70,000 offset by interest savings of \$482,125. The difference between the carrying amount of the new debt and the payoff of the old was written off due to the balance being insignificant.

Proceeds of refunding bonds were deposited into an irrevocable escrow trust. The trust is held by an independent trustee and is invested in obligations of the United States Government which mature and bear interest in such amounts and at such times as will be sufficient to pay the principal and interest of the defeased bonds upon maturity. Accordingly, the escrow trust fund, as well as the defeased bonds, are not reflected in the financial statements of the City of Pawtucket, Rhode Island.

As of June 30, 2015, the in-substance defeased bonds outstanding were \$7,615,000 and were excluded from the accompanying financial statements.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 8 – TAX & BOND ANTICIPATION NOTES

At June 30, 2014, the City had a BAN payable dated November, 2013 in the amount of \$12,400,000 with interest at an annual rate of 2.5%. This note was due and paid on approximately November, 2014. Activity of the City's BAN obligations was as follows for the fiscal year ended June 30, 2015.

Balance 6/30/2014	Additions	Retirements	Balance 6/30/2015
<u>\$ 12,400,000</u>	<u>\$ 7,200,000</u>	<u>\$ 12,400,000</u>	<u>\$ 7,200,000</u>

The City issued a Bond Anticipation Note, dated June 16, 2015, in the amount of \$7,200,000 with an interest rate of 0.69%. The notes maturity date is June 15, 2016.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 9 – FUND EQUITY**

*(a) Fund Balance Classifications*

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Town has classified governmental fund balances at June 30, 2015 as follows:

**Non-Spendable:**

Perpetual Care and Endowment permanent funds	\$ 1,147,875
School department prepaid items	224,937
City special revenue funds	<u>19,800</u>
<b>Total Non-Spendable fund balance</b>	<b><u>\$ 1,392,612</u></b>

**Restricted:**

Restricted for City special revenue funds	\$ 1,859,234
Restricted for School medical reservation	1,782,635
Restricted for School Capital Projects funds	500,000
Restricted for HUD special revenue funds	350,149
Restricted for general School purposes	205,981
Restricted for School special revenue funds	350,061
Restricted for Capital project funds	<u>9,865,560</u>
<b>Total Restricted fund balance</b>	<b><u>\$ 14,913,620</u></b>

**Committed:**

Committed for Charter Reserve	\$ 700,000
Committed for payoff of recycling bins	687,517
Committed for City special revenue funds	<u>1,568,879</u>
<b>Total Committed fund balance</b>	<b><u>\$ 2,956,396</u></b>

**Assigned:**

Assigned for City medical reservation	\$ 1,808,208
Assigned for snow removal	150,000
Assigned for revaluation	<u>512,001</u>
<b>Total Assigned fund balance</b>	<b><u>\$ 2,470,209</u></b>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 9 – FUND EQUITY (CONTINUED)**

*(b) Transfers In and Out*

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all costs with revenue generated by the fund. The composition of interfund transfers for the year ended June 30, 2015 is as follows:

<b>Fund/Department</b>	<b>Transfers From Other Funds</b>	<b>Transfers To Other Funds</b>
General Fund	\$ 154,630	\$ 30,575,666
School Unrestricted Fund	31,855,984	--
Special Revenue Funds	340,939	203,443
HUD Special Revenue Funds	125,000	514,242
Capital Project Funds	514,242	125,000
Internal Service funds	210,191	1,782,635
Totals	<u>\$ 33,200,986</u>	<u>\$ 33,200,986</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 9 – FUND EQUITY (CONTINUED)**

*(c) Disclosure of Individual Fund Deficits*

Funds with deficit fund balances as of June 30, 2015 were as follows:

<b>City Special Revenue Funds:</b>	
FY13 Cert (Fed)	\$ 626
EMA Special Operations	557
Details Private Company Reimbursements	5,102
Blackstone Wall Rep 2	144,313
Slater Park Pavilion	408,690
Vets Park Restroom	33,165
<b>HUD Restricted Funds:</b>	
Plaza Shops City	13,390
Visitors Center City	4,067
<b>School Special Revenue Funds:</b>	
Wireless Classroom Initiative	309,975
<b>Capital Projects Funds:</b>	
CH134/111 PL2014 School	60,905
CH477/428 PL2012 School Renovate & Equip School Building	485,233
State Pier Town Landing	12,412
River Corridor Dev. Plan	5,798
Leap 1 Federal And State	1,090
Leap 2 State	13,802
Nea Our Town Grant	<u>6,924</u>
Total	<u>\$ 1,506,049</u>

Slater Park Pavilion and the Vets Park Restroom will be funded by a combination of grant monies and bond debt expected to be issued in the coming year and specifically for recreation. The school project deficits will be grant funded in the next year when the projects reach the milestone completion percentages. Deficit for all other major and non-major governmental fund activities will be funded through the General Fund, a major governmental activities fund, and bond issuance.

**NOTE 10 – BONDS AUTHORIZED BUT UNISSUED**

Bonds authorized but unissued at June 30, 2015 were \$43,100,500 to be used for capital project funds.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 11 – DEFINED BENEFIT PENSION PLANS

All eligible employees of the City are covered by one of three pension plans: the Municipal Employees' Retirement System of the State of Rhode Island, a hybrid plan with a defined contribution component for certain employees (Municipal Plan); the Employees' Retirement System of Rhode Island (Teachers' Plan); or the Police and Firefighters Pension Plan, a contributory defined benefit plan with two components: the Pre-Fiscal 1974 component (Old Plan) and the Post-Fiscal 1974 component (New Plan). The Municipal Plan covers all full-time City and non-certified School Department general employees. The Teachers' Plan covers all School Department personnel certified by the Rhode Island Department of Education who are or have been engaged in teaching or administration as a principal occupation. The Police and Firefighters Pension Plan is mandatory for employees of the City who are covered under a collective bargaining agreement between the City and the Pawtucket Fire Fighters Independent Union and the City and the Pawtucket Lodge No. 4, Fraternal Order of Police.

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

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN

#### General Information about the Pension Plan

**Plan Description** - The City administers a single employer defined benefit pension plan for Police and Fire Employees. The Plan has two components: the Pre-Fiscal 1974 component (Old Plan) and the Post-Fiscal 1974 component (New Plan). The Old Plan covers police officers who were hired prior to July 1, 1973 and firefighters who were hired prior to July 1, 1972. The New Plan covers all police officers and firefighters who are not covered under the Old Plan. The Old Plan is unfunded while the New Plan is prefunded. The Police and Firefighters Pension Plan does not issue stand-alone financial reports.

#### Summary of Significant Accounting Policies

**Basis of Accounting** – The Police and Firefighters Pension Plan is administered by the City, and is accounted for on the accrual basis of accounting. Revenues (contributions and investment income) are recognized when they are earned and expenses (benefits, administration and refunds) are recognized when they are due and payable in accordance with the terms of the Plan.

**Method Used to Value Investments** – Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. There are no investments of 5% or greater in any one organization.

**Funding Policy (Old Plan only)** – Each fiscal year, the City pays into the pension plan a sum equal to the actual benefit payout of the Plan for that year. As the Old Plan matures, the amounts payable each year, in general, will decrease until paid in full. The City at present is not intending to create a pool of assets to cover these projected costs but rather will allow this Plan to run its course. Because there are no active employees in the Old Plan and because the diminishing contributions and funds for payment are built into the taxpayer's rate and budget, the Plan will not add additional burden to future taxpayers and, thus, will continue as is until completion.

**Benefits provided** – The Police and Firefighters Pension Plan provides pension benefits, and death and disability benefits. Mandatory retirement age under the Plan is 65. Members are vested in their benefits after 10 years of service, accruing 2.5% for each year of service up to and including their 20th year, with a benefit equal to 50% of the member's final average compensation. A member is entitled to an additional 2% of final average compensation or each year of service over 20 years, not to exceed 10 years or 70%. Details specific to each group are as follows:

Police –Final average compensation is defined as the highest 3 year average salary rate over the last 10 years. Police members who had 23 years and 4 months of service as of July 1, 2014 shall be entitled to additional pension benefit of 3 2/3% for each year of service up to a maximum of 70%. This additional benefit shall begin to accrue from July 1, 2013.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN (CONTINUED)

#### Summary of Significant Accounting Policies (Continued)

##### Benefits provided (Continued)

Firefighters – Firefighter members hired before May 1, 2013 retiring after 20 years of credited service are also entitled to an additional retirement benefit of 3% of the member's base for each year of service over 20 years, but not to exceed an additional 3 years and 4 months, and 2% for each year of service thereafter, with a maximum retirement benefit of 70%. Firefighter members hired after May 1, 2013 retiring after 20 years of credited service are entitled to an additional retirement benefit of 2% of the member's Base for each year of service over 20 years, with a maximum retirement benefit of 70%. Final average compensation is defined as the latest 3 year average salary rate.

Any member that withdraws from service prior to retirement (10 years) is entitled to a refund in a single sum of the amount of contribution made to the Plan with interest at 4%. The payment of a refund under the provisions automatically affects a waiver and forfeiture of all accrued rights and benefits on the part of the member.

Employees that become totally and permanently disabled are eligible for a benefit equal to 66 2/3% of the employee's pay at the time the disability occurs, plus an additional 10% for each dependent child of the employee until the child reaches the age of 21, with a maximum total disability benefit not to exceed 80% of the employee's pay at the time of the occurrence of the disability. The disability benefit will continue until the employee reaches normal retirement, at which time the member will receive the normal retirement benefit.

In the event that an employee dies prior to retirement and is survived by a spouse or children, the spouse is entitled to a pension benefit equal to 50% (30% for Old Plan members) of the employee's highest or final salary plus an additional 10% for each dependent child less than 21 years of age. The benefit cannot exceed a total of 70% (50% for Old Plan members) of the member's highest or final salary. The benefits will continue during the lifetime of the spouse or until he/she remarries.

Cost of Living Adjustments are equal to 1% to 3% annually depending on the member's date of retirement and collective bargaining agreement the member is covered by.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN (CONTINUED)**

**Employees Covered By Benefit Terms.**

At the June 30, 2015 valuation date, the following employees were covered by the benefit terms:

	New Plan	Old Plan
Retirees, disability retirees and beneficiaries receiving benefits	386	38
Active plan members vested	286	0
Totals	672	38

**Contributions** – Employee and Employer contribution requirements are established and may be amended by City Council ordinance or union contract.

Eligible police and fire employees hired before May 1, 2013 are required to contribute 7.5% of their salary to the Plan. Employees hired after May 1, 2013 contribute 9%. Firefighters and police contribute 8% beginning on July 1, 2014, increasing to 8.5% effective July 1, 2015, and 9% commencing July 1, 2016 in accordance with Collective Bargaining Agreements as of July 1, 2014 and the approved Funding Improvement Plan.

The City establishes employer contributions based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2015, the City contributed \$12,996,379 in the year ended June 30, 2015 which was 66.9% of annual covered payroll.

All of the Old Plan participants are now retirees or beneficiaries. The City pays the benefits of the Old Plan on a pay-as-you go basis through an annual budgetary appropriation. For the year ended June 30, 2015, the City paid \$489,382.

**Net Pension Liability** - The total pension liability was determined by actuarial valuations performed as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN (CONTINUED)**

**Actuarial Assumptions and Methods**

<b>Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability / Obligation at the July 1, 2015 Valuation Date</b>	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Normal Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	20 years at June 30, 2015
Actuarial Assumptions	
Investment Rate of Return	7.50%
Projected Salary Increases	Police & Fire Employees - 2.00% to 11.00%
Inflation	3.00%
Mortality	It is assumed that both pre-retirement and post retirement mortality are represented by the RP-2000 combined mortality table adjusted to Blue Collar (male tables) with 1 year setback, and Scale AA improvement through 2011. Disabled mortality is assumed to follow The RP-2000 combined mortality table adjusted to blue Collar (male tables) set forward 1 year for males and 2 years for females, and Scale AA improvement through 2011.
Cost of Living Adjustments	COLA's vary from 0%-3% depending on the date of retirement, compounded annually. Under the new plan provisions for active Members, the COLA begins at the earlier of age 55 and 10 years following retirement. For the period FYE14 through FYE16, no COLAs will be made to the benefits for current retirees.

The actuarial assumptions used in the June 30, 2015 valuation were consistent with the results of an actuarial experience study performed as of June 30, 2014. The actuarial assumptions noted above were used for both the old plan and the new plan.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN (CONTINUED)

#### Actuarial Assumptions and Methods (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method on which best estimates ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return and by adding inflation.

The City determined 7.5% as the long term expectation of investment returns. The average return for the past 5 years ending June 30, 2015 exceeded 7.5%. The June 30, 2015 expected geometric returns over the long term by asset class as developed by the City's investment consultant, which are utilized by the actuary and summarized below. Best estimates of rates of return for each major asset class included in the pension plan's target allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return, Net of Inflation	Long-Term Expected Rate of Return
Equities	6.25%	9.25%
Government Fixed Income	1.50%	4.50%
Corporate Fixed Income	3.00%	6.00%
Cash	0.00%	3.00%

**Discount rate** – The discount rate was selected based on a projection of employer and employee contributions, benefit payments, expenses and the long term expected rate of return on Plan assets. Rhode Island law requires locally administered plans to adopt a plan to become fully funded by 2042. Based on these laws and assumptions, the pensions plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Rate of return** – For the year ended June 30, 2015, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.02%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN (CONTINUED)**

**Summary of Changes in Net Pension Liability – New Plan**

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2015	\$ 238,725,116	\$ 97,220,726	\$ 141,504,390
Changes for the Year			
Service cost	4,436,644		4,436,644
Interest on the total pension liability	18,845,036		18,845,036
Changes in plan provisions	(6,485,856)		(6,485,856)
Difference between expected and actual experience	(1,519,718)		(1,519,718)
Changes in assumptions	5,317,024		5,317,024
Employer contributions		12,996,379	(12,996,379)
Employee contributions		1,527,777	(1,527,777)
Net investment income		5,940,316	(5,940,316)
Benefit payments, including employee refunds	(13,253,087)	(13,253,087)	-
Interest on benefit payments	(503,975)		(503,975)
Expenses		(735,430)	735,430
Net changes	<u>6,836,068</u>	<u>6,475,955</u>	<u>360,113</u>
Balances as of June 30, 2015	<u>\$ 245,561,184</u>	<u>\$ 103,696,681</u>	<u>\$ 141,864,503</u>

**Summary of Changes in Net Pension Liability – Old Plan**

Annual Required Contribution (ARC)	\$ 522,872
Interest on net pension obligation	58,595
Adjustment to ARC	<u>(147,504)</u>
Annual pension cost	433,963
Contributions made	<u>(492,144)</u>
Decrease in net pension obligation	(58,181)
Net pension obligation July 1, 2014	<u>781,269</u>
Net pension obligation June 30, 2015	<u>\$ 723,088</u>

**Schedule of Employer Contributions – Old Plan**

Year Ended June 30	Annual Required Contributions	Actual Contributions	Percentage Contributed	Net Pension Obligation
2013	\$ 654,915	\$ 523,948	80%	\$ 860,008
2014	\$ 543,355	\$ 525,341	97%	\$ 781,269
2015	\$ 522,872	\$ 492,144	94%	\$ 723,088

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

#### NOTE 11A – DEFINED BENEFIT PENSION PLANS - POLICE & FIRE DEPARTMENT CITY PLAN (CONTINUED)

**Sensitivity of the net pension liability to changes in the discount rate.** The following presents the net pension liability of the employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
New Plan	\$ 173,791,461	\$ 141,864,503	\$ 115,565,892

**Pension plan fiduciary net position** - The Plan Fiduciary Net Position as a percentage of the Total New Plan Pension Liability is 42.2%.

#### **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2015 the employer recognized pension expense of \$9,104,927. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		\$ (1,232,906)
Difference in assumptions	\$ 4,313,558	
Excess (deficit) investment		
Returns	1,170,914	
Total	\$ 5,484,472	\$ (1,232,906)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Year Ending June 30,		
2016	\$ 1,296,195	\$ (286,812)
2017	1,296,195	(286,812)
2018	1,296,195	(286,812)
2019	1,296,195	(286,812)
2020	299,692	(85,658)
<b>Total</b>	\$ 5,484,472	\$ (1,232,906)

**CITY OF PAWTUCKET, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES**

**General Information about the Pension Plan**

**Plan Description** - The Municipal Employees' Retirement System (MERS) – an agent multiple-employer defined benefit pension plan - provides certain retirement, disability and death benefits to plan members and beneficiaries. MERS was established under Rhode Island General Law and placed under the management of the Employee's Retirement System of Rhode Island (ERSRI) Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. Benefit provisions are subject to amendment by the General Assembly.

MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the ERSRI website at [www.ersri.org](http://www.ersri.org).

**Benefits provided** – For general employees prior to June 30, 2012 the Plan provided retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to a maximum of 75%. Such benefits are available to members at least age 58 with 10 years of service or after 30 years of service at any age. Benefits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act until it is exceeded by the member's full years of service credit, including service after June 30, 2012, multiplied by the average of five consecutive years of compensation. Effective July 1, 2012 the retirement age will mirror the Social Security Normal Retirement Age not to exceed age 67. Members will receive a benefit accrual of 1.0% per year based on the five-year average compensation.

Joint and survivor options are available as well as the Service Retirement Allowance (SRA) Plus option that provides for the payment of a larger benefit before the attainment of age sixty-two (62) and a reduced amount thereafter. The reduced amount is equal to the benefit before age sixty-two (62), including cost-of-living increases, minus the member's estimated social security benefit payable at age sixty-two (62).

As of June 30, 2012 members will continue to have a frozen benefit accrual of 2.0% per year for a standard 25 year with any age and out plan; 2.5% for a standard 20 year with any age and out plan. Effective July 1, 2012 the optional 20 and 25 year with retirement at any age plans have been eliminated. The benefit accrual for all plans will be 2.0% per year based on the five-year average compensation, exclusive of overtime. The actuarially reduced benefit will be calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act.

The Plan also provides survivor's benefits; and certain lump sum death benefits.

Plan members are vested after five years of service.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES (CONTINUED)

#### Benefits provided (Continued)

An optional cost-of-living provision may be elected for general employees. The Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision can be reviewed in a five-year interval. When the funding level of a plan exceeds 80% funded eligible retirees may receive a COLA annually effective on their date of retirement plus one month.

The COLA will be calculated as the five (5) year smoothed investment rate of return less 5.50%, with a 0.00% floor and a 4.00% cap. For general employee units, COLA will be delayed until the later of the Social Security Normal Retirement Age or three years after retirement. The COLA will be applied to the first \$25,000 of benefits indexed annually.

The Plan also provides nonservice-connected disability benefits after 5 years of service; service-connected disability pensions with no minimum service requirement.

#### Employees covered by benefit terms.

At the June 30, 2013 valuation date, the following employees were covered by the benefit terms:

	From Valuation
Retirees, disability retirees and beneficiaries receiving benefits	693
Active plan members vested	<u>496</u>
Total	<u>1,189</u>

**Contributions** - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees are required to contribute 2% of their salaries. The (City of Pawtucket) contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The (City of Pawtucket) contributed \$3,175,546 in the year ended June 30, 2015 which was 16.39% of annual covered payroll.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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#### NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES (CONTINUED)

**Net Pension Liability** - The total pension liability was determined by actuarial valuations performed as of June 30, 2013 and rolled forward to June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement.

#### Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2014 measurement date (June 30, 2013 valuation rolled forward to June 30, 2014)

Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	21 years at June 30, 2014
Actuarial Assumptions	
Investment Rate of Return	7.50%
Projected Salary Increases	General Employees - 3.50% to 7.50% ; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.75%
Mortality	Male employees, MERS General and MERS P&F: 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.  Female Employees, MERS General and MERS P&F: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.
Cost of Living Adjustments	COLA is equal to the average five-year fund asset performance (percent) greater than 5.5% up to a maximum of 4% - the COLA is to be applied to the first \$25,000 of benefits, indexed over time. COLA is delayed until the latter of Social Security eligibility age or 3 years after retirement except for MERS Police and Fire for which the COLA is delayed until the later of age 55 or 3 years after retirement. A 2% COLA is assumed after January 1, 2014. Collar adjustments, projected with Scale AA from 2000.

The actuarial assumptions used in the June 30, 2013 valuation rolled forward to June 30, 2014 and the calculation of the total pension liability at June 30, 2014 were consistent with the results of an actuarial experience study performed as of June 30, 2013. The City allocated the proportionate share of the net pension liability to the Pawtucket Water Supply Board based on contributions.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

#### NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES (CONTINUED)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on forward-looking medium-term (10 year) capital market return assumptions developed by eight investment consulting firms. The June 30, 2014 expected arithmetic returns over the medium term by asset class as developed by the State Investment Commission's investment consultant, which are generally consistent with the averages utilized by the actuary, are summarized in the following table:

Asset Class	Target Allocation	Medium-Term Expected Real Rate of Return
Global Equity	38%	6.05%
Private Equity	7%	9.05%
Equity Hedge Funds	8%	4.75%
Absolute Return Hedge	7%	2.95%
Real Return	14%	3.85%
Real Estate	8%	4.50%
Core Fixed	15%	0.25%
Asset	3%	-0.50%
	<u>100%</u>	

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall medium-term expected rate of return best-estimate on an arithmetic basis. To arrive at the long-term expected return estimate, the actuary adjusts the medium-term number to reflect the longer 30-year time frame required for actuarial calculations. This process produces the actuarial expected return, which is based on a 30-year horizon, and can differ from the medium-term, 10-year-horizon return expectations.

**Discount rate** - The discount rate used to measure the total pension liability of the plans was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES (CONTINUED)**

**Changes in the Net Pension Liability**

	<u>Total</u> <u>Pension Liability</u>	<u>Increase</u> <u>(Decrease)</u> <u>Plan Fiduciary</u> <u>Net Position</u>	<u>Net Pension</u> <u>Liability</u>
Balances as of June 30, 2013	\$ 114,292,417	\$ 84,956,788	\$ 29,335,629
Changes for the Year			
Service cost	1,758,847		1,758,847
Interest on the total pension liability	8,327,033		8,327,033
Changes in benefits	-		
Difference between expected and actual experience	-		
Changes in assumptions	(571,087)		(571,087)
Employer contributions		2,748,725	(2,748,725)
Employee contributions		383,778	(383,778)
Net investment income		12,248,352	(12,248,352)
Benefit payments, including employee refunds	(8,289,462)	(8,289,462)	-
Administrative expense		(76,699)	76,699
Other changes		(9,184)	9,184
Net changes	<u>1,225,331</u>	<u>7,005,510</u>	<u>(5,780,179)</u>
Balances as of June 30, 2014	<u>\$ 115,517,748</u>	<u>\$ 91,962,298</u>	<u>\$ 23,555,450</u>

**Sensitivity of the net pension liability to changes in the discount rate.** The following presents the net pension liability of the employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

<u>1% Decrease</u> <u>(6.5%)</u>	<u>Current Discount</u> <u>Rate (7.5%)</u>	<u>1% Increase</u> <u>(8.5%)</u>
\$ 35,967,257	\$ 23,555,450	\$ 11,143,645

**Pension plan fiduciary net position** - detailed information about the pension plan's fiduciary net position is available in the separately issued ERSRI financial report.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES (CONTINUED)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2015 the employer recognized pension expense of \$2,251,253. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	\$ 3,175,546	
Difference in Experience		
Differences in Assumptions		\$ (424,148)
Excess (Deficit) Investment Returns		(4,858,559)
<b>Total</b>	<b>\$ 3,175,546</b>	<b>\$ (5,282,707)</b>

The \$3,175,546 reported as deferred outflows of resources related to pensions resulting from the City of Pawtucket contributions in fiscal year 2015 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows of Resources	Deferred (Inflows) of Resources
2016	\$ 3,175,546	\$ (1,361,579)
2017	-	(1,361,579)
2018	-	(1,344,910)
2019	-	(1,214,639)
2020	-	-
<b>Total</b>	<b>\$ 3,175,546</b>	<b>\$ (5,282,707)</b>

***Defined Contribution Plan Description:***

Employees participating in the defined benefit plan, as described above, also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. Employees contribute 5% of their annual covered salary and employers contribute 1% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the Plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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#### **NOTE 11B – DEFINED BENEFIT PENSION PLANS – GENERAL MUNICIPAL EMPLOYEES (CONTINUED)**

As previously indicated in the disclosure of recently-enacted pension legislation, the employer contribution for certain qualifying employees will increase slightly beginning in fiscal 2016.

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

The City of Pawtucket recognized pension expense of \$193,718 for the fiscal year ended June 30, 2015.

The Employees Retirement System of Rhode Island (System) issues a publicly available financial report that includes financial statements and required supplementary information for plans administered by the System. The report may be obtained at <http://www.ersri.org>.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS

#### General Information about the Pension Plan

**Plan description** - Certain employees of the Pawtucket School District participate in a cost-sharing multiple-employer defined benefit pension plan - the Employees' Retirement System plan - administered by the Employees' Retirement System of the State of Rhode Island (System). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the Plan, regardless of the status of the employers' payment of its pension obligation to the Plan. The Plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report may be obtained at <http://www.ersri.org>.

**Benefit provisions** – The level of benefits provided to participants is established by Chapter 36-10 of the General Laws, which is subject to amendment by the General Assembly. Member benefit provisions vary based on service credits accumulated at dates specified in various amendments to the General Laws outlining minimum retirement age, benefit accrual rates and maximum benefit provisions. In general, members accumulate service credits for each year of service subject to maximum benefit accruals of 80% or 75%. For those hired after June 30, 2012, the benefit accrual rate is 1% per year with a maximum benefit accrual of 40%. Members eligible to retire at September 30, 2009 may retire with 10 years of service at age 60 or after 28 years of service at any age. The retirement eligibility age increases proportionately for other members reflecting years of service and other factors until it aligns with the Social Security Normal Retirement Age, which applies to any member with less than 5 years of service as of July 1, 2012. Members are vested after 5 years of service.

The Plan provides for survivor's benefits for service connected death and certain lump sum death benefits. Joint and survivor benefit provision options are available to members.

Cost of living adjustments are provided but are currently suspended until the collective plans covering state employees and teachers reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments are provided at five-year intervals.

The Plan also provides nonservice-connected disability benefits after five years of service and service-connected disability benefits with no minimum service requirement.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS (CONTINUED)**

**Contributions** – The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the Plan. For fiscal 2015, Pawtucket School District teachers were required to contribute 3.75% of their annual covered salary. The State and the Pawtucket School District are required to contribute at an actuarially determined rate, 40% of which is to be paid by the State and the remaining 60% is to be paid by Pawtucket School Department; the rates were 9.19% and 13.41% of annual covered payroll for the year ended June 30, 2015 for the State and Pawtucket School District, respectively. The Pawtucket School District contributed \$7,714,780, \$6,905,831 and \$6,349,887 for the years ended June 30, 2015, 2014 and 2013, respectively, equal to 100% of the required contributions for each year.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

At June 30, 2015, the Pawtucket School District reported a liability of \$80,955,350 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the State. The amount recognized by the Pawtucket School District as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Pawtucket School District were as follows:

Pawtucket School District proportionate share of net pension liability:	\$ 80,955,350
State's proportionate share of the net pension liability associated with the Pawtucket School District:	<u>55,514,813</u>
Total net pension liability	<u>\$ 136,470,163</u>

The net pension liability was measured as of June 30, 2014, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014. The Pawtucket School District proportion of the net pension liability was based on a projection of the Pawtucket School District long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State, actuarially determined. At June 30, 2014 the Pawtucket School District's proportion was 3.32602042%.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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#### NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS (CONTINUED)

Subsequent to June 30, 2014 (the measurement date), litigation challenging the various pension reform measures enacted in previous years by the General Assembly (2009, 2010, and 2011) was settled. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly.

The amended benefit provisions in the newly enacted legislation and settlement agreement have not been reflected in the determination of the net pension liability at June 30, 2014 (the measurement date). These amended benefit provisions are summarized below:

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rate from 3.75% to 11% and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5 year intervals.
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

These amendments are not considered to have a material effect on the net pension liability had they been retroactively applied to the calculation of the total pension liability at June 30, 2013 rolled forward to June 30, 2014. An actuarial analysis of the pension settlement provisions enacted by the General Assembly and approved by the Court indicated that the funded ratio at June 30, 2014 for teachers (determined on a funding basis) decreased from 59.6% to 58.2%.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS (CONTINUED)**

For the year ended June 30, 2015 the Pawtucket School District recognized gross pension expense of \$9,486,871 and revenue of \$3,859,172 for support provided by the State. At June 30, 2015 the Pawtucket School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred outflows of resources	
Contributions subsequent to the measurement date:	<u>\$ 7,714,780</u>
Deferred inflows of resources	
Changes of assumptions:	\$ (2,867,593)
Net difference between projected and actual earnings on pension plan investments:	<u>(6,971,122)</u>
Total	<u>\$ (9,838,715)</u>

The \$7,714,780 reported as deferred outflows of resources related to pensions resulting from the Pawtucket School District contributions in fiscal year 2015 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Net Deferred Outflows of Resources</u>	<u>Net Deferred (Inflows) of Resources</u>
2016	\$ 7,714,780	\$ (2,148,783)
2017	-	(2,148,783)
2018	-	(2,148,783)
2019	-	(2,148,783)
2020	-	(406,002)
Thereafter	-	(837,581)
Total	<u>\$ 7,714,780</u>	<u>\$ (9,838,715)</u>

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

#### NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS (CONTINUED)

*Actuarial Assumptions* - the total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50% to 6.50%
Investment rate of return	7.50%

Mortality – male and female teachers: 97% and 92%, respectively of rates in a GRS table based on male and female teacher experience, projected with Scale AA from 2000.

The actuarial assumptions used in the June 30, 2013 valuation rolled forward to June 30, 2014 and the calculation of the total pension liability at June 30, 2014 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on forward-looking medium-term (10 year) capital market return assumptions developed by eight investment consulting firms. The June 30, 2014 expected arithmetic returns over the medium term by asset class as developed by the State Investment Commission’s investment consultant, which are generally consistent with the averages utilized by the actuary, are summarized in the following table:

Asset Class	Target Allocation	Medium-Term Expected Real Rate of Return
Global Equity	38%	6.05%
Private Equity	7%	9.05%
Equity Hedge Funds	8%	4.75%
Absolute Return Hedge	7%	2.95%
Real Return	14%	3.85%
Real Estate	8%	4.50%
Core Fixed	15%	0.25%
Asset	3%	-0.50%
	100%	

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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#### NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS (CONTINUED)

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall medium-term expected rate of return best-estimate on an arithmetic basis. To arrive at the long-term expected return estimate, the actuary adjusts the medium-term number to reflect the longer 30-year time frame required for actuarial calculations. This process produces the actuarial expected return, which is based on a 30-year horizon, and can differ from the medium-term, 10-year-horizon return expectations.

**Discount rate** - the discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the net pension liability to changes in the discount rate** - the following presents the net pension liability calculated using the discount rate of 7.5 percent as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
\$ 101,386,571	\$ 80,955,350	\$ 60,104,899

**Pension plan fiduciary net position** - detailed information about the pension plan's fiduciary net position is available in the separately issued ERSRI financial report.

#### **Defined Contribution Plan Description:**

Employees participating in the defined benefit plan, as described above, also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. Employees contribute 5% of their annual covered salary and employers contribute 1% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### **NOTE 11C – DEFINED BENEFIT PENSION PLANS – TEACHERS (CONTINUED)**

As previously indicated in the disclosure of recently-enacted pension legislation, the employer contribution for certain qualifying employees will increase slightly beginning in fiscal 2016.

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

The Pawtucket School District recognized pension expense of \$542,663 for the fiscal year ended June 30, 2015.

The System issues a publicly available financial report that includes financial statements and required supplementary information for plans administered by the system. The report may be obtained at <http://www.ersri.org>.

### **NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS**

#### ***Plan description:***

The City provides post-retirement benefits to retired individuals as required by union contracts with City municipal employees, teachers, School department administrators (through age 65), police officers, and firefighters through a single-employer defined benefit plan (OPEB). Benefits include: (1) full health coverage for the retiree and their spouse, and (2) full dental coverage for the retiree and their spouse. The City obtains a biennial actuarial valuation report which can be obtained from the City's Finance Director at City Hall, 137 Roosevelt Avenue, Pawtucket, Rhode Island 02860.

#### ***Valuation:***

An actuarial valuation study of the other postemployment benefits of the City was performed by Sherman Actuarial Services, LLC as of July 1, 2015; the results are based on a discount rate of 4.0%.

#### ***Covered participants:***

At July 1, 2015, membership consisted of:

Active Non-School Department receiving benefits

Active School Department receiving benefits

Inactive vested members

Retired, disabled, beneficiaries and survivors —Non teachers

Retired, disabled, beneficiaries and survivors —School Department

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

***Funding policy:***

The City paid 100% of the amount for medical and dental costs incurred by eligible retirees. Employee contributions are recognized in the period to which the contribution relates. Benefit payments are charged to expense in the period paid.

***Annual OPEB cost and net OPEB obligation:***

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan for the past three years and the net OPEB obligation as of June 30, 2013, 2014 and 2015 are as follows:

<u>Years ended June 30,</u>	<u>OPEB Cost</u>	<u>% of annual OPEB cost contributed</u>	<u>Net OPEB obligation</u>
2013	\$ 20,008,292	65%	\$ 76,908,776
2014	\$ 17,850,863	72%	\$ 81,867,496
2015	\$ 19,892,562	50%	\$ 91,783,487

***Actuarial methods and assumptions:***

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The valuation of the postemployment medical and life insurance benefits is based upon the projected unit credit actuarial cost method. A normal cost (or service cost) is determined for each year of the member's creditable service and is equal to the value of the future expected benefits divided by the total expected number of years of service. The actuarial accrued liability is the accumulated value of prior normal costs.

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

#### *Actuarial methods and assumptions (continued):*

Actuarial cost method - Costs are attributed between past and future service using the projected Unit Credit Cost method. Benefits are attributed ratably to service from date of hire until full eligibility date.

Interest rate/discount rate - 4.0% per year, net of investment expenses.

#### Mortality:

Actives - 65% of Post-Retirement Mortality (based on the Employee's Retirement System of Rhode Island report).

Retirees - Non-Teachers: 1994 Group Annuity Table set forward one year (based on the Employee's Retirement System of Rhode Island report).

Disabled - All but police and fire: Males: 65% of PBGC Tab Va; Females: 100% of PBGC Table Via (based on the Employee's Retirement System of Rhode Island report); police and fire: PBGC Table 11 for males and PBGC Table 12 for females.

Eligibility for Vested Post-Retirement Medical benefits upon Withdrawal - Employees who withdraw from employment and do not retire are ineligible for postretirement benefits even if they are vested in their retirement benefits.

Medical eligibility - Employees: 100%; Spouses: 100%.

Participation rates - 95% of future retirees are assumed to participate in the retiree medical plan. 30% of future school retirees are assumed to participate in the dental plan. 90% of future Public Safety retirees are assumed to participate in the dental plan.

Expenses - Administrative expenses are included in the per capita medical cost assumption.

Eligibility for Benefits - Current employees of the City who retire with a benefit from the Pawtucket Retirement Board, as well as their beneficiaries, and retirees of the City, as well as their beneficiaries and spouses, are eligible for benefits. The spouses of current employees are eligible for benefits if the current employees are covered under the police, fire, and teacher plans.

Medical Benefits - Various medical and dental plans offered by the City to its employees.

Retiree Contributions - Based on data provided by the City. Applicable to teachers only.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

*Funding status and funding progress:*

Annual required contribution		\$ 19,664,769
Interest on OPEB		3,274,700
Adjustment to annual required contribution		<u>(3,046,907)</u>
Annual OPEB cost		19,892,562
Premiums paid		<u>(9,976,571)</u>
Increase (decrease) in net OPEB obligation:		
Governmental activities	9,824,429	
Business-type activities	<u>91,562</u>	9,915,991
Net OPEB obligation, beginning of year		<u>81,867,496</u>
Net OPEB obligation, end of year		<u><u>\$ 91,783,487</u></u>

City contributions to the plan for the year ended June 30, 2015 represented 50% of the annual OPEB cost. The difference represents the City's OPEB obligation to the plan and has been accrued as a liability in the government-wide financial statements.

The required supplementary information which follows the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Listed below are the details of the funding progress of the OPEB obligation with a valuation date of July 1, 2015, which is the most recent report available from the actuary who values this plan.

Actuarial value of assets		\$ -
Actuarial accrued liability		345,227,046
Unfunded actuarial accrued liability		(345,227,046)
Funded ratio		0%
Annual covered payroll		N/A
UAAL as percentage of payroll		N/A

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### NOTE 13 – CONTINGENCIES AND COMMITMENTS

#### *Litigation*

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

The City is involved in the early stages of litigation with several plaintiffs relating to tax assessment appeals, personal injuries and contract disputes. The outcomes of the cases are not known at this time. Management is rigorously defending the cases and has calculated the range of potential liability, after applying the City's insurance deductible, if the City should not prevail to be between \$0 and \$2,310,000. As it is not probable that a liability has been incurred, no liability has been recorded in the accompanying financial statements.

Challenges to Police and Fire Pension Funding Improvement Plan (FIP) – A number of police and fire retirees filed a class action lawsuit to contest the freezing of the Cost of Living Adjustment (COLA) for a period of three years, per the City Council approved FIP. The City intends to vigorously contest the lawsuit. As part of the State's Pension Commission, all locally administered pension plans had to submit a FIP to the State in order to comply with RI Gen. Law 45-65-6 (2). The plan had to include emerging from "critical status" within 20 years. As part of the City's FIP, the retirees would not receive their annual COLA's for 3 years, July 1st 2014, 2015, and 2016, but the COLA would resume on July 1, 2017. Currently, the discovery on this case is ongoing and the City is preparing to both litigate the action and seek resolution, through the settlement process. As of June 30, 2015 the City has saved the pension plan a total of \$271,700 of COLA payments and will save another \$509,739 as of June 30, 2016 but not paying the COLA payments. This also effects the unfunded pension liability, which in turn effects the Actuarially Required Contributions (ARC). The actuarial valuation of the police and fire pension plan assumes that the COLA freeze is in place for the 3-years, if it were not, the unfunded pension liability would increase by \$28 million and the ARC would increase by \$2.1 million as estimated by the actuary.

#### *Property and liability insurance*

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; and natural disasters. As a result, the City participates in a non-profit, public entity risk pool (Rhode Island Interlocal Risk Management Trust, Inc.) (the Trust) which provides coverage for property and liability claims. Upon joining the Trust, the City signed a participation agreement which outlines the rights and responsibilities of both the Trust and the City. The agreement states that for premiums paid by the City, the Trust will assume financial responsibility for the City's losses up to the maximum amount of insurance purchased, minus the City's deductible amounts. The Trust provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust retains internally for payment from the pooled contributions of its members. Under the participation agreement, the City is insured for a maximum of \$4,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage during the year ended June 30, 2015. At June 30, 2015, the Trust's estimated reserves on open claims not subject to coverage amounted to approximately \$1,800,000, which the City could be liable for.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**NOTE 13 – CONTINGENCIES AND COMMITMENTS (CONTINUED)**

*Grants*

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

**NOTE 14 – RISK MANAGEMENT**

The City of Pawtucket is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded the City's coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage from the prior year. The City maintains an internal service fund for Health/Dental (medical) insurance, which is a cost plus health and dental plan that has a self-insurance mechanism with a stop gap maximum claim amount at \$300,000.

The claims liability reported in the internal service fund at June 30, 2015 is based on the requirements of GASB Statement No. 10 and 30, which require that a liability for estimated claims incurred but not reported be recorded. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses. Billings from the Internal Service Fund to City funds for the year ended June 30, 2015 were approximately \$32,015,000 which represented approximately \$16,873,000 and \$15,142,000 for City and School Department personnel, respectively. At June 30, 2015 and 2014 the City has estimated a liability for incurred but not reported claims (IBNR) based on actual claims paid subsequent to year end but related to claims incurred prior to June 30, 2015 and 2014 as follows:

	<u>2015</u>	<u>2014</u>
IBNR at beginning of year	\$ 1,988,274	\$ 1,708,959
Claims incurred during the year	32,015,039	33,196,137
Claims paid during the year	<u>(32,475,025)</u>	<u>(32,916,822)</u>
IBNR at end of year	<u>\$ 1,528,288</u>	<u>\$ 1,988,274</u>

# CITY OF PAWTUCKET, RHODE ISLAND

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED JUNE 30, 2015

#### NOTE 15 – RESTATEMENT

Based on the implementation of GASB 68, *Financial Accounting and Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment to GASB Statement No. 68*. These standards are required to be implemented retrospectively. The opening net position was adjusted for the net pension liability as noted below.

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Net position as reported, June 30, 2014	\$ (55,173,191)	\$ 78,833,299	\$ 23,660,108
GASB No. 68 and 71 implementation	<u>(160,798,609)</u>	<u>(5,389,165)</u>	<u>(166,187,774)</u>
Net position as restated, July 1, 2014	<u>\$ (215,971,800)</u>	<u>\$ 73,444,134</u>	<u>\$ (142,527,666)</u>

	Business-type Activities - Enterprise Funds			
	School Lunch Fund	Pawtucket Water Supply Board	175 Main Street	Total
	Net position as reported, June 30, 2014	\$ 111,497	\$ 77,342,862	\$ 1,378,940
GASB No. 68 and 71 implementation	<u>-</u>	<u>(5,389,165)</u>	<u>-</u>	<u>(5,389,165)</u>
Net position as restated, July 1, 2014	<u>\$ 111,497</u>	<u>\$ 71,953,697</u>	<u>\$ 1,378,940</u>	<u>\$ 73,444,134</u>

The balances that were affected in the restatement for the implementation of GASB No. 68 and 71 included net pension liability, deferred outflows and deferred inflows for the governmental activities and business type activities. The activity of the restatement is noted below:

	June 30, 2014	Restatement	July 1, 2014 As Restated
Net Pension Obligation	\$ (87,851,155)	\$ 87,069,886	\$ (781,269)
Net Pension Liability			
Police and Fire Retirement Plan	-	(141,504,390)	(141,504,390)
Municipal Employees Retirement Sys	-	(29,335,629)	(29,335,629)
Employees Retirement System	-	(91,715,671)	(91,715,671)
Deferred Outflows Pension	-	9,298,030	9,298,030
Net Position	(23,660,108)	166,187,774	142,527,666

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF PAWTUCKET, RHODE ISLAND

E-1

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUE AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Revised Budget	Actual	Variance
<b>Revenues</b>				
General property taxes and payments in lieu of taxes	\$ 99,668,363	\$ 99,668,363	\$ 98,980,584	\$ (687,779)
Intergovernmental and departmental	6,160,451	6,160,451	6,448,304	287,853
Licenses	235,460	235,460	226,330	(9,130)
Permits	519,100	519,100	623,977	104,877
Fines and forfeitures	331,020	331,020	430,225	99,205
Charges for services	4,083,256	4,083,256	4,478,325	395,069
Investment and interest income	990,000	990,000	1,159,534	169,534
<b>Total Revenues</b>	<u>111,987,650</u>	<u>111,987,650</u>	<u>112,347,279</u>	<u>359,629</u>
<b>Expenditures</b>				
Current:				
Legislative, judicial and general administrative	2,955,550	2,955,550	2,840,570	114,980
Executive	953,222	953,222	885,272	67,950
Finance	3,005,037	3,005,037	2,953,987	51,050
Planning	1,636,942	1,636,942	1,527,107	109,835
Public safety	44,036,849	44,036,849	44,305,552	(268,703)
Public works	11,083,777	11,083,777	11,141,625	(57,848)
Operating insurance	920,200	920,200	773,214	146,989
Contribution support	74,890	74,890	73,819	1,071
Employee benefits	8,382,649	8,382,649	8,435,989	(53,340)
Other fixed and general charges	1,574,288	1,574,288	1,932,588	(358,300)
Debt services	6,707,188	6,707,188	6,283,225	423,963
<b>Total Expenditures</b>	<u>81,330,592</u>	<u>81,330,592</u>	<u>81,152,945</u>	<u>177,647</u>
<b>Excess of revenues over expenditures before other financing sources (uses)</b>	<u>30,657,058</u>	<u>30,657,058</u>	<u>31,194,334</u>	<u>537,276</u>
<b>Other Financing Sources (Uses)</b>				
Provision to Reserve Fund Balance	(200,000)	(200,000)	(200,000)	--
Bond proceeds	--	--	900,419	900,419
Transfers in	343,250	343,250	154,630	(188,620)
Transfers out - other	(215,497)	(215,497)	(502,317)	(286,820)
Transfers out - School unrestricted fund - appropriation	(30,073,349)	(30,073,349)	(30,073,349)	--
Transfers out - School unrestricted fund - consent order deficit reduction	(511,462)	(511,462)	--	511,462
<b>Net Other Financing Sources (Uses)</b>	<u>(30,657,058)</u>	<u>(30,657,058)</u>	<u>(29,720,617)</u>	<u>936,441</u>
<b>Excess of revenues over expenditures and other financing sources (uses)</b>	<u>\$ --</u>	<u>\$ --</u>	<u>1,473,717</u>	<u>\$ 1,473,717</u>
Adjustments of budgetary basis to U.S. GAAP basis			200,000	
Excess (deficiency) of revenues over expenditures and other financing sources (uses), U.S. GAAP basis			1,673,717	
Fund balance, beginning of year			14,560,723	
Fund balance, end of year			<u>\$ 16,234,440</u>	

**CITY OF PAWTUCKET, RHODE ISLAND**

E-2

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUE AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budgeted Revenues	Revised Budgeted Revenues	Actual Revenues	Variance
<b>General Property Taxes</b>				
Real estate, tangible and motor vehicle	\$ 99,167,113	\$ 99,167,113	\$ 98,448,885	\$ (718,228)
Current other taxes	501,250	501,250	531,699	30,449
<b>Total General Property Taxes</b>	<u>99,668,363</u>	<u>99,668,363</u>	<u>98,980,584</u>	<u>(687,779)</u>
<b>Intergovernmental and Departmental</b>				
State	6,160,451	6,160,451	6,448,304	287,853
<b>Total Intergovernmental and Departmental</b>	<u>6,160,451</u>	<u>6,160,451</u>	<u>6,448,304</u>	<u>287,853</u>
<b>Licenses</b>				
Liquor	138,000	138,000	134,222	(3,778)
Taverns & victualling	34,000	34,000	34,110	110
Other	63,460	63,460	57,998	(5,462)
<b>Total Licenses</b>	<u>235,460</u>	<u>235,460</u>	<u>226,330</u>	<u>(9,130)</u>
<b>Permits</b>				
Electrical	115,000	115,000	113,963	(1,037)
Plumbing	40,000	40,000	62,734	22,734
Other	364,100	364,100	447,280	83,180
<b>Total Permits</b>	<u>519,100</u>	<u>519,100</u>	<u>623,977</u>	<u>104,877</u>
<b>Fines and Forfeitures</b>				
Municipal and Police P.T.E.	150,000	150,000	128,002	(21,998)
Other	181,020	181,020	302,223	121,203
<b>Total Fines and Forfeiture</b>	<u>331,020</u>	<u>331,020</u>	<u>430,225</u>	<u>99,205</u>
<b>Charges for Service</b>				
Legal instrument fees	497,350	497,350	445,700	(51,650)
VIN inspection fees	24,000	24,000	33,941	9,941
Rescue service	2,000,000	2,000,000	1,885,280	(114,720)
Other	1,561,906	1,561,906	2,113,404	551,498
<b>Total Charges for Services</b>	<u>4,083,256</u>	<u>4,083,256</u>	<u>4,478,325</u>	<u>395,069</u>
<b>Interest</b>				
Real estate overdue taxes	950,000	950,000	995,171	45,171
Bank accounts	40,000	40,000	164,363	124,363
<b>Total Interest</b>	<u>990,000</u>	<u>990,000</u>	<u>1,159,534</u>	<u>169,534</u>
<b>Total Revenues</b>	<u>111,987,650</u>	<u>111,987,650</u>	<u>112,347,279</u>	<u>359,629</u>
<b>Other Financing Sources</b>				
Bond premium		--	900,419	900,419
Transfers in	343,250	343,250	154,630	(188,620)
<b>Total Other Financing Sources</b>	<u>343,250</u>	<u>343,250</u>	<u>1,055,049</u>	<u>711,799</u>
<b>Total Revenue and Other Financing Sources</b>	<u>\$ 112,330,900</u>	<u>\$ 112,330,900</u>	<u>\$ 113,402,328</u>	<u>\$ 1,071,428</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

E-3

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUE AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budgeted Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Legislative</b>				
City Council	\$ 233,211	\$ 233,211	\$ 232,321	\$ 890
City Clerk	571,528	571,528	571,010	518
Probate Court	39,985	39,985	39,582	403
Board of Canvassers	394,934	394,934	380,236	14,698
Library	1,715,892	1,715,892	1,617,421	98,471
<b>Total Legislative</b>	<b>2,955,550</b>	<b>2,955,550</b>	<b>2,840,570</b>	<b>114,980</b>
<b>Executive</b>				
Mayor	510,553	510,553	450,176	60,377
Law Department	362,198	362,198	355,880	6,318
Municipal Court	80,471	80,471	79,216	1,255
<b>Total Executive</b>	<b>953,222</b>	<b>953,222</b>	<b>885,272</b>	<b>67,950</b>
<b>Finance Department</b>				
Finance Director	344,766	344,766	354,004	(9,238)
Accounting	313,928	313,928	312,855	1,073
Tax Assessors	431,410	431,410	588,505	(157,095)
Collections-disbursement	564,099	564,099	509,789	54,310
Information Technology	705,694	705,694	653,323	52,371
Personnel	282,892	282,892	174,531	108,361
Purchasing	209,756	209,756	202,391	7,365
Payroll	152,492	152,492	158,589	(6,097)
<b>Total Finance Department</b>	<b>3,005,037</b>	<b>3,005,037</b>	<b>2,953,987</b>	<b>51,050</b>
<b>Planning Department</b>				
Planning Department	453,430	453,430	451,282	2,148
Development	146,356	146,356	146,346	10
Zoning & Code Enforcement	1,037,156	1,037,156	929,479	107,677
<b>Total Planning Department</b>	<b>1,636,942</b>	<b>1,636,942</b>	<b>1,527,107</b>	<b>109,835</b>
<b>Public Safety</b>				
Uniform Police	20,933,108	20,933,108	21,002,242	(69,134)
Civilian Police	1,958,118	1,958,118	1,912,420	45,698
Animal Shelter	570,611	570,611	499,806	70,805
Police Crossing Guards	454,960	454,960	457,092	(2,132)
Uniform Fire	19,033,220	19,033,220	19,464,199	(430,979)
Civilian Fire	449,676	449,676	405,768	43,908
Fire Prevention	510,699	510,699	471,487	39,212
Emergency Management Systems	126,457	126,457	92,538	33,919
<b>Total Public Safety</b>	<b>44,036,849</b>	<b>44,036,849</b>	<b>44,305,552</b>	<b>(268,703)</b>

**CITY OF PAWTUCKET, RHODE ISLAND**

E-3 (Continued)

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUE AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget Expenditures	Revised Budgeted Expenditures	Actual Expenditures	Variance
<b>Public Works</b>				
Public Works Director	\$ 716,225	\$ 716,225	\$ 742,381	\$ (26,156)
Engineering	253,080	253,080	215,544	37,536
Equipment Maintenance	751,557	751,557	745,802	5,755
Building Maintenance	682,399	682,399	743,122	(60,723)
City Hall Maintenance	688,689	688,689	619,224	69,465
Sewer Maintenance	548,788	548,788	500,467	48,321
Refuse Collections	2,551,838	2,551,838	2,529,078	22,760
Transfer Station	604,800	604,800	585,179	19,621
Streets, bridges, & cemetery	856,778	856,778	844,370	12,408
Street cleaning/snow removal	1,098,034	1,098,034	1,393,860	(295,826)
Traffic	466,967	466,967	447,372	19,595
Parks Division	1,413,211	1,413,211	1,347,270	65,941
Recreation	339,296	339,296	324,373	14,923
Daggett Farm	112,115	112,115	103,583	8,532
<b>Total Public Works</b>	<u>11,083,777</u>	<u>11,083,777</u>	<u>11,141,625</u>	<u>(57,848)</u>
<b>Operating Insurance</b>	<u>920,200</u>	<u>920,200</u>	<u>773,211</u>	<u>146,989</u>
<b>Contribution Support</b>	<u>74,890</u>	<u>74,890</u>	<u>73,819</u>	<u>1,071</u>
<b>Employee Benefits</b>	<u>8,382,649</u>	<u>8,382,649</u>	<u>8,435,989</u>	<u>(53,340)</u>
<b>Fixed Charges</b>	<u>1,574,288</u>	<u>1,574,288</u>	<u>1,932,588</u>	<u>(358,300)</u>
<b>Debt Service</b>				
Debt service-principal	4,640,433	4,640,433	3,796,442	843,991
Debt service-interest & other charges	2,066,755	2,066,755	2,486,783	(420,028)
<b>Total Debt Service</b>	<u>6,707,188</u>	<u>6,707,188</u>	<u>6,283,225</u>	<u>423,963</u>
<b>Total Expenditures</b>	<u>81,330,592</u>	<u>81,330,592</u>	<u>81,152,945</u>	<u>177,647</u>
<b>Transfers to Other Funds</b>				
School unrestricted fund- appropriation	30,073,349	30,073,349	30,073,349	--
School unrestricted fund-consent order deficit reduction	511,462	511,462	--	511,462
Other transfers	215,497	215,497	502,317	(286,820)
<b>Total Transfers</b>	<u>30,800,308</u>	<u>30,800,308</u>	<u>30,575,666</u>	<u>224,642</u>
<b>Provision to Reserve Fund Balance</b>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>--</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>\$ 112,330,900</u>	<u>\$ 112,330,900</u>	<u>\$ 111,928,611</u>	<u>\$ 402,289</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

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**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUE AND EXPENDITURES (NON-GAAP BUDGETARY BASIS)  
BUDGET AND ACTUAL - SCHOOL UNRESTRICTED FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Revised Budget	Actual	Variance
<b>Revenues</b>				
State aid	\$ 74,944,526	\$ 74,944,526	\$ 74,773,360	\$ (171,166)
Fees, services and miscellaneous revenue	1,895,670	1,895,670	2,247,945	352,275
<b>Total Revenues</b>	<u>76,840,196</u>	<u>76,840,196</u>	<u>77,021,305</u>	<u>181,109</u>
<b>Expenditures</b>				
Salaries	60,342,630	60,342,630	59,149,358	1,193,272
Fringe and fixed charges	28,560,746	28,560,746	28,362,450	198,296
Purchased services	13,910,437	13,622,938	13,969,640	(346,702)
Supplies and materials	2,827,146	2,564,839	2,817,636	(252,797)
Equipment/capital improvement	988,248	1,586,317	1,779,066	(192,749)
Other	125,251	76,988	111,061	(34,073)
<b>Total Expenditures</b>	<u>106,754,459</u>	<u>106,754,459</u>	<u>106,189,211</u>	<u>565,248</u>
<b>Excess of Expenditures over Revenues</b>				
<b>Before Other Financing Sources (Uses)</b>	<u>(29,914,263)</u>	<u>(29,914,263)</u>	<u>(29,167,906)</u>	<u>746,357</u>
<b>Other Financing Sources (Uses)</b>				
Operating transfer from general fund				
City appropriation	30,073,349	30,073,349	30,073,349	--
Operating transfer from internal service fund	--	--	1,782,635	1,782,635
<b>Total Other Financing Sources (Uses)</b>	<u>30,073,349</u>	<u>30,073,349</u>	<u>31,855,984</u>	<u>1,782,635</u>
<b>Excess Revenues and Other Sources Over (Under) Expenditures and Other Sources</b>	<u>159,086</u>	<u>159,086</u>	<u>2,688,078</u>	<u>2,528,992</u>
<b>Consent Order Transfer from General Fund for Deficit Reduction</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Excess Revenues and Other Sources Over (Under) Expenditure and Other Sources After Consent Order Transfer from General Fund for Deficit Reduction</b>	<u>\$ 159,086</u>	<u>\$ 159,086</u>	<u>\$ 2,688,078</u>	<u>\$ 2,528,992</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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Budget preparation and budgetary basis of accounting:

In accordance with the City Charter, the Mayor must present to the City Council a recommended annual budget for the operations of all municipal departments prior to the commencement of each fiscal year. The recommended budget must include an appropriation to fund school expenditures in excess of their anticipated revenues as requested by the Superintendent and approved by the School Committee. Estimates of sums expected to become available from federal and state grants for the support of the public schools shall be included in the total requested for school expenditures. The City Council shall appropriate these funds for expenditure by the School Committee, and shall appropriate such additional funds from local tax revenues as may be required to meet the total school budget which the City Council approves. The School Committee shall not have the authority to obligate the City financially beyond the total budgetary amount voted by the City Council. The City Council can change only the total amount of the School Committee's recommended budget. The City Council can increase the total amount of the total budget, as presented by the Mayor, only if it makes provisions for increasing anticipated revenue to match increases in expenditures in the budget.

The General Fund and the School Unrestricted Fund annual operating budgets are in conformity with the legally enacted budgetary basis. The legally enacted budgetary basis differs from accounting principles generally accepted in the United States of America (U.S. GAAP) in several regards. Budgets are adopted on the modified accrual basis with certain exceptions. Budgetary revenues may include appropriations from fund equity previously recognized under U .S. GAAP. Budgetary expenditures may include provisions to build fund balance.

The accompanying Statement of Revenues, Expenditures/Expenses (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure/expenses and other uses of financial resources for the year ended June 30, 2015 is presented below:

*(a) Budgetary to GAAP Basis Reconciliation*

The following reconciliation summarizes the difference for the City's General Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2015:

Excess revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis)	\$ 1,473,717
Provision to reserve fund balance	<u>200,000</u>
Excess of revenues and other sources over expenditures (GAAP)	<u>\$ 1,673,717</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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The following reconciliation summarizes the difference for the School's Unrestricted Fund between budgetary and GAAP basis accounting principles for the year ended June 30, 2015:

	<u>Revenues</u>	<u>Expenses</u>	<u>Other Financing Sources (Uses)</u>
Budgetary basis, June 30, 2015	\$ 77,021,305	\$ 106,189,211	\$ 31,855,984
On-behalf pension contribution	4,543,015	4,543,015	
Capital lease transaction		473,184	473,184
GAAP basis, June 30, 2015	<u>\$ 81,564,320</u>	<u>\$ 111,205,410</u>	<u>\$ 32,329,168</u>

Budget compliance:

Appropriations in addition to those contained in the annual operating budget require City Council approval. Amendments to the operating budget that do not result in additional appropriations may be made within departments by means of transfer. Transfers made within and outside the departmental level require City Council approval. The level at which the General Fund and School Unrestricted Fund budgeted expenditures may not legally exceed appropriations is at the department level. Unexpended appropriations lapse at fiscal year-end, but unexpended capital and special appropriation have historically been carried forward.

CITY OF PAWTUCKET, RHODE ISLAND

E-6

REQUIRED SUPPLEMENTARY INFORMATION

(1 of 3)

PAWTUCKET RETIREMENT SYSTEM - POLICE AND FIRE PENSION  
SCHEDULE OF CHANGES IN THE CITY OF PAWTUCKET'S NET PENSION  
LIABILITY AND RELATED RATIOS

	Year Ended June 30, 2015	Year Ended June 30, 2014
<b>A. Total pension liability</b>		
1. Service Cost	\$ 4,436,644	\$ 5,131,425
2. Interest on the Total Pension Liability	18,845,036	18,668,699
3. Changes of benefit terms	(6,485,856)	(10,594,891)
4. Difference between expected and actual experience of the Total Pension Liability	(1,519,718)	(4,913,540)
5. Changes of assumptions	5,317,024	-
6. Benefit payments, including refunds of employee contributions	(13,253,087)	(12,876,984)
7. Interest on Benefit Payments	(503,975)	(474,157)
8. Net change in total pension liability	6,836,068	(5,059,448)
9. Total pension liability – beginning	238,725,116	243,784,564
10. Total pension liability – ending (a)	<b>\$ 245,561,184</b>	<b>\$ 238,725,116</b>
<b>B. Plan fiduciary net position</b>		
1. Contributions – employer	\$ 12,996,379	\$ 12,386,341
2. Contributions – employee	1,527,777	1,465,875
3. Net investment income	5,940,316	13,978,129
4. Benefit payments, including refunds of employee contributions	(13,253,087)	(12,876,984)
5. Expenses	(735,430)	(714,217)
6. Other	-	-
7. Net change in plan fiduciary net position	6,475,955	14,239,144
8. Plan fiduciary net position – beginning	97,220,726	82,981,582
9. Plan fiduciary net position – ending (b)	<b>\$ 103,696,681</b>	<b>\$ 97,220,726</b>
<b>C. Net pension liability - ending (a) - (b)</b>	<b>\$ 141,864,503</b>	<b>\$ 141,504,390</b>
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	42.23%	40.72%
<b>E. Covered employee payroll</b>	\$ 19,427,234	\$ 19,453,527
<b>F. Net pension liability as a percentage of covered-employee payroll</b>	730.24%	727.40%

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

CITY OF PAWTUCKET, RHODE ISLAND

E-6

REQUIRED SUPPLEMENTARY INFORMATION

(2 of 3)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM - CITY & WATER  
SCHEDULE OF CHANGES IN THE CITY OF PAWTUCKET'S NET PENSION  
LIABILITY AND RELATED RATIOS

	Year Ended June 30, 2014
<b>A. Total pension liability</b>	
1. Service Cost	\$ 1,758,847
2. Interest on the Total Pension Liability	8,327,033
3. Changes of benefit terms	-
4. Difference between expected and actual experience of the Total Pension Liability	-
5. Changes of assumptions	(571,087)
6. Benefit payments, including refunds of employee contributions	(8,289,462)
7. Net change in total pension liability	1,225,331
8. Total pension liability – beginning	114,292,417
9. Total pension liability – ending (a)	\$ 115,517,748
<b>B. Plan fiduciary net position</b>	
1. Contributions – employer	\$ 2,748,725
2. Contributions – employee	383,778
3. Net investment income	12,248,352
4. Benefit payments, including refunds of employee contributions	(8,289,462)
5. Pension Plan Administrative Expense	(76,699)
6. Other	(9,184)
7. Net change in plan fiduciary net position	7,005,510
8. Plan fiduciary net position – beginning	84,956,788
9. Plan fiduciary net position – ending (b)	\$ 91,962,298
<b>C. Net pension liability - ending (a) - (b)</b>	\$ 23,555,450
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	79.61%
<b>E. Covered employee payroll</b>	\$ 19,375,752
<b>F. Net pension liability as a percentage of covered payroll</b>	121.57%

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

**CITY OF PAWTUCKET, RHODE ISLAND**

E-6

**REQUIRED SUPPLEMENTARY INFORMATION**

(3 of 3)

**EMPLOYEES' RETIREMENT SYSTEM COST- SHARING PLAN  
SCHEDULE OF PAWTUCKET'S PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY**

	<u>2014</u>
Employer's proportion of the net pension liability	3.33%
Employer's proportionate share of the net pension liability	\$ 80,955,350
State's proportionate share of the net pension liability associated with the school district	55,514,813
Total	<u>\$ 136,470,163</u>
Employer's covered employee payroll	\$ 54,266,308
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	149.18%
Plan fiduciary net position as a percentage of the total pension liability	61.40%

**Notes:**

1.) *The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.*

2.) *Schedule is intended to show information for 10 years - additional years will be displayed as they become available.*

CITY OF PAWTUCKET, RHODE ISLAND

E-7

REQUIRED SUPPLEMENTARY INFORMATION

(1 of 3)

PAWTUCKET RETIREMENT SYSTEM - POLICE AND FIRE PENSION - NEW PLAN  
SCHEDULE OF CITY OF PAWTUCKET'S CONTRIBUTIONS

	2015	2014
Actuarially determined contribution	\$ 12,996,379	\$ 12,386,341
Contributions in relation to the actuarially determined contribution	12,996,379	12,386,341
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 19,427,234	\$ 19,453,527
Contributions as a percentage of covered-employee payroll	66.90%	63.67%

**Notes:**

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

CITY OF PAWTUCKET, RHODE ISLAND

E-7

REQUIRED SUPPLEMENTARY INFORMATION

(2 of 3)

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM - CITY & WATER  
SCHEDULE OF CITY OF PAWTUCKET'S CONTRIBUTIONS

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	<u>2015</u>
Actuarially determined contribution	\$ 3,175,546
Contributions in relation to the actuarially determined contribution	3,175,546
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 19,375,752
Contributions as a percentage of covered-employee payroll	16.39%

**Notes:**

1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

CITY OF PAWTUCKET, RHODE ISLAND

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REQUIRED SUPPLEMENTARY INFORMATION

(3 of 3)

EMPLOYEES' RETIREMENT SYSTEM COST-SHARING PLAN  
SCHEDULE OF CITY OF PAWTUCKET'S CONTRIBUTIONS

---

	<u>2015</u>
Actuarially determined contribution	\$ 7,714,780
Contributions in relation to the actuarially determined contribution	7,714,780
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 54,266,308
Contributions as a percentage of covered- employee payroll	13.41%
Contributions as a percentage of covered- federal employee payroll	22.60%

**Notes:**

1.) Employers participating in the State Employee's Retirement System are required by RI General Laws, Section 36-10-2, to contribute an actuarially determined contribution rate each year.

2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

**CITY OF PAWTUCKET, RHODE ISLAND**

**E-8**

**REQUIRED SUPPLEMENTARY INFORMATION**

**PAWTUCKET RETIREMENT SYSTEM - POLICE AND FIRE PENSION  
SCHEDULE OF INVESTMENT RETURNS**

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	2015	2014
Annual money-weighted rate of return, net of investment expenses	6.02%	16.61%

CITY OF PAWTUCKET, RHODE ISLAND

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REQUIRED SUPPLEMENTARY INFORMATION

PAWTUCKET RETIREMENT SYSTEM - POLICE AND FIRE PENSION  
 SCHEDULE OF CITY OF PAWTUCKET'S CONTRIBUTIONS - OLD PLAN

	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 522,872	\$ 543,355	\$ 654,915	\$ 654,915	\$ 706,564
Contributions in relation to the actuarially determined contribution	489,382	525,341	523,948	561,459	608,519
Contribution deficiency (excess)	\$ 33,490	\$ 18,014	\$ 130,967	\$ 93,456	\$ 98,045
Percentage contributed	94%	97%	80%	86%	86%

*Notes:*

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

**CITY OF PAWTUCKET, RHODE ISLAND**

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**REQUIRED SUPPLEMENTARY INFORMATION**

**PAWTUCKET RETIREMENT SYSTEM - POLICE AND FIRE PENSION  
SCHEDULE OF CITY FUNDING PROGRESS - OLD PLAN**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Accrued Actuarial Valuation (a)-(b)	Funded Ratio (a)/(b)	Covered Payroll ( c )	UAAL as a Percentage of Covered Payroll (a)-(b)/( c )
7/1/2015	\$ -	\$ 2,599,239	\$ (2,599,239)	0%	\$ -	N/A
7/1/2014	-	2,769,443	(2,769,443)	0%	-	N/A
7/1/2013	-	2,841,043	(2,841,043)	0%	-	N/A
7/1/2011	-	3,424,357	(3,424,357)	0%	-	N/A

**Notes:**

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

CITY OF PAWTUCKET, RHODE ISLAND

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REQUIRED SUPPLEMENTARY INFORMATION

PAWTUCKET RETIREMENT SYSTEM - OTHER POSTEMPLOYMENT BENEFITS  
SCHEDULE OF CITY FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Accrued Actuarial Valuation (a)-(b)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (a)-(b)/(c)
7/1/2015	\$ -	\$ 345,227,000	\$ (345,227,000)	0%	\$ 90,925,000	-380%
7/1/2013	-	309,654,000	(309,654,000)	0%	91,107,273	-340%
7/1/2011	-	311,500,000	(311,500,000)	0%	92,030,000	-338%
7/1/2009	-	378,184,421	(378,184,421)	0%	-	N/A
7/1/2007	-	414,578,000	(414,578,000)	0%	-	N/A

Notes:

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

CITY OF PAWTUCKET, RHODE ISLAND

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REQUIRED SUPPLEMENTARY INFORMATION

PAWTUCKET RETIREMENT SYSTEM - OTHER POSTEMPLOYMENT BENEFITS  
SCHEDULE OF CITY OF PAWTUCKET'S CONTRIBUTIONS

	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 19,664,769	\$ 17,636,868	\$ 20,257,675	\$ 19,285,740	\$ 24,211,420	\$ 19,285,740	\$ 31,011,620	\$ 29,044,043
Contributions in relation to the actuarially determined contribution	9,976,571	12,892,143	12,953,770	12,939,217	12,541,409	11,416,382	10,032,096	9,766,451
Contribution deficiency (excess)	\$ 9,688,198	\$ 4,744,725	\$ 7,303,905	\$ 6,346,523	\$ 11,670,011	\$ 7,869,358	\$ 20,979,524	\$ 19,277,592
Percentage contributed	51%	73%	64%	67%	52%	59%	32%	34%

Notes:

1.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.

**CITY OF PAWTUCKET, RHODE ISLAND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDED JUNE 30, 2015**

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***Police and Fire Retirement System***

**Summary of Actuarial Assumptions Used in the Valuation to determine the Net Pension Liability / Obligation at the July 1, 2015 Valuation Date**

Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Normal Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	20 years at June 30, 2015
Actuarial Assumptions	
Investment Rate of Return	7.50%
Projected Salary Increases	Police & Fire Employees - 2.00% to 11.00%
Inflation	3.00%
Mortality	It is assumed that both pre-retirement and post retirement mortality are represented by the RP-2000 combined mortality table adjusted to Blue Collar (male tables) with 1 year setback, and Scale AA improvement through 2011. Disabled mortality is assumed to follow The RP-2000 combined mortality table adjusted to blue Collar male tables) set forward 1 year for males and 2 years for females, and Scale AA improvement through 2011.
Cost of Living Adjustments	COLA's vary from 0%-3% depending on the date of retirement, compounded annually. Under the new plan provisions for active Members, the COLA begins at the earlier of age 55 and 10 years following retirement. For the period FYE14 through FYE16, no COLAs will be made to the benefits for current retirees.

# CITY OF PAWTUCKET, RHODE ISLAND

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## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2015

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### *Municipal Employers' Retirement System*

#### **Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2014 measurement date (June 30, 2013 valuation rolled forward to June 30, 2014)**

Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	21 years at June 30, 2014
Actuarial Assumptions	
Investment Rate of Return	7.50%
Projected Salary Increases	General Employees - 3.50% to 7.50% ; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.75%
Mortality	Male employees, MERS General and MERS P&F: 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.  Female Employees, MERS General and MERS P&F: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.
Cost of Living Adjustments	COLA is equal to the average five-year fund asset performance (percent) greater than 5.5% up to a maximum of 4% - the COLA is to be applied to the first \$25,000 of benefits, indexed over time. COLA is delayed until the latter of Social Security eligibility age or 3 years after retirement except for MERS Police and Fire for which the COLA is delayed until the later of age 55 or 3 years after retirement. A 2% COLA is assumed after January 1, 2014. Collar adjustments, projected with Scale AA from 2000.

# CITY OF PAWTUCKET, RHODE ISLAND

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## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2015

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### *Other Postemployment Benefit Obligation*

#### Summary of Actuarial Assumptions Used in the Valuations to determine the Other Postemployment Obligation at July 1, 2015

Actuarial Cost Method	Projected Unit Credit. Benefits are attributed ratably to service from date of hire until full eligibility date. Full eligibility date is assumed to be first eligibility for retiree medical benefits
Amortization Method	30-year level percent of pay assuming 3.25% aggregate annual payroll growth, open basis for Pay-as-You-Go. The amortization period is 30 years for all future valuations.
Healthcare Cost Trend Rate	Ranges from 6.5% - 4.5% for the years 2015 - 2020, decreasing 0.5% from year to year.
Participation	95% of future retirees are assumed to participate in the retiree medical plan. 65% of future school retirees are assumed to participate in the dental plan. 90% of future Public Safety retirees are assumed to participate in the dental plan.
Investment Rate of Return	Pay-as-You-Go: 4% per year, net of investment expenses; Full Prefunding: 7.5% per year, net of investment expenses
Marital Status	80% of male employees and 60% of female employees are assumed to have a covered spouse at retirement. Wives are assumed to be three years younger than their husbands.
Pre-Age 65 Retirees / Post-Age 65 Retirees	Current retirees who are under age 65 are assumed to remain in their current medical plan until age 65. Current active employees who are assumed to retire prior to age 65 are valued with a weighted average premium. This weighted-average premium is based on the medical plan coverage of current retirees under age 65. Current retirees over age 65 remain in their current medical plan until death for purposes of measuring their contributions. It is assumed that future retirees are Medicare eligible. It is furthermore assumed that all current retirees over 65 will participate in the Medicare Supplement plan in the same proportion as current retirees over 65. Per capita costs were developed from the City developed monthly costs. Amounts to be received in the future for the Medicare Part D Retiree Drug Subsidy are not reflected in the valuation.
Termination Benefit	No benefits will be payable for termination prior to retirement eligibility.
Medical Plan Costs	The estimated gross per capita incurred claim costs for all retirees and beneficiaries for 2015 are based on current costs and age-weighted adjustments.
Annual Rate of Mortality	It is assumed that the pre-retirement and post retirement mortality for general employees and Teachers are represented by the MERS Class A assumptions for 2013. It is assumed that the preretirement and post retirement mortality for Public Safety employees are represented by the RP2000 Mortality Table with Blue Collar adjustment, projected to 2011 using Scale AA. For disabled general and Teacher members is represented by the MERS mortality assumptions for 2013. For Public Safety disabled retirees, it is represented by RP2000 Mortality Table with Blue Collar adjustment, projected to 2011 using Scale AA, set forward 1 year for males and 2 years for females.

## **OTHER SUPPLEMENTARY INFORMATION**

CITY OF PAWTUCKET, RHODE ISLAND

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COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

	City Special Revenue Funds	HUD Special Revenue Funds	School Restricted Funds	Capital Projects Funds	Permanent Funds	Total All Non-Major Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 3,458,491	\$ 383,131	\$ 372,638	\$ 11,862,773	\$ 214,523	\$ 16,291,556
Investments	12,545	--	--	--	708,309	720,854
Due from federal and state governments	2,438	559,782	1,566,665	--	--	2,128,885
Due from RICWFA	--	--	--	4,956,169	--	4,956,169
Other receivables	1,620,229	45,037	--	1,198	--	1,666,464
Notes receivable	--	2,489,875	--	--	230,000	2,719,875
<b>Total Assets</b>	<u>\$ 5,093,703</u>	<u>\$ 3,477,825</u>	<u>\$ 1,939,303</u>	<u>\$ 16,820,140</u>	<u>\$ 1,152,832</u>	<u>\$ 28,483,803</u>
<b>Liabilities</b>						
Accounts payable and accrued liabilities	\$ 592,417	\$ 3,044,072	\$ 192,497	\$ 299,520	\$ --	\$ 4,128,506
Due to other funds	1,645,826	101,061	1,706,720	41,224	4,957	3,499,788
Bond anticipation note	--	--	--	7,200,000	--	7,200,000
<b>Total Liabilities</b>	<u>2,238,243</u>	<u>3,145,133</u>	<u>1,899,217</u>	<u>7,540,744</u>	<u>4,957</u>	<u>14,828,294</u>
<b>Fund Balance</b>						
Non-spendable	19,800	--	--	--	1,147,875	1,167,675
Restricted	1,859,234	350,149	350,061	9,865,560	--	12,425,004
Committed	1,568,879	--	--	--	--	1,568,879
Unassigned	(592,453)	(17,457)	(309,975)	(586,164)	--	(1,506,049)
<b>Total Fund Balance</b>	<u>2,855,460</u>	<u>332,692</u>	<u>40,086</u>	<u>9,279,396</u>	<u>1,147,875</u>	<u>13,655,509</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 5,093,703</u>	<u>\$ 3,477,825</u>	<u>\$ 1,939,303</u>	<u>\$ 16,820,140</u>	<u>\$ 1,152,832</u>	<u>\$ 28,483,803</u>

CITY OF PAWTUCKET, RHODE ISLAND

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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	City Special Revenue Funds	HUD Special Revenue Funds	School Restricted Funds	Capital Projects Funds	Permanent Funds	Total All Non-Major Governmental Funds
<b>Revenues</b>						
Charges for services	\$ 2,545,405	\$ 19,034	\$ 143,950	\$ -	\$ -	\$ 2,708,389
Operating grants and contributions	3,759,926	1,734,572	11,623,237	-	2,556	17,120,291
Capital grants and contributions	2,361,278	--	--	1,036,229	--	3,397,507
Investment and interest income	--	243	--	9,567	24,064	33,874
<b>Total Revenues</b>	<u>8,666,609</u>	<u>1,753,849</u>	<u>11,767,187</u>	<u>1,045,796</u>	<u>26,620</u>	<u>23,260,061</u>
<b>Expenditures</b>						
Current:						
Legislative and executive	670,517	-	-	-	6,147	676,664
Planning	1,859,421	1,870,878	--	1,547,073	--	5,277,372
Public safety	3,272,034	--	--	685,761	--	3,957,795
Public works	3,387,784	--	--	5,372,025	296	8,760,105
Education	--	--	11,478,558	3,971,694	--	15,450,252
<b>Total Expenditures</b>	<u>9,189,756</u>	<u>1,870,878</u>	<u>11,478,558</u>	<u>11,576,553</u>	<u>6,443</u>	<u>34,122,188</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
Expenditures Before Other Financing Sources (Uses)	(523,147)	(117,029)	288,629	(10,530,757)	20,177	(10,862,127)
<b>Other financing sources (uses)</b>						
Transfers from other funds	340,939	125,000	--	514,242	--	980,181
Transfers to other funds	(203,443)	(514,242)	--	(125,000)	--	(842,685)
Bond proceeds	--	--	--	22,500,000	--	22,500,000
Capital lease proceeds	--	--	--	3,100,000	--	3,100,000
<b>Total Other Financing Sources (Uses)</b>	<u>137,496</u>	<u>(389,242)</u>	<u>--</u>	<u>25,989,242</u>	<u>--</u>	<u>25,737,496</u>
<b>Net change in fund balances</b>	<u>(385,651)</u>	<u>(506,271)</u>	<u>288,629</u>	<u>15,458,485</u>	<u>20,177</u>	<u>14,875,369</u>
<b>Fund Balances - Beginning of Year, as restated</b>	<u>3,241,111</u>	<u>838,963</u>	<u>(248,543)</u>	<u>(6,179,089)</u>	<u>1,127,698</u>	<u>(1,219,860)</u>
<b>Fund Balances - End of Year</b>	<u>\$ 2,855,460</u>	<u>\$ 332,692</u>	<u>\$ 40,086</u>	<u>\$ 9,279,396</u>	<u>\$ 1,147,875</u>	<u>\$ 13,655,509</u>

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Comp Cancer Control Prog 105	Pawtucket Public Fund 106	Convergence Fund 2 107	Convergence Fund 108	Substance Abuse 113	EMA Small Grants Fund 117	FY13 Cert (Fed) 120
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 8,060	\$ 33,934	\$ 11,594	\$ 1,448	\$ --
Other receivables	--	--	--	--	29,937	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	--	--	8,060	33,934	41,531	1,448	--
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable and accrued expenses	--	--	--	--	30,117	--	--
Due to other funds	--	--	--	--	--	--	626
<b>Total Liabilities</b>	--	--	--	--	30,117	--	626
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	11,414	1,448	--
Committed	--	--	8,060	33,934	--	--	--
Unassigned	--	--	--	--	--	--	(626)
<b>Total Fund Balance</b>	--	--	8,060	33,934	11,414	1,448	(626)
<b>Total Liabilities and Fund Balance</b>	\$ --	\$ --	\$ 8,060	\$ 33,934	\$ 41,531	\$ 1,448	\$ --

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

G-1

**NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015**

	Department Of Health Deliverable 122	EMPG FY 14 (Federal) 123	EMA Systems & Equipment 124	EMA Special Operations 125	RIRPA Coaching Workshop 128	Slater Park Permits 129	Dog Park 130
<b>Assets</b>							
Cash and cash equivalents	\$ 7,645	\$ --	\$ --	\$ 585	\$ 207	\$ 70,166	\$ 125
Other receivables	2,000	4,345	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>9,645</b>	<b>4,345</b>	<b>--</b>	<b>585</b>	<b>207</b>	<b>70,166</b>	<b>125</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	--	--	--	1,142	--	261	--
Due to other funds	--	4,345	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>4,345</b>	<b>--</b>	<b>1,142</b>	<b>--</b>	<b>261</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	9,645	--	--	--	207	--	--
Committed	--	--	--	--	--	69,905	125
Unassigned	--	--	--	(557)	--	--	--
<b>Total Fund Balance</b>	<b>9,645</b>	<b>--</b>	<b>--</b>	<b>(557)</b>	<b>207</b>	<b>69,905</b>	<b>125</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 9,645</b>	<b>\$ 4,345</b>	<b>\$ --</b>	<b>\$ 585</b>	<b>\$ 207</b>	<b>\$ 70,166</b>	<b>\$ 125</b>

*(Continued)*

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Recreation Trips 131	Daggett Farm 132	Carousel Enterprise Fund 134	Tennis Single League 136	Summer Camp 137	Instructor Programming 138	Arts In The Park 139
<b>Assets</b>							
Cash and cash equivalents	\$ 4,295	\$ 20,499	\$ 28,810	\$ 29,882	\$ 5,672	\$ 16,031	\$ 350
Other receivables	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>4,295</b>	<b>20,499</b>	<b>28,810</b>	<b>29,882</b>	<b>5,672</b>	<b>16,031</b>	<b>350</b>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable and accrued expenses	--	--	850	1,148	20	245	--
Due to other funds	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>850</b>	<b>1,148</b>	<b>20</b>	<b>245</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	--	--	--
Committed	4,295	20,499	27,960	28,734	5,652	15,786	350
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>4,295</b>	<b>20,499</b>	<b>27,960</b>	<b>28,734</b>	<b>5,652</b>	<b>15,786</b>	<b>350</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 4,295</b>	<b>\$ 20,499</b>	<b>\$ 28,810</b>	<b>\$ 29,882</b>	<b>\$ 5,672</b>	<b>\$ 16,031</b>	<b>\$ 350</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Field Use Maintenance 140	Council's Substance Abuse 141	Project Renew 144	Arts Support Initiative 145	Pawtucket Arts Funding 146	Youth Sports League 147	AED Fund 150
<b>Assets</b>							
Cash and cash equivalents	\$ 90,951	\$ 64,780	\$ 4,706	\$ 368	\$ 5,016	\$ 24,253	\$ 4,944
Other receivables	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>90,951</b>	<b>64,780</b>	<b>4,706</b>	<b>368</b>	<b>5,016</b>	<b>24,253</b>	<b>4,944</b>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable and accrued expenses	569	--	--	--	--	--	--
Due to other funds	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>569</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	368	--	--	--
Committed	90,382	64,780	4,706	--	5,016	24,253	4,944
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>90,382</b>	<b>64,780</b>	<b>4,706</b>	<b>368</b>	<b>5,016</b>	<b>24,253</b>	<b>4,944</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 90,951</b>	<b>\$ 64,780</b>	<b>\$ 4,706</b>	<b>\$ 368</b>	<b>\$ 5,016</b>	<b>\$ 24,253</b>	<b>\$ 4,944</b>

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

G-1

**NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015**

	PRA Redevelopment 152	175 Main Street 154	Mayor's Holiday Dinner 155	Vital St. Restoration 158	Animal Control 161	Land Records Restoration 162	Alcohol Prevention Fund 163
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 8,408	\$ 54,469	\$ 55,509	\$ 116,348	\$ 9,604
Other receivables	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>--</b>	<b>--</b>	<b>8,408</b>	<b>54,469</b>	<b>55,509</b>	<b>116,348</b>	<b>9,604</b>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable and accrued expenses	--	--	--	--	--	2,310	--
Due to other funds	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2,310</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	8,408	--	--	114,038	--
Committed	--	--	--	54,469	55,509	--	9,604
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>--</b>	<b>--</b>	<b>8,408</b>	<b>54,469</b>	<b>55,509</b>	<b>114,038</b>	<b>9,604</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 8,408</b>	<b>\$ 54,469</b>	<b>\$ 55,509</b>	<b>\$ 116,348</b>	<b>\$ 9,604</b>

*(Continued)*

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Recruitment Testing Fund 165	Document Preservation 166	Family Literacy Initiative 175	Mabel Anderson Fund 176	Children's Library Renovation 182	State Grant In Aid 184	Library Donations 185
<b>Assets</b>							
Cash and cash equivalents	\$ 7,501	\$ 339,083	\$ 29,213	\$ --	\$ --	\$ 17,697	\$ 117,787
Other receivables	--	--	--	--	--	--	--
Investments	--	--	--	12,545	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>7,501</b>	<b>339,083</b>	<b>29,213</b>	<b>12,545</b>	<b>--</b>	<b>17,697</b>	<b>117,787</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	--	8,868	1,313	--	--	17,697	917
Due to other funds	--	--	--	450	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>8,868</b>	<b>1,313</b>	<b>450</b>	<b>--</b>	<b>17,697</b>	<b>917</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	7,501	--	27,900	12,095	--	--	--
Committed	--	330,215	--	--	--	--	116,870
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>7,501</b>	<b>330,215</b>	<b>27,900</b>	<b>12,095</b>	<b>--</b>	<b>--</b>	<b>116,870</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 7,501</b>	<b>\$ 339,083</b>	<b>\$ 29,213</b>	<b>\$ 12,545</b>	<b>\$ --</b>	<b>\$ 17,697</b>	<b>\$ 117,787</b>

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

G-1

**NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015**

	Champlin Grant 186	Holiday Basket Drive 191	Foundation Contribution Fund 193	Insurance Deductible Reserve 501	Fire Equipment Fund 510	Fire Prevention 550	Fire Apparatus 551
<b>Assets</b>							
Cash and cash equivalents	\$ 152,324	\$ 12,428	\$ 12,837	\$ 300,844	\$ 20,512	\$ 146,348	\$ 64,867
Other receivables	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>152,324</b>	<b>12,428</b>	<b>12,837</b>	<b>300,844</b>	<b>20,512</b>	<b>146,348</b>	<b>64,867</b>
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable and accrued expenses	1,958	--	--	--	--	842	--
Due to other funds	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>1,958</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>842</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	150,366	12,428	12,837	--	--	145,506	--
Committed	--	--	--	300,844	20,512	--	64,867
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>150,366</b>	<b>12,428</b>	<b>12,837</b>	<b>300,844</b>	<b>20,512</b>	<b>145,506</b>	<b>64,867</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 152,324</b>	<b>\$ 12,428</b>	<b>\$ 12,837</b>	<b>\$ 300,844</b>	<b>\$ 20,512</b>	<b>\$ 146,348</b>	<b>\$ 64,867</b>

*(Continued)*

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Safer Grant 556	Gun Buy-Back Fund 600	Federal Forfeited Property 603	State Share Drugs 604	Reim O/T Special Squad 607	RI Traffic Tribunal 609	Bike Patrol 625
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 4,760	\$ 265,519	\$ 396,047	\$ --	\$ 144,609	\$ 50,489
Other receivables	1,081,902	--	--	--	19,477	4,719	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>1,081,902</b>	<b>4,760</b>	<b>265,519</b>	<b>396,047</b>	<b>19,477</b>	<b>149,328</b>	<b>50,489</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	42,942	--	566	--	315	58,180	--
Due to other funds	1,038,960	--	--	--	17,692	--	--
<b>Total Liabilities</b>	<b>1,081,902</b>	<b>--</b>	<b>566</b>	<b>--</b>	<b>18,007</b>	<b>58,180</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	4,760	264,953	396,047	1,470	91,148	50,489
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>--</b>	<b>4,760</b>	<b>264,953</b>	<b>396,047</b>	<b>1,470</b>	<b>91,148</b>	<b>50,489</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,081,902</b>	<b>\$ 4,760</b>	<b>\$ 265,519</b>	<b>\$ 396,047</b>	<b>\$ 19,477</b>	<b>\$ 149,328</b>	<b>\$ 50,489</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	RI Foundation Sound Proof 637	D.A.R.E. 638	PTE Overtime 641	PTE Police Equipment 643	JAG BJA 2011 647	Bureau of Justice Assistance – JAG Grant #2012DJBX1097 648	Dog Pound- Spay & Neuter Fund 651
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 13,743	\$ --	\$ 143,394	\$ --	\$ --	\$ 50,964
Other receivables	--	--	--	--	--	18,728	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	--	13,743	--	143,394	--	18,728	50,964
<b>Liabilities and Fund Balance</b>							
Liabilities							
Accounts payable and accrued expenses	--	--	--	--	--	708	1,493
Due to other funds	--	--	--	--	--	18,020	--
<b>Total Liabilities</b>	--	--	--	--	--	18,728	1,493
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	--	--	--
Committed	--	13,743	--	143,394	--	--	49,471
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	--	13,743	--	143,394	--	--	49,471
<b>Total Liabilities and Fund Balance</b>	\$ --	\$ 13,743	\$ --	\$ 143,394	\$ --	\$ 18,728	\$ 50,964

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Vet Care Private Donation 652	Spay & Neuter Public Assist 653	Spay & Neuter Pound Fund 654	Highway Safety Grant 2015 660	Seized Vehicles (State) 662	Tobacco Enforcement 663	Pending Foreiture (Campbell) 664
<b>Assets</b>							
Cash and cash equivalents	\$ 51,874	\$ 4,928	\$ 4,928	\$ --	\$ 58,511	\$ --	\$ 124,378
Other receivables	--	--	--	6,252	--	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	2,438	--
<b>Total Assets</b>	<b>51,874</b>	<b>4,928</b>	<b>4,928</b>	<b>6,252</b>	<b>58,511</b>	<b>2,438</b>	<b>124,378</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	278	--	--	1,589	--	658	--
Due to other funds	--	--	--	4,245	--	1,294	--
<b>Total Liabilities</b>	<b>278</b>	<b>--</b>	<b>--</b>	<b>5,834</b>	<b>--</b>	<b>1,952</b>	<b>--</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	51,596	4,928	4,928	418	58,511	486	124,378
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>51,596</b>	<b>4,928</b>	<b>4,928</b>	<b>418</b>	<b>58,511</b>	<b>486</b>	<b>124,378</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 51,874</b>	<b>\$ 4,928</b>	<b>\$ 4,928</b>	<b>\$ 6,252</b>	<b>\$ 58,511</b>	<b>\$ 2,438</b>	<b>\$ 124,378</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Highway Safety Grant 2014 665	Sex Offenders 678	Sex Offenders Project #FWB3000F 679	Details Private Company Reimbursements 690	Details Private Company Reimbursements 694	Evidence Money 697	Misc Police Reimbursements 698
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ 23,486	\$ 19,800	\$ 2,128
Other receivables	--	1,864	--	--	114,145	--	--
Investments	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	--	1,864	--	--	137,631	19,800	2,128
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	--	548	--	5,102	31,527	--	--
Due to other funds	--	1,228	--	--	--	--	--
<b>Total Liabilities</b>	--	1,776	--	5,102	31,527	--	--
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	19,800	--
Restricted	--	88	--	--	106,104	--	2,128
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	(5,102)	--	--	--
<b>Total Fund Balance</b>	--	88	--	(5,102)	106,104	19,800	2,128
<b>Total Liabilities and Fund Balance</b>	\$ --	\$ 1,864	\$ --	\$ --	\$ 137,631	\$ 19,800	\$ 2,128

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-1

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Municipal Waste Reduction 706	GCD Various Polling Site 711	Blackstone Wall Rep 2 731	Recreation Trails Program 733	Blizzard Juno 2015 735	Slater Park Pavilion 737	Vets Park Restroom 738	Summer Youth Initiative 745
<b>Assets</b>								
Cash and cash equivalents	\$ 179,868	\$ 3,776	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Other receivables	--	--	--	12,000	260,441	--	--	--
Investments	--	--	--	--	--	--	--	--
Due from federal and state governments	--	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>179,868</b>	<b>3,776</b>	<b>--</b>	<b>12,000</b>	<b>260,441</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Accounts payable and accrued expenses	1,717	--	--	--	--	322,145	33,165	--
Due to other funds	--	--	144,313	12,000	260,441	86,545	--	--
<b>Total Liabilities</b>	<b>1,717</b>	<b>--</b>	<b>144,313</b>	<b>12,000</b>	<b>260,441</b>	<b>408,690</b>	<b>33,165</b>	<b>--</b>
<b>Fund Balance</b>								
Non-spendable	--	--	--	--	--	--	--	--
Restricted	178,151	3,776	--	--	--	--	--	--
Committed	--	--	--	--	--	--	--	--
Unassigned	--	--	(144,313)	--	--	(408,690)	(33,165)	--
<b>Total Fund Balance</b>	<b>178,151</b>	<b>3,776</b>	<b>(144,313)</b>	<b>--</b>	<b>--</b>	<b>(408,690)</b>	<b>(33,165)</b>	<b>--</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 179,868</b>	<b>\$ 3,776</b>	<b>\$ --</b>	<b>\$ 12,000</b>	<b>\$ 260,441</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

G-1

**NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015**

	Senior Center 817	Senior Center II 818	Senate Grant- Senior Shuttle 822	Senior Center - City 824	Information Specialist 825	Leon Mathieu Donations 827	Senior Center Title III B 828	CITY SPECIAL REVENUE FUNDS TOTALS
<b>Assets</b>								
Cash and cash equivalents	\$ 200	\$ 1,017	\$ 1,286	\$ 10,509	\$ 1,241	\$ 936	\$ --	\$ 3,458,491
Other receivables	45,649	--	--	--	--	--	18,770	1,620,229
Investments	--	--	--	--	--	--	--	12,545
Due from federal and state governments	--	--	--	--	--	--	--	2,438
<b>Total Assets</b>	<b>45,849</b>	<b>1,017</b>	<b>1,286</b>	<b>10,509</b>	<b>1,241</b>	<b>936</b>	<b>18,770</b>	<b>5,093,703</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Accounts payable and accrued expenses	7,721	1,017	1,286	10,509	1,241	636	817	592,417
Due to other funds	38,017	--	--	--	--	--	17,650	1,645,826
<b>Total Liabilities</b>	<b>45,738</b>	<b>1,017</b>	<b>1,286</b>	<b>10,509</b>	<b>1,241</b>	<b>636</b>	<b>18,467</b>	<b>2,238,243</b>
<b>Fund Balance</b>								
Non-spendable	--	--	--	--	--	--	--	19,800
Restricted	111	--	--	--	--	300	303	1,859,234
Committed	--	--	--	--	--	--	--	1,568,879
Unassigned	--	--	--	--	--	--	--	(592,453)
<b>Total Fund Balance</b>	<b>111</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>300</b>	<b>303</b>	<b>2,855,460</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 45,849</b>	<b>\$ 1,017</b>	<b>\$ 1,286</b>	<b>\$ 10,509</b>	<b>\$ 1,241</b>	<b>\$ 936</b>	<b>\$ 18,770</b>	<b>\$ 5,093,703</b>

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Comp Cancer Control Prog 105	Pawtucket Public Fund 106	Convergence Fund 2 107	Convergence Fund 108	Substance Abuse 113	EMA Small Grants Fund 117	FY13 Cert (Fed) 120
<b>Revenues</b>							
Charges for services	\$ --	\$ 1,205,990	\$ 8,129	\$ 30,953	\$ --	\$ --	\$ --
Operating grants and contributions	400	--	24,325	52,243	117,830	1,448	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	400	1,205,990	32,454	83,196	117,830	1,448	--
<b>Expenditures</b>							
Current:							
Legislative and executive	400	--	--	--	146,341	--	--
Planning	--	1,205,990	24,394	93,492	--	--	--
Public safety	--	--	--	--	--	--	626
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	400	1,205,990	24,394	93,492	146,341	--	626
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	--	8,060	(10,296)	(28,511)	1,448	(626)
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	--	--	--	--	--	--	--
<b>Net change in fund balances</b>	--	--	8,060	(10,296)	(28,511)	1,448	(626)
<b>Fund Balances - Beginning of Year, as restated</b>	--	--	--	44,230	39,925	--	--
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ 8,060	\$ 33,934	\$ 11,414	\$ 1,448	\$ (626)

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Department Of Health Deliverable 122	EMPG FY 14 (Federal) 123	EMA Systems & Equipment 124	EMA Special Operations 125	RIRPA Coaching Workshop 128	Slater Park Permits 129	Dog Park 130
<b>Revenues</b>							
Charges for services	\$ --	\$ 4,345	\$ --	\$ --	\$ 540	\$ 27,443	\$ --
Operating grants and contributions	3,000	--	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>3,000</b>	<b>4,345</b>	<b>--</b>	<b>--</b>	<b>540</b>	<b>27,443</b>	<b>--</b>
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	3,479	4,345	1,768	5,426	--	--	--
Public works	--	--	--	--	333	5,710	--
<b>Total Expenditures</b>	<b>3,479</b>	<b>4,345</b>	<b>1,768</b>	<b>5,426</b>	<b>333</b>	<b>5,710</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	(479)	--	(1,768)	(5,426)	207	21,733	--
<b>Other financing sources (uses)</b>							
Transfers from other funds	3,742	--	--	166	--	--	--
Transfers to other funds	(167)	--	(3,742)	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>3,575</b>	<b>--</b>	<b>(3,742)</b>	<b>166</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>3,096</b>	<b>--</b>	<b>(5,510)</b>	<b>(5,260)</b>	<b>207</b>	<b>21,733</b>	<b>--</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>6,549</b>	<b>--</b>	<b>5,510</b>	<b>4,703</b>	<b>--</b>	<b>48,172</b>	<b>125</b>
<b>Fund Balances - End of Year</b>	<b>\$ 9,645</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ (557)</b>	<b>\$ 207</b>	<b>\$ 69,905</b>	<b>\$ 125</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Recreation Trips 131	Daggett Farm 132	Carousel Enterprise Fund 134	Tennis Single League 136	Summer Camp 137	Instructor Programming 138	Arts In The Park 139
<b>Revenues</b>							
Charges for services	\$ 20	\$ --	\$ 35,269	\$ 17,502	\$ --	\$ 26,141	\$ --
Operating grants and contributions	--	11,190	5,990	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	20	11,190	41,259	17,502	--	26,141	--
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--
Public works	--	17,740	30,643	16,778	424	23,830	--
<b>Total Expenditures</b>	--	17,740	30,643	16,778	424	23,830	--
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	20	(6,550)	10,616	724	(424)	2,311	--
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	--	--	--	--	--	--	--
<b>Net change in fund balances</b>	20	(6,550)	10,616	724	(424)	2,311	--
<b>Fund Balances - Beginning of Year, as restated</b>	4,275	27,049	17,344	28,010	6,076	13,475	350
<b>Fund Balances - End of Year</b>	\$ 4,295	\$ 20,499	\$ 27,960	\$ 28,734	\$ 5,652	\$ 15,786	\$ 350

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON- MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Field Use Maintenance 140	Council's Substance Abuse 141	Project Renew 144	Arts Support Initiative 145	Pawtucket Arts Funding 146	Youth Sports League 147	AED Fund 150
<b>Revenues</b>							
Charges for services	\$ 49,432	\$ 20,884	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	--	--	--	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>49,432</b>	<b>20,884</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Expenditures</b>							
Current:							
Legislative and executive	--	10,800	--	--	10,250	--	--
Planning	--	--	--	28,600	--	--	--
Public safety	--	--	--	--	--	--	--
Public works	17,155	--	--	--	--	--	3,765
<b>Total Expenditures</b>	<b>17,155</b>	<b>10,800</b>	<b>--</b>	<b>28,600</b>	<b>10,250</b>	<b>--</b>	<b>3,765</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	32,277	10,084	--	(28,600)	(10,250)	--	(3,765)
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	20,390	10,107	--	--
Transfers to other funds	--	(4,760)	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>(4,760)</b>	<b>--</b>	<b>20,390</b>	<b>10,107</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>32,277</b>	<b>5,324</b>	<b>--</b>	<b>(8,210)</b>	<b>(143)</b>	<b>--</b>	<b>(3,765)</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>58,105</b>	<b>59,456</b>	<b>4,706</b>	<b>8,578</b>	<b>5,159</b>	<b>24,253</b>	<b>8,709</b>
<b>Fund Balances - End of Year</b>	<b>\$ 90,382</b>	<b>\$ 64,780</b>	<b>\$ 4,706</b>	<b>\$ 368</b>	<b>\$ 5,016</b>	<b>\$ 24,253</b>	<b>\$ 4,944</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON- MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	PRA Redevelopment 152	175 Main Street 154	Mayor's Holiday Dinner 155	Vital St. Restoration 158	Animal Control 161	Land Records Restoration 162	Alcohol Prevention Fund 163
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ 12,570	\$ 10,583	\$ 7,335	\$ 500
Operating grants and contributions	--	--	3,525	--	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	--	3,525	12,570	10,583	7,335	500
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	1,676	--	--	18,264	--
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	7,561	--	--
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	--	--	1,676	--	7,561	18,264	--
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	--	1,849	12,570	3,022	(10,929)	500
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	(5,131)	(2,873)	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	(5,131)	(2,873)	--	--	--	--	--
<b>Net change in fund balances</b>	(5,131)	(2,873)	1,849	12,570	3,022	(10,929)	500
<b>Fund Balances - Beginning of Year, as restated</b>	5,131	2,873	6,559	41,899	52,487	124,967	9,104
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ 8,408	\$ 54,469	\$ 55,509	\$ 114,038	\$ 9,604

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Recruitment Testing Fund 165	Document Preservation 166	Family Literacy Initiative 175	Mabel Anderson Fund 176	Children's Library Renovation 182	State Grant In Aid 184	Library Donations 185
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 41,451
Operating grants and contributions	--	43,775	72,577	397	--	329,493	2,799
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	43,775	72,577	397	--	329,493	44,250
<b>Expenditures</b>							
Current:							
Legislative and executive	--	32,294	50,202	450	1,691	329,493	25,200
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	--	32,294	50,202	450	1,691	329,493	25,200
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	11,481	22,375	(53)	(1,691)	--	19,050
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	--	--	--	--	--	--	--
<b>Net change in fund balances</b>	--	11,481	22,375	(53)	(1,691)	--	19,050
<b>Fund Balances - Beginning of Year, as restated</b>	7,501	318,734	5,525	12,148	1,691	--	97,820
<b>Fund Balances - End of Year</b>	\$ 7,501	\$ 330,215	\$ 27,900	\$ 12,095	\$ --	\$ --	\$ 116,870

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Champlin Grant 186	Holiday Basket Drive 191	Foundation Contribution Fund 193	Insurance Deductible Reserve 501	Fire Equipment Fund 510	Fire Prevention 550	Fire Apparatus 551
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ 1,890	\$ 104,913	\$ --
Operating grants and contributions	150,215	13,894	--	432	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>150,215</b>	<b>13,894</b>	<b>--</b>	<b>432</b>	<b>1,890</b>	<b>104,913</b>	<b>--</b>
<b>Expenditures</b>							
Current:							
Legislative and executive	31,644	11,812	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	47,780	--
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>31,644</b>	<b>11,812</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>47,780</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	118,571	2,082	--	432	1,890	57,133	--
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	50,978
Transfers to other funds	--	--	--	--	--	(46,625)	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(46,625)</b>	<b>50,978</b>
<b>Net change in fund balances</b>	<b>118,571</b>	<b>2,082</b>	<b>--</b>	<b>432</b>	<b>1,890</b>	<b>10,508</b>	<b>50,978</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>31,795</b>	<b>10,346</b>	<b>12,837</b>	<b>300,412</b>	<b>18,622</b>	<b>134,998</b>	<b>13,889</b>
<b>Fund Balances - End of Year</b>	<b>\$ 150,366</b>	<b>\$ 12,428</b>	<b>\$ 12,837</b>	<b>\$ 300,844</b>	<b>\$ 20,512</b>	<b>\$ 145,506</b>	<b>\$ 64,867</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Safer Grant 556	Gun Buy-Back Fund 600	Federal Forfeited Property 603	State Share Drugs 604	Reim O/T Special Squad 607	RI Traffic Tribunal 609	Bike Patrol 625
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ 29,136	\$ 59,851	\$ --
Operating grants and contributions	2,052,275	--	35,753	16,717	--	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>2,052,275</b>	<b>--</b>	<b>35,753</b>	<b>16,717</b>	<b>29,136</b>	<b>59,851</b>	<b>--</b>
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	2,052,275	--	108,752	9,797	27,666	54,905	31,222
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>2,052,275</b>	<b>--</b>	<b>108,752</b>	<b>9,797</b>	<b>27,666</b>	<b>54,905</b>	<b>31,222</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	--	(72,999)	6,920	1,470	4,946	(31,222)
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	4,760	1,104	--	--	--	33,000
Transfers to other funds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>4,760</b>	<b>1,104</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>33,000</b>
<b>Net change in fund balances</b>	<b>--</b>	<b>4,760</b>	<b>(71,895)</b>	<b>6,920</b>	<b>1,470</b>	<b>4,946</b>	<b>1,778</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>--</b>	<b>--</b>	<b>336,848</b>	<b>389,127</b>	<b>--</b>	<b>86,202</b>	<b>48,711</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ 4,760</b>	<b>\$ 264,953</b>	<b>\$ 396,047</b>	<b>\$ 1,470</b>	<b>\$ 91,148</b>	<b>\$ 50,489</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	RI Foundation Sound Proof 637	D.A.R.E. 638	PTE Overtime 641	PTE Police Equipment 643	JAG BJA 2011 647	Bureau of Justice Assistance – JAG Grant #2012DJBX1097 648	Dog Pound- Spay & Neuter Fund 651
<b>Revenues</b>							
Charges for services	\$ --	\$ 20,667	\$ 171,797	\$ 71,493	\$ --	\$ 45,583	\$ 26,380
Operating grants and contributions	16	--	--	--	13,080	--	--
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	16	20,667	171,797	71,493	13,080	45,583	26,380
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	--	--	171,797	15,175	13,080	45,583	21,341
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	--	--	171,797	15,175	13,080	45,583	21,341
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	16	20,667	--	56,318	--	--	5,039
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	16	--	--	--
Transfers to other funds	(16)	(33,000)	--	(51,104)	--	--	--
<b>Total Other Financing Sources (Uses)</b>	(16)	(33,000)	--	(51,088)	--	--	--
<b>Net change in fund balances</b>	--	(12,333)	--	5,230	--	--	5,039
<b>Fund Balances - Beginning of Year, as restated</b>	--	26,076	--	138,164	--	--	44,432
<b>Fund Balances - End of Year</b>	\$ --	\$ 13,743	\$ --	\$ 143,394	\$ --	\$ --	\$ 49,471

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Vet Care Private Donation 652	Spay & Neuter Public Assist 653	Spay & Neuter Pound Fund 654	Highway Safety Grant 2015 660	Seized Vehicles (State) 662	Tobacco Enforcement 663	Pending Forfeiture (Campbell) 664
<b>Revenues</b>							
Charges for services	\$ --	\$ 524	\$ 524	\$ --	\$ 39,720	\$ --	\$ --
Operating grants and contributions	12,796	--	--	32,144	--	6,271	79,469
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>12,796</b>	<b>524</b>	<b>524</b>	<b>32,144</b>	<b>39,720</b>	<b>6,271</b>	<b>79,469</b>
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	6,636	--	--	31,726	7,444	5,785	44,573
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>6,636</b>	<b>--</b>	<b>--</b>	<b>31,726</b>	<b>7,444</b>	<b>5,785</b>	<b>44,573</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	6,160	524	524	418	32,276	486	34,896
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>6,160</b>	<b>524</b>	<b>524</b>	<b>418</b>	<b>32,276</b>	<b>486</b>	<b>34,896</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>45,436</b>	<b>4,404</b>	<b>4,404</b>	<b>--</b>	<b>26,235</b>	<b>--</b>	<b>89,482</b>
<b>Fund Balances - End of Year</b>	<b>\$ 51,596</b>	<b>\$ 4,928</b>	<b>\$ 4,928</b>	<b>\$ 418</b>	<b>\$ 58,511</b>	<b>\$ 486</b>	<b>\$ 124,378</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Highway Safety Grant 2014 665	Sex Offenders 678	Sex Offenders Project #FWB3000F 679	Details Private Company Reimbursements 690	Details Private Company Reimbursements 694	Evidence Money 697	Misc Police Reimbursements 698
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ 460,092	\$ 88	\$ --
Operating grants and contributions	9,216	7,228	11,718	--	--	--	4,560
Capital grants and contributions	--	--	--	--	--	--	--
<b>Total Revenues</b>	<b>9,216</b>	<b>7,228</b>	<b>11,718</b>	<b>--</b>	<b>460,092</b>	<b>88</b>	<b>4,560</b>
<b>Expenditures</b>							
Current:							
Legislative and executive	--	--	--	--	--	--	--
Planning	--	--	--	--	--	--	--
Public safety	10,067	7,140	11,718	5,102	492,010	--	3,844
Public works	--	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>10,067</b>	<b>7,140</b>	<b>11,718</b>	<b>5,102</b>	<b>492,010</b>	<b>--</b>	<b>3,844</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	(851)	88	--	(5,102)	(31,918)	88	716
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	(50,000)	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>(50,000)</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>(851)</b>	<b>88</b>	<b>--</b>	<b>(5,102)</b>	<b>(81,918)</b>	<b>88</b>	<b>716</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>851</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>188,022</b>	<b>19,712</b>	<b>1,412</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ 88</b>	<b>\$ --</b>	<b>\$ (5,102)</b>	<b>\$ 106,104</b>	<b>\$ 19,800</b>	<b>\$ 2,128</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

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NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Municipal Waste Reduction 706	GCD Various Polling Site 711	Blackstone Wall Rep 2 731	Recreation Trails Program 733	Blizzard Juno 2015 735	Slater Park Pavilion 737	Vets Park Restroom 738	Summer Youth Initiative 745
<b>Revenues</b>								
Charges for services	\$ --	\$ 3,776	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	95,148	--	--	--	260,441	--	--	3,000
Capital grants and contributions	--	--	2,361,278	--	--	--	--	--
<b>Total Revenues</b>	<b>95,148</b>	<b>3,776</b>	<b>2,361,278</b>	<b>--</b>	<b>260,441</b>	<b>--</b>	<b>--</b>	<b>3,000</b>
<b>Expenditures</b>								
Current:								
Legislative and executive	--	--	--	--	--	--	--	--
Planning	--	--	--	--	563	--	--	--
Public safety	--	--	--	--	23,411	--	--	--
Public works	80,686	--	2,509,398	--	236,467	408,690	33,165	3,000
<b>Total Expenditures</b>	<b>80,686</b>	<b>--</b>	<b>2,509,398</b>	<b>--</b>	<b>260,441</b>	<b>408,690</b>	<b>33,165</b>	<b>3,000</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>								
Expenditures Before Other Financing Sources (Uses)	14,462	3,776	(148,120)	--	--	(408,690)	(33,165)	--
<b>Other financing sources (uses)</b>								
Transfers from other funds	--	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>14,462</b>	<b>3,776</b>	<b>(148,120)</b>	<b>--</b>	<b>--</b>	<b>(408,690)</b>	<b>(33,165)</b>	<b>--</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>163,689</b>	<b>--</b>	<b>3,807</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balances - End of Year</b>	<b>\$ 178,151</b>	<b>\$ 3,776</b>	<b>\$ (144,313)</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ (408,690)</b>	<b>\$ (33,165)</b>	<b>\$ --</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

G-2

NON-MAJOR GOVERNMENTAL - SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Senior Center 817	Senior Center II 818	Senate Grant- Senior Shuttle 822	Senior Center - City 824	Information Specialist 825	Leon Mathieu Donations 827	Senior Center Title III B 828	CITY SPECIAL REVENUE FUNDS TOTALS
<b>Revenues</b>								
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 9,884	\$ --	\$ 2,545,405
Operating grants and contributions	197,207	29,790	2,000	--	20,024	--	37,540	3,759,926
Capital grants and contributions	--	--	--	--	--	--	--	2,361,278
<b>Total Revenues</b>	<b>197,207</b>	<b>29,790</b>	<b>2,000</b>	<b>--</b>	<b>20,024</b>	<b>9,884</b>	<b>37,540</b>	<b>8,666,609</b>
<b>Expenditures</b>								
Current:								
Legislative and executive	--	--	--	--	--	--	--	670,517
Planning	197,096	35,815	2,000	210,651	20,024	3,559	37,237	1,859,421
Public safety	--	--	--	--	--	--	--	3,272,034
Public works	--	--	--	--	--	--	--	3,387,784
<b>Total Expenditures</b>	<b>197,096</b>	<b>35,815</b>	<b>2,000</b>	<b>210,651</b>	<b>20,024</b>	<b>3,559</b>	<b>37,237</b>	<b>9,189,756</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>								
Expenditures Before Other Financing Sources (Uses)	111	(6,025)	--	(210,651)	--	6,325	303	(523,147)
<b>Other financing sources (uses)</b>								
Transfers from other funds	--	6,025	--	210,651	--	--	--	340,939
Transfers to other funds	--	--	--	--	--	(6,025)	--	(203,443)
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>6,025</b>	<b>--</b>	<b>210,651</b>	<b>--</b>	<b>(6,025)</b>	<b>--</b>	<b>137,496</b>
<b>Net change in fund balances</b>	<b>111</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>300</b>	<b>303</b>	<b>(385,651)</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3,241,111</b>
<b>Fund Balances - End of Year</b>	<b>\$ 111</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 300</b>	<b>\$ 303</b>	<b>\$ 2,855,460</b>

CITY OF PAWTUCKET, RHODE ISLAND

H-1

NON-MAJOR GOVERNMENTAL - HUD RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Planning Department					
	CDBG Community Development 871	Home Program 874	Planning Shelter 873	Emergency Public Service 872	Plaza Shops City 876	Visitors Center City 877
	<b>Assets</b>					
Cash and cash equivalents	\$ 100	\$ 16,635	\$ 6,025	\$ --	\$ --	\$ 7,270
Other receivables	--	--	31,643	13,394	--	--
Due from federal and state governments	543,251	--	--	--	--	--
Notes receivable	--	--	--	--	--	--
<b>Total Assets</b>	<b>543,351</b>	<b>16,635</b>	<b>37,668</b>	<b>13,394</b>	<b>--</b>	<b>7,270</b>
<b>Liabilities and Fund Balance</b>						
<b>Liabilities</b>						
Accounts payable and accrued expenses	454,911	722	37,643	13,394	672	11,337
Due to other funds	88,343	--	--	--	12,718	--
<b>Total Liabilities</b>	<b>543,254</b>	<b>722</b>	<b>37,643</b>	<b>13,394</b>	<b>13,390</b>	<b>11,337</b>
<b>Fund Balance</b>						
Non-spendable	--	--	--	--	--	--
Restricted	97	15,913	25	--	--	--
Committed	--	--	--	--	--	--
Unassigned	--	--	--	--	(13,390)	(4,067)
<b>Total Fund Balance</b>	<b>97</b>	<b>15,913</b>	<b>25</b>	<b>--</b>	<b>(13,390)</b>	<b>(4,067)</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 543,351</b>	<b>\$ 16,635</b>	<b>\$ 37,668</b>	<b>\$ 13,394</b>	<b>\$ --</b>	<b>\$ 7,270</b>

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

H-1

**NON-MAJOR GOVERNMENTAL - HUD RESTRICTED FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015**

	Redevelopment Agency		HUD RESTRICTED FUNDS TOTALS
	UDAG City 875	Pawtucket Redevelopment Agency 878	
<b>Assets</b>			
Cash and cash equivalents	\$ 67,915	\$ 285,186	\$ 383,131
Other receivables		--	45,037
Due from federal and state governments	5,000	11,531	559,782
Notes receivable	--	2,489,875	2,489,875
<b>Total Assets</b>	<u>72,915</u>	<u>2,786,592</u>	<u>3,477,825</u>
<b>Liabilities and Fund Balance</b>			
Liabilities			
Accounts payable and accrued expenses	--	2,525,393	3,044,072
Due to other funds	--	--	101,061
<b>Total Liabilities</b>	<u>--</u>	<u>2,525,393</u>	<u>3,145,133</u>
Fund Balance			
Non-spendable	--	--	--
Restricted	72,915	261,199	350,149
Committed	--	--	--
Unassigned	--	--	(17,457)
<b>Total Fund Balance</b>	<u>72,915</u>	<u>261,199</u>	<u>332,692</u>
<b>Total Liabilities and Fund Balance</b>	<u>\$ 72,915</u>	<u>\$ 2,786,592</u>	<u>\$ 3,477,825</u>

CITY OF PAWTUCKET, RHODE ISLAND

H-2

NON-MAJOR GOVERNMENTAL - HUD RESTRICTED FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Planning Department					
	CDBG Community	Home Program	Planning	CDBG	Public	
	Development 871	874	Emergency Shelter 873	Service 872	Plaza Shops City 876	Visitors Center City 877
<b>Revenues</b>						
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ 3,660	\$ 15,374
Operating grants amd contributions	517,184	338,526	162,573	227,691	-	40,188
Investment and Interest Income	--	--	--	--	--	--
<b>Total Revenues</b>	<b>517,184</b>	<b>338,526</b>	<b>162,573</b>	<b>227,691</b>	<b>3,660</b>	<b>55,562</b>
<b>Expenditures</b>						
Current:						
Planning	517,187	322,613	162,573	227,691	17,116	44,440
<b>Total Expenditures</b>	<b>517,187</b>	<b>322,613</b>	<b>162,573</b>	<b>227,691</b>	<b>17,116</b>	<b>44,440</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>						
<b>Expenditures Before Other Financing Sources (Uses)</b>	<b>(3)</b>	<b>15,913</b>	<b>--</b>	<b>--</b>	<b>(13,456)</b>	<b>11,122</b>
<b>Other financing sources (uses)</b>						
Transfers from other funds	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>(3)</b>	<b>15,913</b>	<b>--</b>	<b>--</b>	<b>(13,456)</b>	<b>11,122</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>100</b>	<b>--</b>	<b>25</b>	<b>--</b>	<b>66</b>	<b>(15,189)</b>
<b>Fund Balances - End of Year</b>	<b>\$ 97</b>	<b>\$ 15,913</b>	<b>\$ 25</b>	<b>\$ --</b>	<b>\$ (13,390)</b>	<b>\$ (4,067)</b>

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

H-2

**NON-MAJOR GOVERNMENTAL - HUD RESTRICTED FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	Redevelopment Agency			HUD RESTRICTED FUNDS TOTALS
	UDAG 875	City	Pawtucket Redevelopment Agency 878	
<b>Revenues</b>				
Charges for services	\$	--	\$	-- \$ 19,034
Operating grants and contributions		1,967	446,443	1,734,572
Investment and Interest Income		--	243	243
<b>Total Revenues</b>		1,967	446,686	1,753,849
<b>Expenditures</b>				
Current:				
Planning		1,409	577,849	1,870,878
<b>Total Expenditures</b>		1,409	577,849	1,870,878
<b>Excess (Deficiency) of Revenues Over (Under)</b>				
Expenditures Before Other Financing Sources (Uses)		558	(131,163)	(117,029)
<b>Other financing sources (uses)</b>				
Transfers from other funds		--	125,000	125,000
Transfers to other funds		--	(514,242)	(514,242)
<b>Total Other Financing Sources (Uses)</b>		--	(389,242)	(389,242)
<b>Net change in fund balances</b>		558	(520,405)	(506,271)
<b>Fund Balances - Beginning of Year, as restated</b>		72,357	781,604	838,963
<b>Fund Balances - End of Year</b>	\$	72,915	\$ 261,199	\$ 332,692

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	21st Century Learning 204	Fresh Fruit & Veg. Program 207	Laura Bush Fdn 208	RTTT Mini PD 209	Dental Program Medical Reimb. 211	Wisconsin Center For Ed. Research (Ladder) 212	Child Opportunity Zones 213, 228, 230
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ 28,163	\$ --	\$ --
Due from federal and state governments	58,357	68,131	--	6,354	--	--	6,731
<b>Total Assets</b>	<b>58,357</b>	<b>68,131</b>	<b>--</b>	<b>6,354</b>	<b>28,163</b>	<b>--</b>	<b>6,731</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	1,942	5,553	--	--	--	--	1,306
Due to other funds	56,415	62,578	--	6,354	--	--	5,425
<b>Total Liabilities</b>	<b>58,357</b>	<b>68,131</b>	<b>--</b>	<b>6,354</b>	<b>--</b>	<b>--</b>	<b>6,731</b>
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	28,163	--	--
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>28,163</b>	<b>--</b>	<b>--</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 58,357</b>	<b>\$ 68,131</b>	<b>\$ --</b>	<b>\$ 6,354</b>	<b>\$ 28,163</b>	<b>\$ --</b>	<b>\$ 6,731</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Luke Charitable FDN 214	Race to the Top Mini 216	Perm School Fund 217	RI Foundation #2 218	Title IV 219	Perkins Law & Public Safety 221	Title III 222
<b>Assets</b>							
Cash and cash equivalents	\$ 1,994	\$ --	\$ --	\$ 83,358	\$ --	\$ --	\$ --
Due from federal and state governments	--	57,177	23,051	--	126,763	4,260	16,647
<b>Total Assets</b>	<b>1,994</b>	<b>57,177</b>	<b>23,051</b>	<b>83,358</b>	<b>126,763</b>	<b>4,260</b>	<b>16,647</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	1,771	6,493	--	--	13,508	--	1,106
Due to other funds	--	50,684	--	--	113,255	4,260	15,541
<b>Total Liabilities</b>	<b>1,771</b>	<b>57,177</b>	<b>--</b>	<b>--</b>	<b>126,763</b>	<b>4,260</b>	<b>16,647</b>
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	223	--	23,051	83,358	--	--	--
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	<b>223</b>	<b>--</b>	<b>23,051</b>	<b>83,358</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,994</b>	<b>\$ 57,177</b>	<b>\$ 23,051</b>	<b>\$ 83,358</b>	<b>\$ 126,763</b>	<b>\$ 4,260</b>	<b>\$ 16,647</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Title I Part A 224	Legislative After School-Varietur 226	IDEA Part B 227	Bristol County 229	Adult Ed/ Event Start 231	Title II- Professional Dev. 232	Improvement of Education PEP 233
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 3,503	\$ --	\$ --	\$ --	\$ --	\$ 4,651
Due from federal and state governments	216,067	--	167,561	--	108,514	49,494	--
<b>Total Assets</b>	<b>216,067</b>	<b>3,503</b>	<b>167,561</b>	<b>--</b>	<b>108,514</b>	<b>49,494</b>	<b>4,651</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	15,303	3	21,579	--	6,871	18,863	4,651
Due to other funds	200,764	--	145,982	--	101,643	30,258	--
<b>Total Liabilities</b>	<b>216,067</b>	<b>3</b>	<b>167,561</b>	<b>--</b>	<b>108,514</b>	<b>49,121</b>	<b>4,651</b>
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	3,500	--	--	--	373	--
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	<b>--</b>	<b>3,500</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>373</b>	<b>--</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 216,067</b>	<b>\$ 3,503</b>	<b>\$ 167,561</b>	<b>\$ --</b>	<b>\$ 108,514</b>	<b>\$ 49,494</b>	<b>\$ 4,651</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Healthy Kids 234	Race to the Top 236	CTE Fund 238	Friends of Varieur 241	RISCA JMW 243	Champlin Foundation Slater 244	Tolman High Team Planning 245
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 4,639	\$ 1,533	\$ 133	\$ --	\$ --
Due from federal and state governments	--	--	--	--	--	--	--
<b>Total Assets</b>	--	--	4,639	1,533	133	--	--
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	--	--	4,639	--	--	--	--
Due to other funds	--	--	--	--	--	--	--
<b>Total Liabilities</b>	--	--	4,639	--	--	--	--
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	1,533	133	--	--
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	--	--	--	1,533	133	--	--
<b>Total Liabilities and Fund Balances</b>	\$ --	\$ --	\$ 4,639	\$ 1,533	\$ 133	\$ --	\$ --

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	CTE Categorical Funding 246	PSA Mott 248	Curtis Care After School Prog. 249	CTE 250	Perkins Grant 251	RI Dept. Health 253	Johnson and Johnson 254	CTE Categorical 255
<b>Assets</b>								
Cash and cash equivalents	\$ 1,963	\$ 44,814	\$ --	\$ 105,683	\$ --	\$ --	\$ --	\$ 32,695
Due from federal and state governments	--	--	5,874	--	74,426	2,491	--	--
<b>Total Assets</b>	<b>1,963</b>	<b>44,814</b>	<b>5,874</b>	<b>105,683</b>	<b>74,426</b>	<b>2,491</b>	<b>--</b>	<b>32,695</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Accounts payable and accrued expense	1,963	180	1,284	--	1,077	--	--	25,564
Due to other funds	--	--	4,590	--	73,349	453	--	--
<b>Total Liabilities</b>	<b>1,963</b>	<b>180</b>	<b>5,874</b>	<b>--</b>	<b>74,426</b>	<b>453</b>	<b>--</b>	<b>25,564</b>
<b>Fund Balances (Deficit)</b>								
Non-spendable	--	--	--	--	--	--	--	--
Restricted	--	44,634	--	105,683	--	2,038	--	7,131
Committed	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	<b>--</b>	<b>44,634</b>	<b>--</b>	<b>105,683</b>	<b>--</b>	<b>2,038</b>	<b>--</b>	<b>7,131</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,963</b>	<b>\$ 44,814</b>	<b>\$ 5,874</b>	<b>\$ 105,683</b>	<b>\$ 74,426</b>	<b>\$ 2,491</b>	<b>\$ --</b>	<b>\$ 32,695</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	CTR for Civic Education 257	JMW General Assembly Grant 258	American Medical Corp. 259	URI Confucius 260	SIG Tolman 262	RI Foundation #1 263	Integration Math 264
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 5,000	\$ 7,765	\$ --	\$ 7,020	\$ --
Due from federal and state governments	--	--	--	--	85,096	--	--
<b>Total Assets</b>	--	--	5,000	7,765	85,096	7,020	--
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	--	--	--	250	--	3,960	--
Due to other funds	--	--	--	--	85,096	--	--
<b>Total Liabilities</b>	--	--	--	250	85,096	3,960	--
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	5,000	7,515	--	3,060	--
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	--	--	5,000	7,515	--	3,060	--
<b>Total Liabilities and Fund Balances</b>	\$ --	\$ --	\$ 5,000	\$ 7,765	\$ 85,096	\$ 7,020	\$ --

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	WIA Incentive 268	Gates Foundation 269	JMW Adult Visiting Program 271	21st Century Learning 273	SIG Shea 274	School Improvement Shea High School 275	21st Century Learning - Expansion 276
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 6,817	\$ 1,360	\$ --	\$ --	\$ --	\$ --
Due from federal and state governments	--	--	--	40,720	--	92,544	42,066
<b>Total Assets</b>	<b>--</b>	<b>6,817</b>	<b>1,360</b>	<b>40,720</b>	<b>--</b>	<b>92,544</b>	<b>42,066</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	--	6,817	1,360	2,241	--	4,277	3,496
Due to other funds	--	--	--	38,479	--	88,267	38,570
<b>Total Liabilities</b>	<b>--</b>	<b>6,817</b>	<b>1,360</b>	<b>40,720</b>	<b>--</b>	<b>92,544</b>	<b>42,066</b>
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	--	--	--
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance (Deficit)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ --</b>	<b>\$ 6,817</b>	<b>\$ 1,360</b>	<b>\$ 40,720</b>	<b>\$ --</b>	<b>\$ 92,544</b>	<b>\$ 42,066</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	IDEA Sec. 619 279	ARRA Title I Part A 280	Title IV 21st Century COH 283	Junior High Sports 284	School Improvement - Tolman 286	Wireless Classroom Initiative 287	Adult Ed-COZ 289
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ 23,420	\$ --	\$ --	\$ 3,117
Due from federal and state governments	--	--	52,792	--	--	253,103	--
<b>Total Assets</b>	--	--	52,792	23,420	--	253,103	3,117
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	--	--	1,168	--	--	34,391	271
Due to other funds	--	--	51,624	--	--	528,687	--
<b>Total Liabilities</b>	--	--	52,792	--	--	563,078	271
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	23,420	--	--	2,846
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	(309,975)	--
<b>Total Fund Balance (Deficit)</b>	--	--	--	23,420	--	(309,975)	2,846
<b>Total Liabilities and Fund Balances</b>	\$ --	\$ --	\$ 52,792	\$ 23,420	\$ --	\$ 253,103	\$ 3,117

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-1

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Cunningham Yellow Bus 292	Tolman High School RISCA #2 293	Pepsi Scholarship Fund 296	Arts Talk Project 297	Legislative Grant Slater 298	Marine Corp. Tolman 299	SCHOOL RESTRICTED FUNDS TOTAL
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ 4,500	\$ 156	\$ 354	\$ --	\$ 372,638
Due from federal and state governments	--	--	--	--	4,000	4,446	1,566,665
<b>Total Assets</b>	<b>--</b>	<b>--</b>	<b>4,500</b>	<b>156</b>	<b>4,354</b>	<b>4,446</b>	<b>1,939,303</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable and accrued expense	--	--	--	--	610	--	192,497
Due to other funds	--	--	--	--	--	4,446	1,706,720
<b>Total Liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>610</b>	<b>4,446</b>	<b>1,899,217</b>
<b>Fund Balances (Deficit)</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	4,500	156	3,744	--	350,061
Committed	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	(309,975)
<b>Total Fund Balance (Deficit)</b>	<b>--</b>	<b>--</b>	<b>4,500</b>	<b>156</b>	<b>3,744</b>	<b>--</b>	<b>40,086</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 4,500</b>	<b>\$ 156</b>	<b>\$ 4,354</b>	<b>\$ 4,446</b>	<b>\$ 1,939,303</b>

CITY OF PAWTUCKET, RHODE ISLAND

I-2

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	21st Century Learning 204	Fresh Fruit & Veg. Program 207	Laura Bush FDN 208	RTTT Mini PD 209	Dental Program Medical Reimb. 211	Wisconsin Center For Ed. Research (Ladder) 212	Child Opportunity Zones 213, 228, 230
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	165,978	256,138	1,500	6,354	--	--	25,000
<b>Total Revenues</b>	165,978	256,138	1,500	6,354	--	--	25,000
<b>Expenditures</b>							
Education	165,978	256,138	1,500	6,354	--	6,233	25,000
<b>Total Expenditures</b>	165,978	256,138	1,500	6,354	--	6,233	25,000
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	--	--	--	--	--	(6,233)	--
<b>Fund Balances - Beginning of Year, as restated</b>	--	--	--	--	28,163	6,233	--
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ --	\$ --	\$ 28,163	\$ --	\$ --

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Luke Charitable FDN 214	Race to the Top Mini 216	Perm School Fund 217	RI Foundation #2 218	Title IV 219	Perkins Law & Public Safety 221	Title III 222
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	16,750	221,201	23,051	83,358	276,944	--	353,528
<b>Total Revenues</b>	16,750	221,201	23,051	83,358	276,944	--	353,528
<b>Expenditures</b>							
Education	16,033	221,201	--	--	276,944	--	353,528
<b>Total Expenditures</b>	16,033	221,201	--	--	276,944	--	353,528
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	717	--	23,051	83,358	--	--	--
<b>Fund Balances - Beginning of Year, as restated</b>	(494)	--	--	--	--	--	--
<b>Fund Balances - End of Year</b>	\$ 223	\$ --	\$ 23,051	\$ 83,358	\$ --	\$ --	\$ --

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

I-2

**NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	Title I Part A 224	Legislative After School- Varieur 226	IDEA Part B 227	Bristol County 229	Adult Ed/ Event Start 231	Title II- Professional Development 232	Improvement of Education PEP 233
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	3,960,192	3,500	2,336,129	--	344,539	426,389	450,710
<b>Total Revenues</b>	<b>3,960,192</b>	<b>3,500</b>	<b>2,336,129</b>	<b>--</b>	<b>344,539</b>	<b>426,389</b>	<b>450,710</b>
<b>Expenditures</b>							
Education	3,960,192	--	2,336,129	236	344,516	426,620	450,710
<b>Total Expenditures</b>	<b>3,960,192</b>	<b>--</b>	<b>2,336,129</b>	<b>236</b>	<b>344,516</b>	<b>426,620</b>	<b>450,710</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>3,500</b>	<b>--</b>	<b>(236)</b>	<b>23</b>	<b>(231)</b>	<b>--</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>236</b>	<b>(23)</b>	<b>604</b>	<b>--</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ 3,500</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 373</b>	<b>\$ --</b>

*(Continued)*

CITY OF PAWTUCKET, RHODE ISLAND

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Healthy Kids 234	Race to the Top 236	CTE Fund 238	Friends of Varieur 241	RISCA JMW 243	Champlin Foundation Slater 244	Tolman High Team Planning 245
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	4,050	527,235	--	--	--	--	33,530
<b>Total Revenues</b>	4,050	527,235	--	--	--	--	33,530
<b>Expenditures</b>							
Education	4,050	527,235	25,000	322	810	3,191	33,530
<b>Total Expenditures</b>	4,050	527,235	25,000	322	810	3,191	33,530
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	--	--	(25,000)	(322)	(810)	(3,191)	--
<b>Fund Balances - Beginning of Year, as restated</b>	--	--	25,000	1,855	943	3,191	--
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ --	\$ 1,533	\$ 133	\$ --	\$ --

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

I-2

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	CTE Categorical Funding 246	PSA Mott 248	Curtis Care After School Prog. 249	CTE 250	Perkins Grant 251	RI Dept. Health 253	Johnson and Johnson 254	CTE Categorical 255
<b>Revenues</b>								
Charges for services	\$ --	\$ 143,950	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	--	2,950	41,297	105,683	140,509	17,162	33,955	--
<b>Total Revenues</b>	--	146,900	41,297	105,683	140,509	17,162	33,955	--
<b>Expenditures</b>								
Education	4,527	149,026	41,297	--	140,509	20,478	33,955	33,202
<b>Total Expenditures</b>	4,527	149,026	41,297	--	140,509	20,478	33,955	33,202
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(4,527)	(2,126)	--	105,683	--	(3,316)	--	(33,202)
<b>Fund Balances - Beginning of Year, as restated</b>	4,527	46,760	--	--	--	5,354	--	40,333
<b>Fund Balances - End of Year</b>	\$ --	\$ 44,634	\$ --	\$ 105,683	\$ --	\$ 2,038	\$ --	\$ 7,131

(Continued)

**CITY OF PAWTUCKET, RHODE ISLAND**

**NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2015**

	CTR for Civic Education 257	JMW General Assembly Grant 258	American Medical Corp. 259	URI Confucius 260	SIG Tolman 262	RI Foundation #1 263	Integration Math 264
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	--	280	5,000	10,000	246,808	12,651	10,980
<b>Total Revenues</b>	--	280	5,000	10,000	246,808	12,651	10,980
<b>Expenditures</b>							
Education	600	--	--	2,485	246,808	9,591	10,980
<b>Total Expenditures</b>	600	--	--	2,485	246,808	9,591	10,980
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(600)	280	5,000	7,515	--	3,060	--
<b>Fund Balances - Beginning of Year, as restated</b>	600	(280)	--	--	--	--	--
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ 5,000	\$ 7,515	\$ --	\$ 3,060	\$ --

*(Continued)*

**CITY OF PAWTUCKET, RHODE ISLAND**

I-2

**NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	WIA Incentive 268	Gates Foundation 269	JMW Adult Visiting Program 271	21st Century Learning 273	SIG Shea 274	School Improvement Shea High School 275	21st Century Learning - Expansion 276
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	9,000	25,000	3,675	115,487	43,372	330,841	136,397
<b>Total Revenues</b>	9,000	25,000	3,675	115,487	43,372	330,841	136,397
<b>Expenditures</b>							
Education	9,000	25,000	3,675	115,487	43,372	330,841	136,398
<b>Total Expenditures</b>	9,000	25,000	3,675	115,487	43,372	330,841	136,398
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	--	--	--	--	--	--	(1)
<b>Fund Balances - Beginning of Year, as restated</b>	--	--	--	--	--	--	1
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

*(Continued)*

**CITY OF PAWTUCKET, RHODE ISLAND**

**NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	IDEA Sec. 619 279	ARRA Title I Part A 280	Title IV 21st Century COH 283	Junior High Sports 284	School Improvement - Tolman 286	Wireless Classroom Initiative 287	Adult COZ 289	Ed-
<b>Revenues</b>								
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating grants and contributions	82,607	--	180,001	15,000	14,834	506,211		4,755
<b>Total Revenues</b>	<b>82,607</b>	<b>--</b>	<b>180,001</b>	<b>15,000</b>	<b>14,834</b>	<b>506,211</b>		<b>4,755</b>
<b>Expenditures</b>								
Education	82,607	2,080	180,000	11,795	14,834	365,594		9,402
<b>Total Expenditures</b>	<b>82,607</b>	<b>2,080</b>	<b>180,000</b>	<b>11,795</b>	<b>14,834</b>	<b>365,594</b>		<b>9,402</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>--</b>	<b>(2,080)</b>	<b>1</b>	<b>3,205</b>	<b>--</b>	<b>140,617</b>		<b>(4,647)</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>--</b>	<b>2,080</b>	<b>(1)</b>	<b>20,215</b>	<b>--</b>	<b>(450,592)</b>		<b>7,493</b>
<b>Fund Balances - End of Year</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 23,420</b>	<b>\$ --</b>	<b>\$ (309,975)</b>		<b>\$ 2,846</b>

*(Continued)*

CITY OF PAWTUCKET, RHODE ISLAND

NON-MAJOR GOVERNMENTAL - SCHOOL RESTRICTED FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2015

	Cunningham Yellow Bus 292	Tolman High School RISCA #2 293	Pepsi Scholarship Fund 296	Arts Talk Project 297	Legislative Grant Slater 298	Marine Corp. Tolman 299	SCHOOL RESTRICTED FUNDS TOTAL
<b>Revenues</b>							
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 143,950
Operating grants and contributions	1,200	2,000	--	1,060	4,000	4,446	11,623,237
<b>Total Revenues</b>	1,200	2,000	--	1,060	4,000	4,446	11,767,187
<b>Expenditures</b>							
Education	1,200	2,000	2,000	904	3,015	4,446	11,478,558
<b>Total Expenditures</b>	1,200	2,000	2,000	904	3,015	4,446	11,478,558
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	--	--	(2,000)	156	985	--	288,629
<b>Fund Balances - Beginning of Year, as restated</b>	--	--	6,500	--	2,759	--	(248,543)
<b>Fund Balances - End of Year</b>	\$ --	\$ --	\$ 4,500	\$ 156	\$ 3,744	\$ --	\$ 40,086

CITY OF PAWTUCKET, RHODE ISLAND

J-1

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	CH 44/51 PL2008 Streets & Sidewalks 408	CH168/155 PL2012 Streets & Sidewalks 409	Street Sidewalk 2012 413	CH137/112 PL2014 Streets & Sidewalks 415	CH 34/43 PL2008 Renovate & Improve Public Building 426	CH 167/157 PL2012 Renovate & Improve Public Building 428	CH 202/220 PL2014 Renovate & Improve Public Building 429
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ 215,555	\$ 173,718	\$ 300,000	\$ 32,073	\$ 248,602	\$ 250,000
Intergovernmental Receivables	--	--	--	--	--	--	--
Accounts receivable	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>--</b>	<b>215,555</b>	<b>173,718</b>	<b>300,000</b>	<b>32,073</b>	<b>248,602</b>	<b>250,000</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable	--	77,072	--	--	--	12,812	--
Due to other funds	--	--	--	--	--	--	--
Notes payable	--	--	--	300,000	--	--	250,000
<b>Total Liabilities</b>	<b>--</b>	<b>77,072</b>	<b>--</b>	<b>300,000</b>	<b>--</b>	<b>12,812</b>	<b>250,000</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	138,483	173,718	--	32,073	235,790	--
Committed	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>--</b>	<b>138,483</b>	<b>173,718</b>	<b>--</b>	<b>32,073</b>	<b>235,790</b>	<b>--</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ --</b>	<b>\$ 215,555</b>	<b>\$ 173,718</b>	<b>\$ 300,000</b>	<b>\$ 32,073</b>	<b>\$ 248,602</b>	<b>\$ 250,000</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-1

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	CH 52/40 PL2008 Renovate & Equip Recreation 430	CH37/45 PL2010 Renovate & Equip Recreation 431	CH 165/158 PL2012 Renovate & Equip Recreation 432	CH 35/43 PL2010 Sewer & Sanitary System 450	CH 42/53 2008 Sewer & Sanitary System 451	CH170/153 PL2012 Sewer & Sanitary System 456	CH134/111 PL2014 School 463
<b>Assets</b>							
Cash and cash equivalents	\$ 6,195	\$ 596,392	\$ 400,000	\$ --	\$ --	\$ 185,149	\$ 4,439,095
Intergovernmental Receivables	--	--	--	--	--	--	--
Accounts receivable	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>6,195</b>	<b>596,392</b>	<b>400,000</b>	<b>--</b>	<b>--</b>	<b>185,149</b>	<b>4,439,095</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable	6,195	11,711	--	--	--	19,140	--
Due to other funds	--	--	--	--	--	--	--
Notes payable	--	--	300,000	--	--	--	4,500,000
<b>Total Liabilities</b>	<b>6,195</b>	<b>11,711</b>	<b>300,000</b>	<b>--</b>	<b>--</b>	<b>19,140</b>	<b>4,500,000</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	584,681	100,000	--	--	166,009	--
Committed	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	(60,905)
<b>Total Fund Balance</b>	<b>--</b>	<b>584,681</b>	<b>100,000</b>	<b>--</b>	<b>--</b>	<b>166,009</b>	<b>(60,905)</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 6,195</b>	<b>\$ 596,392</b>	<b>\$ 400,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 185,149</b>	<b>\$ 4,439,095</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-1

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	CH477/428 PL2012 School Renovate & Equip School Building 464	CH270/426 PL2008 Renovate & Equip School Building 466	CH 38/33 PL2010 Renovate & Equip School Building 467	CH39/50 PL2006 Road & Traffic 472	CH39/42 PL2010 Road & Traffic 473	CH 33/41 PL2008 Road & Traffic 474	CH169/156 PL2012 Road & Traffic 475
<b>Assets</b>							
Cash and cash equivalents	\$ 1,014,767	\$ --	\$ --	\$ --	\$ 200,000	\$ 119,583	\$ 200,000
Intergovernmental Receivables	--	--	--	--	--	--	--
Accounts receivable	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>1,014,767</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>200,000</b>	<b>119,583</b>	<b>200,000</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable	--	--	--	--	--	6,720	--
Due to other funds	--	--	--	--	--	--	--
Notes payable	1,500,000	--	--	--	--	--	200,000
<b>Total Liabilities</b>	<b>1,500,000</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>6,720</b>	<b>200,000</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	--	200,000	112,863	--
Committed	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	(485,233)	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>(485,233)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>200,000</b>	<b>112,863</b>	<b>--</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,014,767</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 200,000</b>	<b>\$ 119,583</b>	<b>\$ 200,000</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-1

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	CH136/116 PL2014 Bridges 476	CH166/154 PL2012 Highway 477	CH 35/45 PL2008 Bridges 478	CH46/48 PL2010 Bridges 479	RI Clean Water Finance 495	RICWFA Road Loan \$15M 496	Newman Crosby Soccer Complex 812	State Preservation Grant 835
<b>Assets</b>								
Cash and cash equivalents	\$ 50,000	\$ 200,000	\$ 32,331	\$ 200,000	\$ --	\$ --	\$ 7,084	\$ 125
Intergovernmental Receivables	--	--	--	--	6,169	4,950,000	--	--
Accounts receivable	--	--	--	--	--	--	--	--
<b>Total Assets</b>	<b>50,000</b>	<b>200,000</b>	<b>32,331</b>	<b>200,000</b>	<b>6,169</b>	<b>4,950,000</b>	<b>7,084</b>	<b>125</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
Accounts payable	--	--	--	--	--	--	--	--
Due to other funds	--	--	--	--	--	--	--	--
Notes payable	50,000	100,000	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>50,000</b>	<b>100,000</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fund Balance</b>								
Non-spendable	--	--	--	--	--	--	--	--
Restricted	--	100,000	32,331	200,000	6,169	4,950,000	7,084	125
Committed	--	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--
<b>Total Fund Balance</b>	<b>--</b>	<b>100,000</b>	<b>32,331</b>	<b>200,000</b>	<b>6,169</b>	<b>4,950,000</b>	<b>7,084</b>	<b>125</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 50,000</b>	<b>\$ 200,000</b>	<b>\$ 32,331</b>	<b>\$ 200,000</b>	<b>\$ 6,169</b>	<b>\$ 4,950,000</b>	<b>\$ 7,084</b>	<b>\$ 125</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-1

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Healthy Places By Design 840	State Pier Town Landing 841	Galego Court Soccer Field 844	River Corridor Dev. Plan 848	Friendship Gardens Improv 849	Brownsfields-State Pier 853	Leap 1 Federal And State 856
<b>Assets</b>							
Cash and cash equivalents	\$ 18,295	\$ --	\$ 25,926	\$ --	\$ 7,365	\$ --	\$ --
Intergovernmental Receivables	--	--	--	--	--	--	--
Accounts receivable	--	--	--	1,198	--	--	--
<b>Total Assets</b>	<b>18,295</b>	<b>--</b>	<b>25,926</b>	<b>1,198</b>	<b>7,365</b>	<b>--</b>	<b>--</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable	--	--	--	--	--	--	--
Due to other funds	--	12,412	--	6,996	--	--	1,090
Notes payable	--	--	--	--	--	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>12,412</b>	<b>--</b>	<b>6,996</b>	<b>--</b>	<b>--</b>	<b>1,090</b>
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	18,295	--	25,926	--	7,365	--	--
Committed	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	--	(12,412)	--	(5,798)	--	--	(1,090)
<b>Total Fund Balance</b>	<b>18,295</b>	<b>(12,412)</b>	<b>25,926</b>	<b>(5,798)</b>	<b>7,365</b>	<b>--</b>	<b>(1,090)</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 18,295</b>	<b>\$ --</b>	<b>\$ 25,926</b>	<b>\$ 1,198</b>	<b>\$ 7,365</b>	<b>\$ --</b>	<b>\$ --</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-1

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Leap 2 State 857	NEA Our Town Grant 859	Dem. Land Purchase 860	Main St Bridge Side Repl 861	Lease FY 2013 893	Lease FY2015 895	Capital Projects Funds TOTALS
<b>Assets</b>							
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ 238,073	\$ 768,463	\$ 1,933,982	\$ 11,862,773
Intergovernmental Receivables	--	--	--	--	--	--	4,956,169
Accounts receivable	--	--	--	--	--	--	1,198
<b>Total Assets</b>	--	--	--	238,073	768,463	1,933,982	16,820,140
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts payable	--	--	--	165,870	--	--	299,520
Due to other funds	13,802	6,924	--	--	--	--	41,224
Notes payable	--	--	--	--	--	--	7,200,000
<b>Total Liabilities</b>	13,802	6,924	--	165,870	--	--	7,540,744
<b>Fund Balance</b>							
Non-spendable	--	--	--	--	--	--	--
Restricted	--	--	--	72,203	768,463	1,933,982	9,865,560
Committed	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	(13,802)	(6,924)	--	--	--	--	(586,164)
<b>Total Fund Balance</b>	(13,802)	(6,924)	--	72,203	768,463	1,933,982	9,279,396
<b>Total Liabilities and Fund Balance</b>	\$ --	\$ --	\$ --	\$ 238,073	\$ 768,463	\$ 1,933,982	\$ 16,820,140

CITY OF PAWTUCKET, RHODE ISLAND

J-2

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	CH 44/51 PL2008 Streets & Sidewalks 408	CH168/155 PL2012 Streets & Sidewalks 409	Street Sidewalk 2012 413	CH137/112 PL2014 Streets & Sidewalks 415	CH 34/43 PL2008 Renovate & Improve Public Building 426	CH 167/157 PL2012 Renovate & Improve Public Building 428	CH 202/220 PL2014 Renovate & Improve Public Building 429
<b>Revenues</b>							
Capital grants and contributions	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Investment and interest income	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	--	--	--	--	--	--
<b>Expenditures</b>							
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--
Public works	--	361,517	--	--	5,815	359,337	--
Education	--	--	--	--	--	--	--
<b>Total Expenditures</b>	--	361,517	--	--	5,815	359,337	--
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	(361,517)	--	--	(5,815)	(359,337)	--
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
Bond proceeds	500,000	1,000,000	1,000,000	--	350,000	700,000	--
Capital lease proceeds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	500,000	1,000,000	1,000,000	--	350,000	700,000	--
<b>Net change in fund balances</b>	500,000	638,483	1,000,000	--	344,185	340,663	--
<b>Fund Balances - Beginning of Year, as restated</b>	(500,000)	(500,000)	(826,282)	--	(312,112)	(104,873)	--
<b>Fund Balances - End of Year</b>	\$ --	\$ 138,483	\$ 173,718	\$ --	\$ 32,073	\$ 235,790	\$ --

CITY OF PAWTUCKET, RHODE ISLAND

J-2

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	CH 52/40 PL2008 Renovate & Equip Recreation 430	CH37/45 PL2010 Renovate & Equip Recreation 431	CH 165/158 PL2012 Renovate & Equip Recreation 432	CH 35/43 PL2010 Sewer & Sanitary System 450	CH 42/53 2008 Sewer & Sanitary System 451	CH170/153 PL2012 Sewer & Sanitary System 456	CH134/111 PL2014 School 463
<b>Revenues</b>							
Capital grants and contributions	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Investment and interest income	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	--	--	--	--	--	--
<b>Expenditures</b>							
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--
Public works	153,132	15,319	--	1,523	--	120,605	--
Education	--	--	--	--	--	--	60,905
<b>Total Expenditures</b>	153,132	15,319	--	1,523	--	120,605	60,905
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
<b>Expenditures Before Other Financing Sources (Uses)</b>	(153,132)	(15,319)	--	(1,523)	--	(120,605)	(60,905)
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
Bond proceeds	300,000	600,000	100,000	300,000	150,000	300,000	--
Capital lease proceeds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	300,000	600,000	100,000	300,000	150,000	300,000	--
<b>Net change in fund balances</b>	146,868	584,681	100,000	298,477	150,000	179,395	(60,905)
<b>Fund Balances - Beginning of Year, as restated</b>	(146,868)	--	--	(298,477)	(150,000)	(13,386)	--
<b>Fund Balances - End of Year</b>	\$ --	\$ 584,681	\$ 100,000	\$ --	\$ --	\$ 166,009	\$ (60,905)

CITY OF PAWTUCKET, RHODE ISLAND

J-2

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2015

	CH477/428 PL2012 School Renovate & Equip School Building 464	CH270/426 PL2008 Renovate & Equip School Building 466	CH 38/33 PL2010 Renovate & Equip School Building 467	CH39/50 PL2006 Road & Traffic 472	CH39/42 PL2010 Road & Traffic 473	CH 33/41 PL2008 Road & Traffic 474	CH169/156 PL2012 Road & Traffic 475
<b>Revenues</b>							
Capital grants and contributions	\$ --	\$ --	\$ --	\$ --	\$ 8,246	\$ --	\$ --
Investment and interest income	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	--	--	--	8,246	--	--
<b>Expenditures</b>							
Planning	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--
Public works	--	--	--	2,128	--	87,137	--
Education	3,752,352	57,122	101,315	--	--	--	--
<b>Total Expenditures</b>	3,752,352	57,122	101,315	2,128	--	87,137	--
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	(3,752,352)	(57,122)	(101,315)	(2,128)	8,246	(87,137)	--
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--
Bond proceeds	3,500,000	1,500,000	3,000,000	--	200,000	100,000	--
Capital lease proceeds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	3,500,000	1,500,000	3,000,000	--	200,000	100,000	--
<b>Net change in fund balances</b>	(252,352)	1,442,878	2,898,685	(2,128)	208,246	12,863	--
<b>Fund Balances - Beginning of Year, as restated</b>	(232,881)	(1,442,878)	(2,898,685)	2,128	(8,246)	100,000	--
<b>Fund Balances - End of Year</b>	\$ (485,233)	\$ --	\$ --	\$ --	\$ 200,000	\$ 112,863	\$ --

CITY OF PAWTUCKET, RHODE ISLAND

J-2

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	CH136/116 PL2014 Bridges 476	CH166/154 PL2012 Highway 477	CH 35/45 PL2008 Bridges 478	CH46/48 PL2010 Bridges 479	RI Clean Water Finance 495	RICWFA Road Loan \$15M 496	Newman Crosby Soccer Complex 812	State Preservation Grant 835
<b>Revenues</b>								
Capital grants and contributions	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Investment and interest income	--	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	--	--	--	--	--	--	--
<b>Expenditures</b>								
Planning	--	--	--	--	--	--	--	--
Public safety	--	--	--	--	--	--	--	--
Public works	--	--	--	--	3,493,831	50,000	--	--
Education	--	--	--	--	--	--	--	--
<b>Total Expenditures</b>	--	--	--	--	3,493,831	50,000	--	--
<b>Excess (Deficiency) of Revenues Over (Under)</b>								
Expenditures Before Other Financing Sources (Uses)	--	--	--	--	(3,493,831)	(50,000)	--	--
<b>Other financing sources (uses)</b>								
Transfers from other funds	--	--	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--	--	--
Bond proceeds	--	100,000	100,000	200,000	3,500,000	5,000,000	--	--
Capital lease proceeds	--	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	--	100,000	100,000	200,000	3,500,000	5,000,000	--	--
<b>Net change in fund balances</b>	--	100,000	100,000	200,000	6,169	4,950,000	--	--
<b>Fund Balances - Beginning of Year, as restated</b>	--	--	(67,669)	--	--	--	7,084	125
<b>Fund Balances - End of Year</b>	\$ --	\$ 100,000	\$ 32,331	\$ 200,000	\$ 6,169	\$ 4,950,000	\$ 7,084	\$ 125

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-2

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Healthy Places By Design 840	State Pier Town Landing 841	Galego Court Soccer Field 844	River Corridor Dev. Plan 848	Friendship Gardens Improv 849	Brownsfields-State Pier 853	Leap 1 Federal And State 856
<b>Revenues</b>							
Capital grants and contributions	\$ --	\$ --	\$ --	\$ 14,476	\$ --	\$ 607,617	\$ --
Investment and interest income	--	--	--	--	--	--	--
<b>Total Revenues</b>	--	--	--	14,476	--	607,617	--
<b>Expenditures</b>							
Planning	--	12,412	--	20,274	--	957,139	--
Public safety	--	--	--	--	--	--	--
Public works	--	--	--	--	--	--	--
Education	--	--	--	--	--	--	--
<b>Total Expenditures</b>	--	12,412	--	20,274	--	957,139	--
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	(12,412)	--	(5,798)	--	(349,522)	--
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	--	--	300,000	--
Transfers to other funds	--	--	--	--	--	--	--
Bond proceeds	--	--	--	--	--	--	--
Capital lease proceeds	--	--	--	--	--	--	--
<b>Total Other Financing Sources (Uses)</b>	--	--	--	--	--	300,000	--
<b>Net change in fund balances</b>	--	(12,412)	--	(5,798)	--	(49,522)	--
<b>Fund Balances - Beginning of Year, as restated</b>	18,295	--	25,926	--	7,365	49,522	(1,090)
<b>Fund Balances - End of Year</b>	\$ 18,295	\$ (12,412)	\$ 25,926	\$ (5,798)	\$ 7,365	\$ --	\$ (1,090)

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

J-2

NON-MAJOR GOVERNMENTAL - CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015

	Leap 2 State 857	Nea Our Town Grant 859	Dem. Land Purchase 860	Main St Bridge Side Repl 861	Lease FY 2013 893	Lease FY2015 895	Capital Projects Funds TOTALS
<b>Revenues</b>							
Capital grants and contributions	\$ --	\$ 30,000	\$ 210,000	\$ 165,890	\$ --	\$ --	\$ 1,036,229
Investment and interest income	--	--	--	--	3,843	5,724	9,567
<b>Total Revenues</b>	--	30,000	210,000	165,890	3,843	5,724	1,045,796
<b>Expenditures</b>							
Planning	--	36,924	210,000	17,059	293,265	--	1,547,073
Public safety	--	--	--	--	--	685,761	685,761
Public works	--	--	--	165,870	69,830	485,981	5,372,025
Education	--	--	--	--	--	--	3,971,694
<b>Total Expenditures</b>	--	36,924	210,000	182,929	363,095	1,171,742	11,576,553
<b>Excess (Deficiency) of Revenues Over (Under)</b>							
Expenditures Before Other Financing Sources (Uses)	--	(6,924)	--	(17,039)	(359,252)	(1,166,018)	(10,530,757)
<b>Other financing sources (uses)</b>							
Transfers from other funds	--	--	--	214,242	--	--	514,242
Transfers to other funds	--	--	--	(125,000)	--	--	(125,000)
Bond proceeds	--	--	--	--	--	--	22,500,000
Capital lease proceeds	--	--	--	--	--	3,100,000	3,100,000
<b>Total Other Financing Sources (Uses)</b>	--	--	--	89,242	--	3,100,000	25,989,242
<b>Net change in fund balances</b>	--	(6,924)	--	72,203	(359,252)	1,933,982	15,458,485
<b>Fund Balances - Beginning of Year, as restated</b>	(13,802)	--	--	--	1,127,715	--	(6,179,089)
<b>Fund Balances - End of Year</b>	\$ (13,802)	\$ (6,924)	\$ --	\$ 72,203	\$ 768,463	\$ 1,933,982	\$ 9,279,396

CITY OF PAWTUCKET, RHODE ISLAND

K-1

NON-MAJOR GOVERNMENTAL - PERMANENT FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Pawtucket TriCentennial 142	Library Zucker Trust 170	Library Little Acorn Trust 172	Library Caidin Trust 177	Father St. Godard Religious Studies 179	Community Service Library 180
<b>Assets</b>						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ 12,097	\$ --
Investments	10,554	24,596	519,338	88,409	--	23,057
Notes receivable	--	--	--	--	--	--
<b>Total Assets</b>	<b>10,554</b>	<b>24,596</b>	<b>519,338</b>	<b>88,409</b>	<b>12,097</b>	<b>23,057</b>
<b>Liabilities and Fund Balance</b>						
<b>Liabilities</b>						
Due to other funds	--	1,388	--	2,880	--	--
<b>Total Liabilities</b>	<b>--</b>	<b>1,388</b>	<b>--</b>	<b>2,880</b>	<b>--</b>	<b>--</b>
<b>Fund Balance</b>						
Non-spendable	10,554	23,208	519,338	85,529	12,097	23,057
<b>Total Fund Balance</b>	<b>10,554</b>	<b>23,208</b>	<b>519,338</b>	<b>85,529</b>	<b>12,097</b>	<b>23,057</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 10,554</b>	<b>\$ 24,596</b>	<b>\$ 519,338</b>	<b>\$ 88,409</b>	<b>\$ 12,097</b>	<b>\$ 23,057</b>

(Continued)

CITY OF PAWTUCKET, RHODE ISLAND

K-1

NON-MAJOR GOVERNMENTAL - PERMANENT FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2015

	Citizens Committee PPL 181	Gerald Burns Fund 194	Cemetery Perpetual Care 708	Cemetery Improvements 709	Permanent Funds TOTALS
<b>Assets</b>					
Cash and cash equivalents	\$ 10	\$ --	\$ 117,285	\$ 85,131	\$ 214,523
Investments	22,307	20,048	--	--	708,309
Notes receivable	--	--	230,000	--	230,000
<b>Total Assets</b>	<b>22,317</b>	<b>20,048</b>	<b>347,285</b>	<b>85,131</b>	<b>1,152,832</b>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Due to other funds	--	689	--	--	4,957
<b>Total Liabilities</b>	<b>--</b>	<b>689</b>	<b>--</b>	<b>--</b>	<b>4,957</b>
<b>Fund Balance</b>					
Non-spendable	22,317	19,359	347,285	85,131	1,147,875
<b>Total Fund Balance</b>	<b>22,317</b>	<b>19,359</b>	<b>347,285</b>	<b>85,131</b>	<b>1,147,875</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 22,317</b>	<b>\$ 20,048</b>	<b>\$ 347,285</b>	<b>\$ 85,131</b>	<b>\$ 1,152,832</b>

**CITY OF PAWTUCKET, RHODE ISLAND**

K-2

**NON-MAJOR GOVERNMENTAL - PERMANENT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	Pawtucket TriCentennial 142	Library Zucker Trust 170	Library Little Acorn Trust 172	Library Caidin Trust 177	Father St. Godard Religious Studies 179	Community Service Library 180
<b>Revenues</b>						
Operating grants & contributions	\$ --	\$ --	\$ --	\$ --	\$ 281	\$ --
Investment and interest income	118	778	18,026	2,795	--	729
<b>Total Revenues</b>	<b>118</b>	<b>778</b>	<b>18,026</b>	<b>2,795</b>	<b>281</b>	<b>729</b>
<b>Expenditures</b>						
Legislative and executive	--	871	1,670	2,880	73	--
Public works	--	--	--	--	--	--
<b>Total Expenditures</b>	<b>--</b>	<b>871</b>	<b>1,670</b>	<b>2,880</b>	<b>73</b>	<b>--</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)</b>	<b>118</b>	<b>(93)</b>	<b>16,356</b>	<b>(85)</b>	<b>208</b>	<b>729</b>
<b>Other Financing Sources (Uses)</b>						
Transfers from other funds	--	--	--	--	--	--
Transfers to other funds	--	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Net change in fund balances</b>	<b>118</b>	<b>(93)</b>	<b>16,356</b>	<b>(85)</b>	<b>208</b>	<b>729</b>
<b>Fund Balances - Beginning of Year, as restated</b>	<b>10,436</b>	<b>23,301</b>	<b>502,982</b>	<b>85,614</b>	<b>11,889</b>	<b>22,328</b>
<b>Fund Balances - End of year</b>	<b>\$ 10,554</b>	<b>\$ 23,208</b>	<b>\$ 519,338</b>	<b>\$ 85,529</b>	<b>\$ 12,097</b>	<b>\$ 23,057</b>

*(Continued)*

**CITY OF PAWTUCKET, RHODE ISLAND**

K-2

**NON-MAJOR GOVERNMENTAL - PERMANENT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	Citizens Committee PPL 181	Gerald Burns Fund 194	Cemetery Perpetual Care 708	Cemetery Improvements 709	Permanent Funds TOTALS
<b>Revenues</b>					
Operating grants & contributions	\$ --	\$ --	\$ 2,275	\$ --	\$ 2,556
Investment and interest income	705	634	67	212	24,064
<b>Total Revenues</b>	<u>705</u>	<u>634</u>	<u>2,342</u>	<u>212</u>	<u>26,620</u>
<b>Expenditures</b>					
Legislative and executive	--	653	--	--	6,147
Public works	--	--	296	--	296
<b>Total Expenditures</b>	<u>--</u>	<u>653</u>	<u>296</u>	<u>--</u>	<u>6,443</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>					
Expenditures Before Other Financing Sources (Uses)	705	(19)	2,046	212	20,177
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	--	--	--	--	--
Transfers to other funds	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Net change in fund balances</b>	<u>705</u>	<u>(19)</u>	<u>2,046</u>	<u>212</u>	<u>20,177</u>
<b>Fund Balances - Beginning of Year, as restated</b>	<u>21,612</u>	<u>19,378</u>	<u>345,239</u>	<u>84,919</u>	<u>1,127,698</u>
<b>Fund Balances - End of year</b>	<u>\$ 22,317</u>	<u>\$ 19,359</u>	<u>\$ 347,285</u>	<u>\$ 85,131</u>	<u>\$ 1,147,875</u>

CITY OF PAWTUCKET, RHODE ISLAND

L-1

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2015

	Beginning Balance <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2015</u>
<b><u>SCHOOL ACTIVITY FUNDS</u></b>				
<b>Assets</b>				
Cash	\$ 329,616	\$ 428,135	\$ 446,386	\$ 311,365
<b>Liabilities</b>				
Due to student groups	\$ 329,616	\$ 428,135	\$ 446,386	\$ 311,365

## **STATISTICAL SECTION**

CITY OF PAWTUCKET, RHODE ISLAND

M-1

TAX COLLECTOR'S ANNUAL REPORT

REAL ESTATE, MOTOR VEHICLE, AND PERSONAL PROPERTY TAXES

Tax Roll Year	Balance, July 1, 2014	Current year assessment	Supplements	Abatements/ Adjustments	Amount to be collected	Collections	to Tax Due	Balance, June 30, 2015
2014	\$ -	\$ 99,644,367	\$ -	\$ (582,653)	\$ 99,061,714	\$ (95,349,897)	\$ -	\$ 3,711,817
2013	4,997,832			(47,165)	4,950,667	(3,566,445)		1,384,222
2012	1,965,787			(28,610)	1,937,177	(857,012)		1,080,165
2011	1,204,097			(17,252)	1,186,845	(263,000)		923,845
2010	667,737			(15,276)	652,461	(91,871)		560,590
2009	385,156			(7,832)	377,324	(20,232)		357,092
2008	398,715			(5,623)	393,092	(16,513)		376,579
2007	361,814			(6,562)	355,252	(13,472)		341,780
2006	346,067			(3,541)	342,526	(6,190)		336,336
2005 & prior	905,087			(462,911)	442,176	(67,737)		374,439
	<u>\$ 11,232,292</u>	<u>\$ 99,644,367</u>	<u>\$ -</u>	<u>\$(1,177,425)</u>	<u>\$ 109,699,234</u>	<u>\$(100,252,369)</u>	<u>\$ -</u>	<u>\$ 9,446,865</u>

Schedule of Net Assessed Property, Value by Category:

Description of Property	Valuations December 31, 2013	Levy July 1, 2014	Reconciliation of Current Year Property Tax Revenue	
Real property	\$ 3,160,927,953	\$ 79,418,286	Current year collections	\$ 100,252,369
Motor vehicles	281,246,949	14,340,452	Reserve collected within 60 days subsequent to fiscal year end 2015	832,547
Tangible	145,070,760	5,885,629		
Total	3,587,245,662	99,644,367		101,084,916
Exemptions	(138,516,896)	-	Prior year revenue received in current year	(2,619,475)
Net Assessed value	<u>\$ 3,448,728,766</u>	<u>\$ 99,644,367</u>	Current year property tax revenue	<u>\$ 98,465,441</u>

CITY OF PAWTUCKET

M-2

LONG - TERM DEBT - GOVERNMENTAL AND BUSINESS ACTIVITY

(1 of 3)

	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding June 30, 2014 (as restated)	Additions	Maturities During the Year	Outstanding June 30, 2015	Interest Paid
<b>General Obligation Bonds Payable</b>									
School & Public Improvement Bond Original	7/1/2001	4% - 6%	7/1/2021	\$ 11,395,000	\$ 2,400,200	\$ --	\$ 2,400,200	\$ --	\$ 57,993
School & Public Improvement Refunding Bond	10/15/2002	2% - 4%	4/15/2014	8,892,387	--	--	--	--	--
School & Public Improvement Bond (Refunded City Portion 11/201	7/1/2005	3.25% - 5%	7/1/2025	13,300,000	9,415,000	--	5,995,000	3,420,000	273,234
School Bond	6/27/2006	4% - 5%	4/1/2010	1,500,000	1,050,000	--	70,000	980,000	48,775
School & Public Improvement Bond	7/1/2009	2% - 4.75%	7/15/2029	8,200,000	7,010,000	--	320,000	6,690,000	297,925
School & Public Improvement Bond	6/15/2009	2.5% - 6.25%	4/1/2029	6,000,000	4,995,000	--	230,000	4,765,000	266,575
School & Public Improvement Bond	4/14/2010	3.36%	7/1/2018	7,593,349	4,526,910	--	915,000	3,611,910	136,732
Cemetary Perpetual Care Loan	6/23/2011	0.00%	7/23/2021	400,000	270,000	--	40,000	230,000	--
School Improvement Bond Refunded 2001	12/5/2013	3.14%	12/5/2021	2,115,000	2,115,000	--	280,000	1,835,000	64,060
Road Improvement Bond (RICWFA)	9/3/2014	0.64% - 2.97%	9/3/2035	3,500,000	--	3,500,000	--	3,500,000	30,970
Public Improvement Bond Refunded 2001 & 2005	11/19/2014	2% - 5%	11/19/2021	7,571,748	--	7,571,748	--	7,571,748	29,605
Public Improvement Bond	11/21/2014	2% - 5%	11/21/2035	6,000,000	--	6,000,000	--	6,000,000	112,207
School Improvement Bond (RIHEBC)	11/21/2014	2% - 4%	11/21/2034	8,000,000	--	8,000,000	215,000	7,785,000	131,789
Road Improvement Bond (RICWFA)	5/28/2015	0.66% - 2.93%	5/28/2035	5,000,000	--	5,000,000	--	5,000,000	--
<b>Total General Obligation Bond Payable</b>				<u>89,467,484</u>	<u>31,782,110</u>	<u>30,071,748</u>	<u>10,465,200</u>	<u>51,388,658</u>	<u>1,449,865</u>
<b>Bond Premiums and Capital Leases</b>									
Bond Premiums				N/A	18,314	900,419	19,864	898,869	--
Capital Leases				N/A	6,316,116	3,573,184	901,620	8,987,680	299,506
<b>Total Bond Premiums and Capital Leases</b>				--	<u>6,334,430</u>	<u>4,473,603</u>	<u>921,484</u>	<u>9,886,549</u>	<u>299,506</u>
<b>Total Governmental Activities Long-term Obligations</b>				<u>\$ 89,467,484</u>	<u>\$ 38,116,540</u>	<u>\$ 34,545,351</u>	<u>\$ 11,386,684</u>	<u>\$ 61,275,207</u>	<u>\$ 1,749,371</u>
<b>Accrued Expenses</b>									
Compensated absences					\$ 7,765,277	\$ 211,218	\$ --	\$ 7,976,495	\$ --
Net OPEB obligation					80,428,802	9,824,429	--	90,253,231	--
Net Pension Liability					256,609,358	--	15,008,743	241,600,615	--
Net Pension Obligation					781,269	--	58,181	723,088	--
<b>Toal Accrued Expense</b>					<u>345,584,706</u>	<u>10,035,647</u>	<u>15,066,924</u>	<u>340,553,429</u>	<u>--</u>
<b>Total Long-term Liabilities</b>					<u>\$383,701,246</u>	<u>\$ 44,580,998</u>	<u>\$ 26,453,608</u>	<u>\$401,828,636</u>	<u>\$ 1,749,371</u>

(Continued)

CITY OF PAWTUCKET

M-2

LONG -TERM DEBT - GOVERNMENTAL AND BUSINESS ACTIVITY

(2 of 3)

	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding June 30, 2014 (as restated)	Additions	Maturities During the Year	Outstanding June 30, 2015	Interest Paid
<b>Business-type Activities</b>									
<b>Bonds, Notes and Loans Payable:</b>									
<b>Water Fund:</b>									
Water Debt Refunding Bond	10/15/2002	2% - 4%	4/15/2014	\$ 267,613	\$ 4	\$ --	\$ 4	\$ --	\$ --
School & Public Improvement Bond (water portion)	7/1/2001	4% - 6%	7/1/2021	385,000	149,800	--	149,800	--	3,620
Water System Improvement Bond Refunded 2001	11/19/2014	2% - 5%	11/19/2021	113,252	--	113,252	--	113,252	419
Water System Improvement Bond	4/14/2010	3.36%	7/1/2018	336,651	203,085	5	40,000	163,090	6,152
RI Clean Water Financing Agency Bonds - 2003A	12/17/2003	5.00%	9/1/2035	19,340,000	19,340,000	--	--	19,340,000	967,000
RI Clean Water Financing Agency Bonds - 2003A	12/17/2003	6.00%	9/1/2035	7,655,000	7,655,000	--	--	7,655,000	459,300
RI Clean Water Financing Agency Bonds - 2004A	3/11/2004	2.0% - 5.0%	9/1/2024	41,875,000	28,235,000	--	2,185,000	26,050,000	776,839
RI Clean Water Financing Agency Bonds - 2005A	3/23/2005	2.0% - 5.0%	9/1/2027	31,909,000	24,384,000	--	1,386,000	22,998,000	728,686
RI Clean Water Financing Agency Bonds - 2009A	11/19/2009	.86% - 4.72%	9/1/2030	5,935,000	5,264,000	--	233,000	5,031,000	128,295
RI Clean Water Financing Agency Bonds - 2012 Direct Loan	11/4/2011	1.12% - 3.71%	9/1/2031	7,485,000	6,904,000	--	297,000	6,607,000	201,984
RI Clean Water Financing Agency Bonds - 2012A	6/14/2012	.53% - 3.33%	9/1/2032	1,955,000	1,877,000	--	78,000	1,799,000	45,992
RI Clean Water Financing Agency Bonds - 2013A	5/14/2013	.37% - 2.83%	9/1/2034	8,645,000	8,644,000	--	1,000	8,643,000	144,878
<b>Total Water Fund Bonds, Notes and Loans Payable</b>				<u>125,901,516</u>	<u>102,655,889</u>	<u>113,257</u>	<u>4,369,804</u>	<u>98,399,342</u>	<u>3,463,165</u>
<b>175 Main Street:</b>									
Note Payable		3.25%		<u>1,800,000</u>	<u>884,407</u>	<u>8,881</u>	<u>893,288</u>	<u>--</u>	<u>7,609</u>
<b>Total 175 Main Street Notes Payable</b>				<u>1,800,000</u>	<u>884,407</u>	<u>8,881</u>	<u>893,288</u>	<u>--</u>	<u>7,609</u>
<b>Other Liabilities</b>									
<b>Water Fund:</b>									
Deferred loss refundings				--	--	--	--	--	--
Bond Premiums				--	304,021	--	13,819	290,202	--
Less undrawn loan proceeds held by the state				--	(5,155,102)	4,289,990	--	(865,112)	--
<b>Total Other Liabilities</b>				<u>--</u>	<u>(4,851,081)</u>	<u>4,289,990</u>	<u>13,819</u>	<u>(574,910)</u>	<u>--</u>
<b>Total Business-type Activities Long Term Obligations</b>				<u>\$127,701,516</u>	<u>\$ 98,689,215</u>	<u>\$ 4,412,128</u>	<u>\$ 5,276,911</u>	<u>\$ 97,824,432</u>	<u>\$ 3,470,774</u>
<b>Accrued Expenses</b>									
Compensated absences					\$ 808,462	\$ 52,427	\$ --	\$ 860,889	\$ --
Net OPEB obligation					1,438,694	91,562	--	1,530,256	--
Net Pension Liability					5,946,332	--	1,171,643	4,774,689	--
<b>Total Accrued Expense</b>					<u>8,193,488</u>	<u>143,989</u>	<u>1,171,643</u>	<u>7,165,834</u>	<u>--</u>
<b>Total Long-term Liabilities</b>					<u>\$106,882,703</u>	<u>\$ 4,556,117</u>	<u>\$ 6,448,554</u>	<u>\$104,990,266</u>	<u>\$ 3,470,774</u>

(Continued)

CITY OF PAWTUCKET

M-2

LONG -TERM DEBT - GOVERNMENTAL AND BUSINESS ACTIVITY

(3 of 3)

	Authorized	Outstanding June 30, 2014 (as restated)	Additions	Maturities During the Year	Outstanding June 30, 2015	Interest Paid
<b>Bonds, Notes, Bond Premiums and Capital Leases</b>						
Governmental Activities Long-term Obligations	\$ 89,467,484	\$ 38,116,540	\$34,545,351	\$ 11,386,684	\$ 61,275,207	\$1,749,371
Business-type Activities Long-term Obligations	<u>127,701,516</u>	<u>98,689,215</u>	<u>4,412,128</u>	<u>5,276,911</u>	<u>97,824,432</u>	<u>3,470,774</u>
<b>Total Bonds, Notes, Bond Premiums and Capital Leases</b>	<u>\$217,169,000</u>	<u>136,805,755</u>	<u>38,957,479</u>	<u>16,663,595</u>	<u>159,099,639</u>	<u>5,220,145</u>
<b>Accrued Expenses</b>						
Compensated absences		8,573,739	263,645	--	8,837,384	--
Net OPEB obligation		81,867,496	9,915,991	--	91,783,487	--
Net Pension Liability		262,555,690	--	16,180,386	246,375,304	--
Net Pension Obligation		<u>781,269</u>	<u>--</u>	<u>58,181</u>	<u>723,088</u>	<u>--</u>
<b>Toal Accrued Expense</b>		<u>353,778,194</u>	<u>10,179,636</u>	<u>16,238,567</u>	<u>347,719,263</u>	<u>--</u>
<b>Total Long-term Liabilities</b>		<u>\$490,583,949</u>	<u>\$49,137,115</u>	<u>\$ 32,902,162</u>	<u>\$506,818,902</u>	<u>\$5,220,145</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

M-3

**SCHEDULE OF DEBT SERVICE REQUIREMENTS  
TO MATURITY - GOVERNMENT ACTIVITIES**

Fiscal Year Ended June 30,	Percentage to Maturity	Principal	Interest	Total Debt Service
2016	6.70%	\$ 3,442,456	\$ 1,792,249	\$ 5,234,705
2017	7.28%	3,742,421	1,770,110	5,512,531
2018	7.44%	3,821,754	1,658,238	5,479,992
2019	7.58%	3,897,368	1,530,748	5,428,116
2020	5.89%	3,027,616	1,408,896	4,436,512
2021	6.06%	3,111,891	1,288,578	4,400,469
2022	6.18%	3,175,152	1,164,029	4,339,181
2023	5.42%	2,785,000	1,046,794	3,831,794
2024	5.64%	2,896,000	932,371	3,828,371
2025	5.89%	3,026,000	814,717	3,840,717
2026	6.12%	3,143,000	695,175	3,838,175
2027	4.13%	2,120,000	587,785	2,707,785
2028	4.32%	2,219,000	497,342	2,716,342
2029	4.50%	2,313,000	404,695	2,717,695
2030	3.71%	1,908,000	307,848	2,215,848
2031	2.64%	1,355,000	245,092	1,600,092
2032	2.74%	1,406,000	192,657	1,598,657
2033	2.85%	1,464,000	137,297	1,601,297
2034	2.96%	1,522,000	76,058	1,598,058
2035	1.97%	1,013,000	24,352	1,037,352
		<u>\$ 51,388,658</u>	<u>\$ 16,575,031</u>	<u>\$ 67,963,689</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

M-4

**SCHEDULE OF DEBT SERVICE REQUIREMENTS  
TO MATURITY - BUSINESS-TYPE ACTIVITIES**

Fiscal Year Ended June 30,	Percentage to Maturity	Principal	Interest	Total Debt Service
2016	4.78%	\$ 4,706,266	\$ 3,749,822	\$ 8,456,088
2017	4.92%	4,839,562	3,612,694	8,452,256
2018	5.06%	4,982,374	3,466,419	8,448,793
2019	5.22%	5,133,088	3,310,735	8,443,823
2020	5.34%	5,251,000	3,146,264	8,397,264
2021	5.51%	5,421,000	2,972,629	8,393,629
2022	5.69%	5,602,000	2,788,727	8,390,727
2023	5.87%	5,774,000	2,594,739	8,368,739
2024	6.08%	5,978,000	2,390,365	8,368,365
2025	6.29%	6,190,000	2,174,746	8,364,746
2026	5.23%	5,147,000	1,955,902	7,102,902
2027	5.45%	5,362,000	1,734,340	7,096,340
2028	5.69%	5,598,000	1,501,382	7,099,382
2029	3.65%	3,588,000	1,299,537	4,887,537
2030	3.82%	3,761,000	1,130,098	4,891,098
2031	4.00%	3,940,000	951,931	4,891,931
2032	3.76%	3,702,000	771,372	4,473,372
2033	3.40%	3,347,000	599,023	3,946,023
2034	3.44%	3,387,000	431,427	3,818,427
2035	3.61%	3,552,000	257,833	3,809,833
2036	3.19%	3,138,052	84,486	3,222,538
		<u>\$ 98,399,342</u>	<u>\$ 40,924,471</u>	<u>\$ 139,323,813</u>

**CITY OF PAWTUCKET, RHODE ISLAND**

**M-5**

**COMPUTATION OF LEGAL DEBT MARGIN**

**0-Jan-00**

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Gross assessed value	\$ 3,587,245,662
Less: exempt property	<u>(138,516,896)</u>
<b>Total Taxable Assessed Value</b>	<b><u>\$ 3,448,728,766</u></b>
Debt Limit - 3 percent of total assessed value	\$ 103,461,863
Amount of debt applicable to debt limit:	
Total bonded debt	<u>(3,500,000)</u>
<b>Legal Debt Margin</b>	<b><u>\$ 99,961,863</u></b>