TOWN OF RICHMOND, RHODE ISLAND

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ending
June 30, 2017

Prepared by: Finance Department
RICHMOND, RHODE ISLAND

TOWN OF RICHMOND, RHODE ISLAND

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ending June 30, 2017

Prepared by: Finance Department
David Krugman, Finance Director

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Town of Richmond, Rhode Island

FINANCE OFFICE
Richmond Town Hall
5 Richmond Townhouse Rd
Wyoming, RI 02898
401-539-9000 EXT. 8
treasurer@richmondri.com

April 18, 2018

To: Citizens of Richmond, Rhode Island
Richmond Town Council
Richmond Town Administrator

The Comprehensive Annual Financial Report of the Town of Richmond, Rhode Island for the fiscal year ended June 30, 2017, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the information as presented, is accurate in all material respects and is presented in a manner designed to fairly present the financial position and results of operations and cash flows of the Town of Richmond; and that all disclosures necessary to enable the readers to gain an adequate understanding of the Town's financial affairs have been included. The reader should see the following Management's Discussion & Analysis section of this report in order to gain a broader understanding of the Town and its activities.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The introductory section includes this transmittal letter, the Town's organizational chart, a list of principal officials and a reproduction of our 2016 GFOA Certificate of Achievement for Excellence in Financial Reporting. The Financial Section includes the Independent Auditors' Report, the Management Discussion and Analysis, the basic financial statements, required supplementary information, and other supplementary information. The Statistical Section includes selected financial and demographic information generally presented on a multi-year basis.

THE TOWN OF RICHMOND

In May 2007 Richmond voters approved a referendum to create a Home Rule Charter Commission. The Charter Commission subsequently created a Richmond Home Rule Charter, and the Town Council unanimously approved its placement on the November 2008 ballot. Richmond voters approved the Charter by a 70%-30% margin. The Rhode Island General Assembly gave their approval on May 20, 2009, and the Charter took effect on May 28, 2009.

The Charter retains many features of the prior government: the 5-member town council headed by a Council President; an elected Town Clerk; and a Finance Board and an annual Financial Town Meeting. The major changes included the creation of a Town Administrator who reports directly to the Town Council. The Town Council appoints the Town Administrator for an indefinite term. The Town Administrator is head of the administrative branch of the Town government and is responsible to the Town Council for the proper administration of all offices of the Town.

The Town of Richmond's municipal government provides a full range of services including education through the Chariho Regional School District, police, planning, zoning, construction and maintenance of highways, streets, and infrastructure, social services, parks and recreational activities and cultural activities. Approximately 56 full-time municipal employees provide services to a community of 40.8 square miles and 7,708 residents.

The Town of Richmond was originally part of the territory of Westerly, Rhode Island (1669 to 1747), which remained in dispute for several years between the British colonies of Rhode Island, Connecticut, and Massachusetts.

In 1665 Charles II, the King of England, dissolved the different charters of the three colonies in dispute, assumed governance, and renamed the area King's County. In May 1669, the General Assembly of Rhode Island and Providence Plantations organized King's County into the town of Westerly. After this the Town of Westerly organized itself into four separate areas: Westerly, Charlestown, Richmond, and Hopkinton.

Richmond was incorporated as a separate and distinct town in 1747. It is bounded on the north by the Town of Exeter, on the west by the Wood River, on the east by the towns of Exeter and South Kingstown, and on the south by the Pawcatuck River. Richmond is some 35 miles southwest of the state's capital, Providence, Rhode Island. Richmond is mostly forested. It is the site of the Washington County Fair. According to the United States Census Bureau, the town has a total area of 40.8 square miles, of which 40.6 square miles is land and 0.2 square miles is water.

Richmond is a rural area. In fact, a large portion of the town (about 60 percent) is undeveloped woodland. Points of interest in Richmond include Arcadia, a quaint village popular for Arcadia State Park, the state-operated Fish Cultural Station in Arcadia where the primary focus has been to introduce such species as Northern Pike and Atlantic Shad to New England waters, and Shannock Falls.

The Town is easily accessible by car via U.S. Route 95 and R.I. Route 138. T.F. Greene Airport in Warwick, Rhode Island, is 20 miles away and the Westerly Airport is within 10 miles of the Town's borders. Railroad passenger service is provided by AMTRAK through its station in Kingston, Rhode Island.

ECONOMIC CONDITIONS

General

The Town of Richmond, comprising 40 square miles of land, is primarily a rural/residential community. The Town is characterized by above average wealth indicators, a stable labor force and a growing retail base.

Population

The table below shows the Town's population and the change in its population relative to the State from 1950 to 2010.

Year	Town	% Change Increase (Decrease)	State	% Change Increase (Decrease)
2010	7,708	6.73%	1,052,567	0.41%
2000	7,222	34.97%	1,048,319	4.47%
1990	5,351	33.18%	1,003,464	5.95%
1980	4,018	53.07%	947,154	(0.27)%
1970	2,625	32.18%	949,723	10.50%
1960	1,986	12.08%	859,488	8.54%
1950	1,772	8.78%	791,896	11.01%

Source: U.S. Bureau of the Census.

Median Family Income

The following table sets forth median family income for the Town relative to the State and the nation for the years noted.

	1980		1990		2000		2010	
	Amount	**% of U.S.**	**Amount**	**% of U.S.**	**Amount**	**% of U.S.**	**Amount**	**% of U.S.**
Richmond.................	20,157	101.21%	42,418	120.42%	64,688	129.26%	79,762	159.38%
State of Rhode Island	19,448	97.65%	39,172	111.21%	70,663	141.20%	51,914	103.73%
United States............	19,917	---	35,225	---	50,046	---	50,046	---

Source: U.S. Bureau of the Census.

Unemployment

Recent labor market information indicates that annualized unemployment rates for the past seven years are as shown in the following table:

Average Annual Unemployment Rates
2009 - Present

Year	2015	2014	2013	2012	2011	2010	2009
	Rate	Rate	Rate	Rate	Rate	Rate	Rate
United States	5.3	6.2	7.4	8.1	8.9	9.6	9.3
Rhode Island	6	7.7	9.3	10.4	11	11.2	11

The monthly labor force statistics are as shown in the following tables:

Richmond Labor Force Statistics

Month	Year	Labor Force	Employed	Unemployed	Unemployment Rate
October	2016	4,381	4,243	138	3.1
September	2016	4,279	4,136	143	3.3
August	2016	4,387	4,227	160	3.6
July	2016	4,392	4,239	153	3.5
June	2016	4,300	4,173	127	3.0
May	2016	4,226	4,090	136	3.2
April	2016	4,158	4,036	122	2.9
March	2016	4,169	4,001	168	4.0
February	2016	4,194	4,014	180	4.3
January	2016	4,259	4,088	171	4.0
Annual Average	2015	4,291	4,138	153	3.6

Rhode Island Labor Force Statistics

Month	Year	Labor Force	Employed	Unemployed	Unemployment Rate
October	2016	553,837	527,302	26,535	4.8
September	2016	554,828	526,436	28,392	5.1
August	2016	563,749	531,102	32,647	5.8
July	2016	564,762	533,075	31,687	5.6
June	2016	558,171	529,529	28,642	5.1
May	2016	548,300	519,400	28,900	5.3
April	2016	547,158	520,524	26,634	4.9
March	2016	548,991	516,117	32,874	6.0
February	2016	547,792	513,496	34,296	6.3
January	2016	549,035	514,308	34,727	6.3
Annual Average	2015	554,558	521,434	33,124	6.0

*Not Seasonally Adjusted.
Source: Rhode Island Department of Labor and Training.

Type of Employment

Rhode Island Department of Labor Training
Quarterly Census of U.I. Covered Employment
2015 Annual

The following table sets forth the annual employment of private industry groups in the Town covered by employment security insurance.

	Number of Units	Average Employment	Total Wages
Total Private & Government	**155**	**2,094**	**$83,871,070**
Total Private Only	**148**	**1,411**	**43,528,392**
Agriculture, Forestry, Fishing & Hunting	8	51	2,338,080
Mining	1	*	*
Utilities	-	-	-
Construction	24	99	4,934,390
Manufacturing	4	*	*
Wholesale Trade	4	*	*
Retail Trade	21	297	8,097,902
Transportation & Warehousing	3	*	*
Information	2	*	*
Finance & Insurance	5	51	1,866,766
Real Estate & Rental & Leasing	-	-	-
Professional & Technical Services	11	75	4,103,744
Management of Companies & Enterprises	-	-	-

Administrative Support & Waste Mgmt.	14	65	2,216,656
Educational Services	1	*	*
Health Care & Social Assistance	13	78	2,909,733
Arts, Entertainment, & Recreation	7	121	1,666,486
Accommodation & Food Services	21	276	4,498,125
Other services, (except Public Administration)	14	31	597,940
Unclassified Establishments	-	-	-
Government	8	683	$ 40,342,678

*Some data are not shown due to the possibility of identifying data of a specific employer.
Source: Rhode Island Department of Labor and Training. Data compiled June 2016, subject to revision.

Major Employers

Kenyon Industries (finishing plants, manmade) employs 330 employees, located on the Charlestown/Richmond border, is the largest employer in Richmond (RIEDC 2011), followed by grocery retailer The Stop and Shop Supermarket Company LLC which employs 225 employees and School bus transportation company First Student which employs 120 employees.

A majority of the businesses in Richmond are small and employ fewer than 50 people. According to RIEDC, the number of private businesses in Richmond over the past five years has fluctuated between 138 and 148, with most jobs in the Construction, Retail, and Other Services (excluding Public Administration) industries. Business growth occurred primarily in Professional and Technical Services as well as Other Services (excluding Public Administration). Statewide, RIDLT anticipates trends of future employment to be in Health Care and Social Assistance; Professional, Scientific, and Technical Services; Educational Services; Retail Trade; and Accommodation and Food Services sectors.

Source: Rhode Island Economic Development Corporation as of August 29, 2011 and Richmond Comprehensive Community Plan, adopted March 19, 2013, amended August 12, 2014 by the Richmond Town Council

Housing

According to the 2010 U.S. Census, there were a total of 2,952 housing units compared to 2,620 in 2000. This represented an increase of 332 units or 13%. The median selling price of existing single family homes in the town for the first quarter of 2014 was $243,750.

Building Permits

Below is a schedule of residential building permits issued by the Town's Building Inspector for the years ending 2008 through 2017.

Fiscal Year	Number	Value
2017	49	8,617,938
2016	40	6,352,965
2015	18	3,542,416
2014	15	2,802,348
2013	14	2,495,050
2012	6	1,241,325
2011	8	1,619,877
2010	8	1,352,830
2009	10	1,452,784
2008	23	4,106,292

Source: Town Officials.

INTERNAL CONTROLS

In developing and evaluating the Town's accounting control system, consideration is given to the adequacy of internal accounting controls. Accounting control comprises the plan of organization, procedures and records that are concerned with the safeguarding of assets and the reliability of financial records and consequently is designed to provide reasonable assurance that:

Transactions are executed in accordance with management's general or specific authorization.

Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria, such as finance – related legal and contractual compliance requirements applicable to such statements, and (2) to maintain accountability of assets.

Access to assets is permitted only in accordance with management's authorization.

The recorded accountability of assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

The definition of accounting control presumes reasonable, but not absolute, assurance that the objectives expressed in it will be accomplished by the system. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits to be derived. The benefits consist of reductions in the risk of failing to achieve the objectives implicit in the definition of accounting control.

All internal control evaluations occur within the above framework. We believe that the Town's internal accounting control adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

INDEPENDENT AUDIT

In accordance with the Town's Charter an audit of the accounts and financial statements has been completed by the Town's independent Certified Public Accountants, Bacon & Company, LLC and their opinion is included herein.

REPORTING ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Richmond for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. This was the third year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and effectively organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

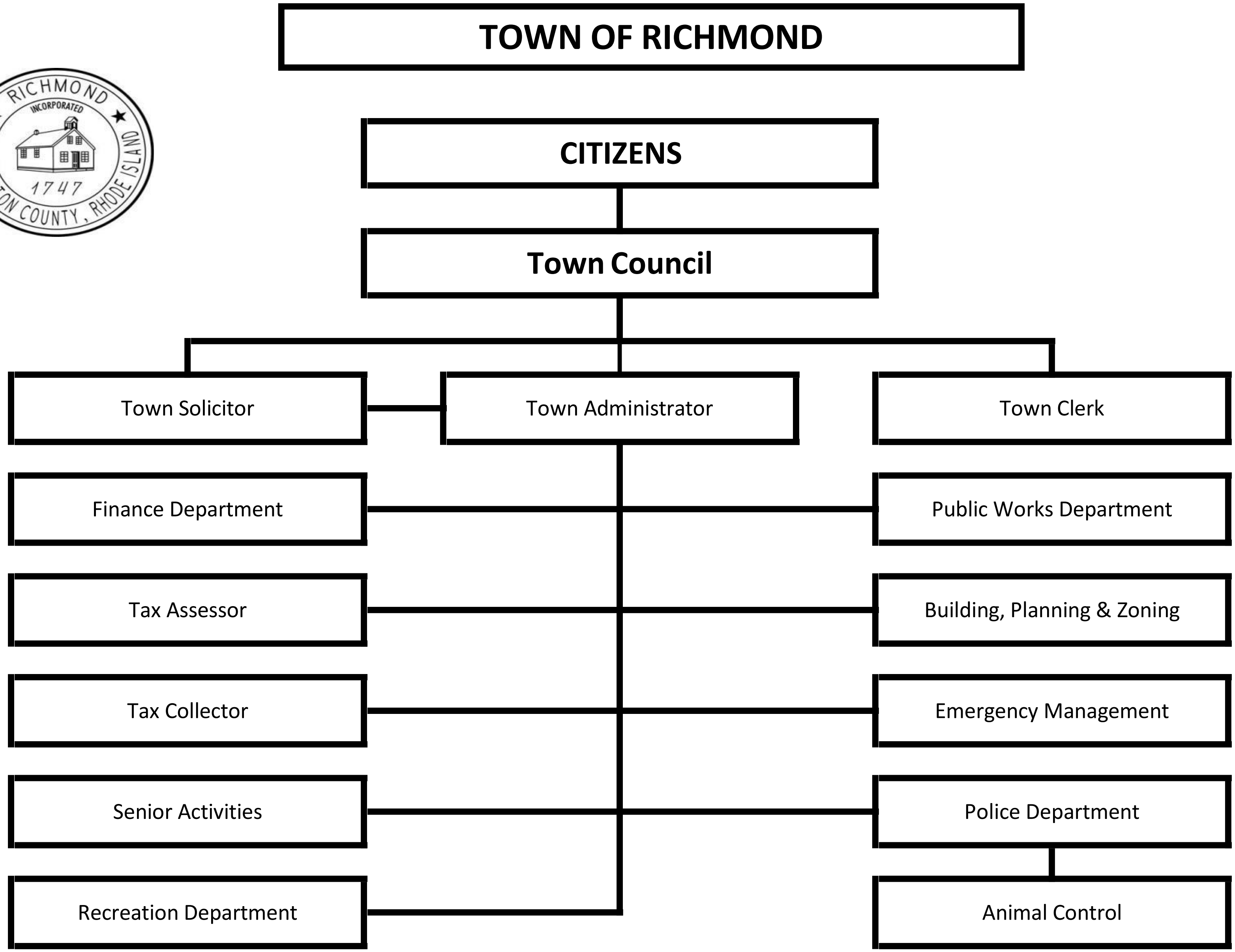
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the dedication and hard work of the Assistant Finance Director Jennifer Christensen. I also express my appreciation to other personnel from various departments who assisted in its preparation. I also appreciate the assistance and dedication of the audit team from Bacon & Company LLC. Finally I would like to thank the Town Administrator and the members of the Town Council for their professionalism and dedication to the Town of Richmond and for their support in planning and conducting the financial operation of the Town.

Respectfully Submitted,

Dave Krugman
Finance Director


TOWN OF RICHMOND
CITIZENS
Town Council
Town Solicitor
Town Administrator
Town Clerk
Finance Department
Tax Assessor
Tax Collector
Senior Activities
Recreation Department
Public Works Department
Building, Planning & Zoning
Emergency Management
Police Department
Animal Control

TOWN OF RICHMOND, RHODE ISLAND

LIST OF TOWN OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TOWN COUNCIL

Paul H. Michaud, Town Council President
Mark Trimmer, Town Council Vice President
Rich Nassaney
Gary Wright
Ronald Newman

TOWN ADMINISTRATOR

Karen Pinch

TOWN CLERK

Sarah Rapose

FINANCE DIRECTOR

David Krugman

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Richmond

Rhode Island

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2016

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

THIS SECTION CONTAINS THE FOLLOWING:

Independent Auditor's Report

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Bacon & Company LLC
CERTIFIED PUBLIC ACCOUNTANTS
875 Centerville Road, Building 3, Unit 10 • Warwick, RI 02886
(401) 586-6565 • Fax (401) 826-1710

Independent Auditor's Report

To the Honorable President and
Members of the Town Council
Town of Richmond, Rhode Island

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Richmond, Rhode Island, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Richmond, Rhode Island's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Richmond, Rhode Island, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and supplementary pension information on pages 4 through 12 and pages 56 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Richmond, Rhode Island's basic financial statements. The combining General Fund financial statements, the combining nonmajor fund financial statements, the combining fiduciary fund financial statements, the Annual Supplemental Transparency Report (MTP2), other supplementary information, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining General Fund financial statements, the combining nonmajor fund financial statements, the combining fiduciary fund financial statements, the Annual Supplemental Transparency Report (MTP2), and other supplementary information, 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 General Fund financial statements, the combining nonmajor fund financial statements, the combining fiduciary fund financial statements, the Annual Supplemental Transparency Report (MTP2), and other supplementary information, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2018 on our consideration of the Town of Richmond, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Richmond, Rhode Island's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Richmond, Rhode Island's internal control over financial reporting and compliance.

Bacon & Company, LLC

Warwick, Rhode Island
April 18, 2018

The Town of Richmond's Management Discussion and Analysis (MDA) is designed to assist the reader in focusing on significant issues in the audit report. The financial statements appear in two categories, Government - Wide Financial Statements and Fund Financial Statements. This format focuses on the Town's Finances as a whole including other business activities as well as its government-wide funds. Our discussion and analysis of the Town of Richmond, Rhode Island's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2017.

Financial Highlights

- At the end of the current fiscal year, the general fund unassigned fund balance was $3,611,822, or 14.76% of the total general fund budgeted expenditures and transfers out for the fiscal year. An unassigned fund balance is available for use or may be specifically set aside for some future action. It is essential for maintaining the Town's cash flow for the first two months of the fiscal year, without issuing tax anticipation notes, because new taxes are not received until September, and approximately 19% of the Town's budget is expended to the Chariho Regional School District by September 1st. The Town's unassigned fund balance can be deemed adequate based on the size of the Town budget, as a healthy fund balance is usually around 10% of General Fund budgeted expenditures, although the Town's policy is to have 15%. Additionally, the nonspendable and committed fund balances amounted to $ 6,384 and $ 1,006,017 respectively, which is comprised of non-spendable amounts for prepaid expenditures and amounts committed to be spent on specific purposes in future years.

- The Town's Government-wide (Governmental and Business-Type Activities) operating expenses were $25,054,927, a 3.8% increase from the prior year, while revenues were $24,691,667, a 0.84% decrease.

- The current fiscal year General Fund revenues and transfers exceeded expenditures and transfers by $58,732.

- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of $6,549,996. Included in this amount is the general fund unassigned balance of $3,611,822, restricted fund balances of $1,138,075, committed fund balance of $1,799,581, non-spendable fund balances of $6,384 and an unassigned deficit of $(5,866) in the other governmental funds.

- The Town's net position decreased $363,260 or 1.8% as a result of this year's operations. The general revenues and other changes in net position are totaled and added to the net (expense) revenue totals to produce the total change in net position. On a Government-wide basis the assets and deferred outflows of resources of the Town of Richmond exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $19,903,684. Net position of Business-Type Activities decreased by $111,442, or 4.18%, while net position of Governmental Activities decreased by $251,818 or 1.43%.

Overview of the Financial Statements

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

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

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

Government-wide financial statements - are designed to provide readers with a broad overview of the Town's finances in a manner, which is similar to a private-sector business. They are presented on the accrual 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 Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-Type Activities).

The Town's Governmental Activities include general government and administration, public safety, public works, development services, cultural and recreational services. The Town's Business-Type Activities include the Water Fund.

The government-wide financial statements are reported on pages 13 through 14.

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

Governmental Funds **-** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on 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 Town maintains governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and Capital Bond Fund which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds - The Town's proprietary funds are used to report the same functions presented as Business-Type Activities in the government-wide financial statements. The Town has one enterprise fund. The Water Fund is considered to be a major fund for financial statement purposes. The basic proprietary fund financial statements are presented on pages 19 through 22.

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

The fiduciary fund financial statements can be found on pages 23 and 24.

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 25 through 55.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary pension information is presented on pages 56-58. A detail budgetary comparison can be found on pages 59 through 69.

The combining statements referred to earlier in connection with non-major governmental funds are presented on pages 75 through 82.

Government-wide Financial Analysis

Analysis of the Town of Richmond's Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. The Town of Richmond, Governmental Activities assets and deferred outflows of resources exceeded liabilities and deferred inflow of resources by $17,349,874 as of June 30, 2017. This is a decrease of $251,818 from the previous year.

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

Net Position

	June 30,2017			June 30,2016		
	Govern-mental Activities	Business-Type Activities	Total	Govern-mental Activities	Business-Type Activities	Total
Current Assets	$7,641,515	$663,375	$8,304,890	$8,493,510	$725,565	$9,219,075
Capital Assets Net	$14,186,976	$4,042,525	$18,229,501	$14,169,691	$4,027,140	$18,196,831
Total Assets	$21,828,491	$4,705,900	$26,534,391	$22,663,201	$4,752,705	$27,415,906
Deferred Outflows of resources	$423,643		$423,643	$201,397		$201,397
Current liabilities	$1,195,502	$152,813	$1,348,315	$1,116,582	$56,991	$1,173,573
Non-Current Liabilities	$3,394,083	$1,999,277	$5,393,360	$3,950,591	$2,030,462	$5,981,053
Total Liabilities	$4,589,585	$2,152,090	$6,741,675	$5,067,173	$2,087,453	$7,154,626
Deferred Inflows of resources	$312,675		$312,675	$195,733		$195,733
Net investment in capital assets	$12,059,872	$2,012,063	$14,071,935	$12,183,492	$1,966,392	$14,149,884
Restricted	$175,776		$175,776	$168,195		$168,195
Unrestricted	$5,114,226	$541,747	$5,655,973	$5,250,005	$698,860	$5,948,865
Total Net Position	$17,349,874	$2,553,810	$19,903,684	$17,601,692	$2,665,252	$20,266,944

A portion of the Town's net position, $12,059,872 consists of its investment in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

As of June 30, 2017 the Town of Richmond reports positive balances in all categories of net position for the government as a whole.

Analysis of the Town of Richmond's Operations

The analysis on the following page provides a summary of the Town's operations for the year ended June 30, 2017. Governmental activities decreased the Town's net position by $251,818 for the current period, accounting for a 1.43% decrease in the Town's governmental net position, while business-type activities decreased the Town's net position by $111,442, accounting for 4.18% decrease in the business-type growth in net position. Overall the Town's net position decrease was $363,260 which is a 1.79% decrease over the prior year.

In the Statement of Activities, expenditures for capital items are not recorded as expenses but instead are shown in the balance sheet, which would result in an increase of $1,077,892 for the Statement of Activities, while depreciation expense results in a decrease of $1,060,607, respectively; also the increase of deferred inflow of resources from uncollected property taxes is not recorded as a increase of revenue in the fund financial statements, but is shown in the balance sheet, but would result in an increase of $40,024 for the statement of activities. Bond principal payments of $460,000 were recognized as an increase in net position and a reduction in long-term debt in the Statement of Net Position.

The overall effect was a decrease in the Town's Governmental activities net position by $251,818. For a more detailed explanation of the reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities please see page 18 of this report.

In the fund financial statements, the Town ended the year with a net increase in the General Fund fund balance of $58,732 as shown in the Statement of Revenues, Expenditures and Changes in Fund Balance on page 17. This increased the cumulative General Fund balance surplus to $4,624,223, which is 18.90% of the 2016-2017 General Fund revised budgeted expenditures and transfers. Total changes in fund balances for the Town were $(794,695) decreasing the cumulative Governmental Fund surplus to $6,549,996.

Changes in Net Position

	June 30,2017			June 30,2016		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues						
Program Revenues						
Charges for services	$ 902,174	$ 122,631	$ 1,024,805	$ 816,228	$ 117,112	$ 933,340
Operating grants	5,302,454		5,302,454	5,508,948		5,508,948
Capital grants		50,702	50,702	177,303	466,186	643,489
General Revenues						
Property taxes	17,975,939		17,975,939	17,439,301		17,439,301
Investment earnings	26,938		26,938	24,938	1,518	26,456
State aid	310,829		310,829	349,599		349,599
Miscellaneous revenue				924		924
Total revenues	$ 24,518,334	$ 173,333	$ 24,691,667	$ 24,317,241	$ 584,816	$ 24,902,057
Expenses						
General government	$ 1,598,501		$ 1,598,501	$ 1,446,108		$ 1,446,108
Public safety	2,113,299		2,113,299	2,017,079		2,017,079
Public works	1,831,733		1,831,733	1,486,652		1,486,652
Recreation and culture	51,277		51,277	56,564		56,564
Education	18,551,086		18,551,086	18,201,477		18,201,477
Transfer station and recycling	162,538		162,538	158,807		158,807
Community services	381,304		381,304	481,724		481,724
Other	9,308		9,308	4,864		4,864
Interest	71,106		71,106	85,234		85,234
Water operations		284,775	284,775		206,183	206,183
Total expenses	$ 24,770,152	$ 284,775	$ 25,054,927	$ 23,938,509	$ 206,183	$ 24,144,692
Excess (deficiency) before transfers	(251,818)	(111,442)	(363,260)	378,732	378,633	757,365
Transfers				10,600	(10,600)	
Change in net position	(251,818)	(111,442)	(363,260)	389,332	368,033	757,365
Net position - beginning	$ 17,601,692	$ 2,665,252	$ 20,266,944	$ 17,212,360	$ 2,297,219	$ 19,509,579
Net position - ending	$ 17,349,874	$ 2,553,810	$ 19,903,684	$ 17,601,692	$ 2,665,252	$ 20,266,944

Financial Analysis of the Town of Richmond's Funds

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

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $6,549,996. Included in this amount is the general fund unassigned balance of $ 3,611,822, non-spendable fund balances of 6,384, restricted fund balance of $1,138,075 for purposes externally imposed by grantors, contributors or laws and regulations, committed fund balance of $1,799,581 for capital and other specific purposes and an unassigned deficit of $(5,866).

Proprietary Funds - The Town of Richmond's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail. Total net position of the proprietary funds is $2,553,810.

General Fund Budgetary Highlights

Revenues:

General Property - collections were under budget by $145,676 due to an aggressive stance taken by the Town of the budgeted collection of prior year property tax revenue, which was not realized.

Permits & Fees were over budget by $70,257 due to a better economy resulting in an increase in construction.

User Fees were over budget by $22,661 due to Recording Fees and Transfer Station Fees exceeding the anticipated levels.

Expenditures:

General Government - expenditures were under budget by $77,024 as a result of IT expenditures, legal expenditures and health costs being decreased. Additionally non-expenditure of the Town Contingency budgeted expenditures.

Public Works - expenditures were under budget by $42,725 due to minimal equipment breakdowns and personnel changes.

Public Safety – expenditures were over budget by $93,166 due to changes in accounting for third party police details which are offset by additional revenues.

The Town of Richmond's Capital Assets

The Town of Richmond's net investment in capital assets for its governmental and business-type activities amounts to $ $18,229,501 net of accumulated depreciation at June 30, 2017. Included are land, land improvements, building and improvements, construction in progress, motor vehicles, furniture and equipment and infrastructure.

Additional information on the Town of Richmond's capital assets is located in Note 6 of the Notes to the Financial Statements on page 36.

Town of Richmond

Capital Assets (Net of Accumulated Depreciation)

	June 30,2017			June 30,2016		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	$3,904,891	$59,254	$3,964,145	$3,712,793	$59,254	$3,772,047
Construction in Progress		$166,167	$166,167	$449,074	$10,480	$459,554
Infrastructure	$7,851,906		$7,851,906	$8,112,427		$8,112,427
Land improvements	$559,491		$559,491	$340,687		$340,687
Buildings and improvements	$814,668	$215,410	$1,030,078	$646,691	$238,052	$884,743
Furniture and equipment	$185,545		$185,545	$155,681		$155,681
Motor vehicles	$870,475		$870,475	$752,338		$752,338
Main extension		$1,371,185	$1,371,185		$1,409,274	$1,409,274
Water Tank		$2,074,206	$2,074,206		$2,145,730	$2,145,730
Equipment and machinery		$156,303	$156,303		$164,350	$164,350
Total	$14,186,976	$4,042,525	$18,229,501	$14,169,691	$4,027,140	$18,196,831

The Town of Richmond's Debt Administration

At the end of the current fiscal year, the Town of Richmond's Governmental Activities had total bonded debt of $2,980,000 and the Business-Type Activities USDA loans amounted to $2,030,462. Of the Governmental Activity debt amount, 100% comprises bonded debt backed by the full faith and credit of the government.

The Town's general obligation bond rating as assigned by Moody's Investors Service in 2014 is Aa3. The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Richmond's limit is $ 24,778,969 at year-end. The Town's outstanding general obligation debt is $ 5,010,462 at year-end, which is $ 19,768,507 under the State imposed limitation.

The following is a summary of the Town's long-term debt.

	June 30,2017			June 30,2016		
	Govern-mental Activities	Business-Type Activities	Total	Govern-mental Activities	Business-Type Activities	Total
General Obligation Bonds	$ 2,980,000		$ 2,980,000	$ 3,440,000		$ 3,440,000
Loans Payable		$ 2,030,462	$ 2,030,462		$ 2,060,748	$ 2,060,748
Capital leases	$ 8,000		$ 8,000	$ 35,270		$ 35,270
Totals	$ 2,988,000	$ 2,030,462	$ 5,018,462	$ 3,475,270	$ 2,060,748	$ 5,536,018

Additional information on the Town's long-term debt can be found in Note 7 of the Notes to the Financial Statements on pages 37-39.

Economic Factors and Next Year's Budgets and Rates

The Town of Richmond's total general fund budget for fiscal year 2018 amounts to $24,912,822, which reflects an increase of $449,941 over the fiscal 2017 budget of $24,462,881. Of the Town's 2018 budget, $19,352,871, or 77.68%is budgeted for educational purposes and $5,559,951, or 22.32%is budgeted for all other purposes.

The Town's tax rate for fiscal 2018 is $20.80/1000 of assessed value while in fiscal 2017 the Town's tax rate was $21.57. The Town performed a full revaluation in the year ending December 31, 2010 and a statistical update in 2013 and 2017 which reduced the total assessed value for property in the Town.

Since December 2000, per Rhode Island General Law 44-5-11.6, municipalities in Rhode Island are required to perform full revaluations on all "ratable" property every nine years and statistical revaluations every three years for the years in-between. The last full revaluation was performed as of December 31, 2010, which was the basis of the 2011 tax bills collected in the 2012 fiscal year end. The Town also completed a statistical revaluation that was reflected in the 2017 tax bills collected in the 2018 fiscal year end. The Town's tax rates for 2018 and 2017 with their differences are listed below. The tax on Motor Vehicles has been frozen at $22.64. The tax on Inventory has been phased out. Rates are per $1,000.

Tax Rates

	2018	2017	Increase (Decrease)
Real Property	$ 20.80	$ 21.57	$ (0.77)
Motor Vehicles	$ 22.64	$ 22.64	$ -
Tangibles	$ 20.80	$ 21.57	$ (0.77)

Request for Information

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Treasurer's Office, Town of Richmond, 5 Richmond Townhouse Road, Richmond RI 02898.

Dave Krugman
Finance Director

BASIC FINANCIAL STATEMENTS

THE BASIC FINANCIAL STATEMENTS INCLUDE:

Government-Wide Financial Statements

Fund Financial Statements:
- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND
Statement of Net Position
June 30, 2017

	Governmental Activities	*Business-Type Activities*	*Total*
Assets			
Current assets:			
Cash and cash equivalents	$ 7,176,127	$ -	$ 7,176,127
Property taxes, net of allowance for uncollectible accounts	806,721	-	806,721
Accounts receivable - net	57,918	73,978	131,896
Due from federal and state government	183,762	-	183,762
Internal balances	(589,397)	589,397	-
Prepaid expenses	6,384	-	6,384
Total current assets	7,641,515	663,375	8,304,890
Noncurrent assets:			
Capital assets: (Note 6)			
Land and land rights	3,904,891	59,254	3,964,145
Construction in progress	-	166,167	166,167
Depreciable buildings, equipment and infrastructure, net	10,282,085	3,817,104	14,099,189
Total noncurrent assets	14,186,976	4,042,525	18,229,501
Total assets	21,828,491	4,705,900	26,534,391
Deferred Outflows of Resources			
Deferred pension amounts	423,643	-	423,643
Total deferred outflows of resources	423,643	-	423,643
Liabilities			
Current liabilities:			
Accounts payable and accrued expenses	567,747	96,390	664,137
Accrued interest payable	31,524	25,238	56,762
Compensated absences payable	119,861	-	119,861
Long-term debt -due within one year (Note 7)	476,370	31,185	507,555
Total current liabilities	1,195,502	152,813	1,348,315
Noncurrent liabilities:			
Compensated absences payable	51,370	-	51,370
Long-term debt - due in more than one year (Note 7)	2,613,033	1,999,277	4,612,310
Net pension liabilities	729,680	-	729,680
Total noncurrent liabilities	3,394,083	1,999,277	5,393,360
Total liabilities	4,589,585	2,152,090	6,741,675
Deferred Inflows of Resources			
Deferred pension amounts	312,675	-	312,675
Total deferred inflows of resources	312,675	-	312,675
Net position			
Net investment in capital assets	12,059,872	2,012,063	14,071,935
Restricted for:			
Historical records preservation	15,368	-	15,368
Land trust	20,615	-	20,615
Senior activities	29,716	-	29,716
Public safety programs	7,285	-	7,285
Community service programs	1,192	-	1,192
Dog park	4,760	-	4,760
Capital	96,840	-	96,840
Unrestricted	5,114,226	541,747	5,655,973
Total net position	$ 17,349,874	$ 2,553,810	$ 19,903,684

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND
Statement of Activities
For the Fiscal Year Ended June 30, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	***Expenses***	***Charges for Services***	***Operating Grants and Contributions***	***Capital Grants and Contributions***	***Governmental Activities***	***Business-Type Activities***	***Total***
Governmental Activities:							
General government	$ 1,598,501	$ 441,445	$ 34,834	$ -	$ (1,122,222)	$ -	$ (1,122,222)
Public safety	2,113,299	263,069	57,292	-	(1,792,938)	-	(1,792,938)
Public works	1,831,733	-	18,746	-	(1,812,987)	-	(1,812,987)
Recreation and culture	51,277	11,025	-	-	(40,252)	-	(40,252)
Education	18,551,086	-	4,974,327	-	(13,576,759)	-	(13,576,759)
Transfer station and recycling	162,538	169,187	-	-	6,649	-	6,649
Community services	381,304	17,448	217,255	-	(146,601)	-	(146,601)
Canvassing authority	9,308	-	-	-	(9,308)	-	(9,308)
Interest and other charges	71,106	-	-	-	(71,106)	-	(71,106)
Total governmental activities	24,770,152	902,174	5,302,454	-	(18,565,524)	-	(18,565,524)
Business-Type Activities:							
Water fund	284,775	122,631	-	50,702	-	(111,442)	(111,442)
Total business-type activities	284,775	122,631	-	50,702	-	(111,442)	(111,442)
Total	$ 25,054,927	$ 1,024,805	$ 5,302,454	$ 50,702	(18,565,524)	(111,442)	(18,676,966)
General Revenues:							
Property taxes					17,975,939	-	17,975,939
State aid and in lieu of taxes, not restricted for a specific purpose					310,829	-	310,829
Investment earnings					26,938	-	26,938
Total general revenues					18,313,706	-	18,313,706
Change in net position					(251,818)	(111,442)	(363,260)
Net position - beginning of year restated					17,601,692	2,665,252	20,266,944
Net position - end of year					$ 17,349,874	$ 2,553,810	$ 19,903,684

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Capital Bond Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 7,176,127	$ -	$ -	$ 7,176,127
Property taxes, net of allowance for doubtful accounts of $208,000	806,721	-	-	806,721
Accounts receivable	57,904	-	-	57,904
Due from federal and state government	139,498	-	44,264	183,762
Due from other funds	36,745	1,226,818	755,120	2,018,683
Prepaid expenditures	6,384	-	-	6,384
Total assets	$ 8,223,379	$ 1,226,818	$ 799,384	$ 10,249,581
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable and accrued expenditures	$ 183,357	$ 51,491	$ 12,207	$ 247,055
Due to other funds	2,892,027	-	36,731	2,928,758
Total liabilities	3,075,384	51,491	48,938	3,175,813
Deferred Inflows of Resources				
Deferred property taxes	523,772	-	-	523,772
Total deferred inflows of resources	523,772	-	-	523,772
Fund balances				
Nonspendable:				
Prepaid items	6,384	-	-	6,384
Restricted for:				
Capital	-	1,059,139	-	1,059,139
Historical records preservation	-	-	15,368	15,368
Senior activities	-	-	29,716	29,716
Land trust	-	-	20,615	20,615
Public safety programs	-	-	7,285	7,285
Community service programs	-	-	1,192	1,192
Dog park	-	-	4,760	4,760
Committed for:				
Planning and inspections	-	-	22,900	22,900
Public facilities and recreation	-	-	645,801	645,801
Public safety programs	-	-	8,675	8,675
Revaluation	217,084	-	-	217,084
Comprehensive Plan	25,491	-	-	25,491
Capital projects	245,160	116,188	-	361,348
Capital - Alton Water	19,291	-	-	19,291
Capital - Foster Woods recreation	12,794	-	-	12,794
Landscaping projects	675	-	-	675
Landfill	50,000	-	-	50,000
Public works projects	2,671	-	-	2,671
Police programs	4,811	-	-	4,811
Building maintenance	1,000	-	-	1,000
Snow removal	12,740	-	-	12,740
School budget	268,346			268,346
Legal fees	10,000	-	-	10,000
Future state aid funding shortfalls	135,954	-	-	135,954
Unassigned	3,611,822	-	(5,866)	3,605,956
Total fund balances	4,624,223	1,175,327	750,446	6,549,996
Total liabilities, deferred inflows of resources, and fund balances	$ 8,223,379	$ 1,226,818	$ 799,384	$ 10,249,581

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2017

Total Fund Balances - Total Governmental Funds	$ 6,549,996
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. (See note 6 to the financial statements)	14,186,976
Long-term liabilities (including bonds payable, capital lease payable, compensated absences and net pension liabilities) are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet (see note 7 to the financial statements)	(3,990,314)
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in Governmental Funds Balance Sheet.	(31,524)
Delinquent taxes are recognized as revenue in the period for which levied in the Government-Wide financial statements, but are reported as deferred inflows of resources in Governmental Funds financial statements.	523,772
Deferred pension amounts are not reported in the Governmental Funds financial statements, but are reported in the Government-Wide financial statements as follows:	
Deferred outflows of resources	423,643
Deferred inflows of resources	(312,675)
Net Position - Governmental Activities	$ 17,349,874

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2017

	General Fund	Capital Bond Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	$ 18,015,962	$ -	$ -	$ 18,015,962
Intergovernmental revenue	5,381,396	-	226,084	5,607,480
License, permits and fees	582,588	-	104,909	687,497
Interest on investments	26,938	-	-	26,938
Other revenues	214,677	-	5,803	220,480
Total revenues	24,221,561	-	336,796	24,558,357
Expenditures:				
Current:				
General government	1,529,032	-	25,182	1,554,214
Public safety	2,021,039	-	18,702	2,039,741
Public works	834,606	-	-	834,606
Recreation and culture	51,277	-	-	51,277
Education	18,551,086	-	-	18,551,086
Transfer station and recycling	163,542	-	-	163,542
Community services	167,491	-	213,813	381,304
Canvassing authority	9,308	-	-	9,308
Capital outlay	8,574	1,183,585	-	1,192,159
Debt service:				
Principal	495,270	-	-	495,270
Interest and other charges	89,119	-	-	89,119
Total expenditures	23,920,344	1,183,585	257,697	25,361,626
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	301,217	(1,183,585)	79,099	(803,269)
Other financing sources (uses):				
Capital lease	8,574	-	-	8,574
Transfers from other funds	192,641	443,700	-	636,341
Transfers to other funds	(443,700)	-	(192,641)	(636,341)
Total other financing sources (uses)	(242,485)	443,700	(192,641)	8,574
Net change in fund balances	58,732	(739,885)	(113,542)	(794,695)
Fund balances - beginning of year	4,565,491	1,915,212	863,988	7,344,691
Fund balances - end of year	$ 4,624,223	$ 1,175,327	$ 750,446	$ 6,549,996

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in the Fund Balances to Government-Wide Statement of Activities
For the Year Ended June 30, 2017

Net Changes in Fund Balances - Total Governmental Funds	$ (794,695)
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental Funds financial statements report capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
This is the amount of capital asset additions recorded in the current period.	1,077,892
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in Governmental Funds financial statements.	(1,060,607)
Long-term compensated absences are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in Governmental Funds financial statements. This is the amount of the change in long-term compensated absences in the current period.	18,420
Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal is an expenditure in Government Funds, but the payment reduces long-term liabilities in the Government-Wide Statement of Net Position.	
This amount represents bond principal payments during the current period.	460,000
Accrued interest on long-term debt is reported in the Government-Wide Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as an expenditure in Governmental Funds financial statements. The following amount represents the change in accrued interest from prior year.	4,764
Capital lease proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of capital lease principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position.	
This amount represents capital lease proceeds during the current period.	(8,574)
This amount represents capital lease principal payments during the current period.	35,844
Revenues in the Government-Wide Statement of Activities that are not measurable and available in Governmental Funds are not reported as revenue in the Governmental Funds.	(40,024)
Debt issued at a premium provide current financial resources to Governmental Funds, but are deferred and amortized in the Government-Wide financial statements.	
This amount represents premium amortized during the current period.	12,675
Long-term net pension liabilities are reported in the Government-Wide Statement of Activities, but do not require the use of current financial resources or are not available to pay for current period expenditures. Therefore, long-term net pension liabilities are not reported as expenditures in Governmental Funds financial statements.	
This is the amount of the change in long-term net pension liabilities and related deferred pension amounts in the current period.	42,487
Change in Net Position of Governmental Activities	$ (251,818)

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Statement of Net Position

Proprietary Funds

June 30, 2017

	Enterprise Fund Water Fund
Assets	
Current assets:	
Accounts receivable, user fees - net	$ 11,383
Accrued revenue	11,893
Other receivables	50,702
Due from other funds	589,397
Total current assets	663,375
Noncurrent assets:	
Capital assets:	
Land	59,254
Construction in progress	166,167
Depreciable buildings, equipment and infrastructure, net	3,817,104
Total noncurrent assets	4,042,525
Total assets	4,705,900
Liabilities	
Current liabilities	
Accounts payable and accrued expenses	96,390
Accrued interest payable	25,238
Long-term debt -due within one year	31,185
Total current liabilities	152,813
Noncurrent liabilities	
Loans payable	1,999,277
Total noncurrent liabilities	1,999,277
Total liabilities	2,152,090
Net position	
Net investment in capital assets	2,012,063
Unrestricted	541,747
Total net position	$ 2,553,810

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Enterprise Fund Water Fund
Operating revenues	
User fees	$ 122,631
Total operating revenues	122,631
Operating expenses	
Salaries and benefits	15,689
Materials, supplies and operations	68,012
Depreciation	140,302
Total operating expenses	224,003
Operating loss	(101,372)
Nonoperating expenses	
Interest expense	(60,772)
Total nonoperating expenses	(60,772)
Net loss before capital contributions	(162,144)
Capital contributions- Chariho and Hopkinton	50,702
Change in net position	(111,442)
Total net position - beginning of year	2,665,252
Total net position - end of year	$ 2,553,810

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Statement of Cash Flows

Proprietary Funds

For the Fiscal Year Ended June 30, 2017

	Enterprise Fund Water Fund
Cash flows from operating activities	
Cash received from customers for user fees	$ 124,323
Cash paid to suppliers for goods and services	(63,840)
Cash payments to employees for salaries and benefits	(15,689)
Net cash provided by operating activities	44,794
Cash flows from non-capital financing activities	
Interfund transactions	(61,938)
Net cash used for non-capital financing activities	(61,938)
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(66,191)
Capital grants	174,766
Principal payments on loan	(30,286)
Interest payments on loan	(61,145)
Net cash provided by capital and related financing activities	17,144
Net increase in cash and cash equivalents	-
Cash and cash equivalents - beginning of year	-
Cash and cash equivalents - end of year	$ -

(Continued)

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Enterprise Fund Water Fund
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	$ (101,372)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	140,302
Changes in assets and liabilities:	
Decrease in accounts receivable and accrued revenue, user fees	64
Decrease in accounts payable and accrued expenses	5,800
Net cash provided by operating activities	$ 44,794

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	Private-Purpose Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	$ 6,787	$ -
Investments	122,416	-
Due from other funds	129,153	191,539
Total assets	258,356	191,539
Liabilities		
Due to other funds	14	-
Deposits held in custody for others	-	191,539
Total liabilities	14	191,539
Net Position		
Restricted for other purposes	$ 258,342	$ -

The accompanying notes are an integral part of the basic financial statements.

TOWN OF RICHMOND, RHODE ISLAND

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2017

	Private-Purpose Trust Funds
Additions	
Gifts and contributions	$ 3,985
Investment earnings:	
Net increase (decrease) in fair value of investments	5,537
Interest and dividends	3,691
Net investment earnings	9,228
Total additions	13,213
Deductions	
Miscellaneous	10,147
Total deductions	10,147
Change in net position	3,066
Net position - beginning of year	255,276
Net position - end of year	$ 258,342

The accompanying notes are an integral part of the basic financial statements.

The financial statements of the Town of Richmond, Rhode Island, have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Town's financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The Town of Richmond, originally part of the Town of Charlestown, was incorporated August 18, 1747. Located in Washington County, Richmond is approximately twenty-eight miles southwest of Providence, Rhode Island. Bounded on the north by the Town of Exeter, on the east by the Towns of Exeter and South Kingstown, on the south by the Town of Charlestown and on the west by the Town of Hopkinton, the Town encompasses an area of 40.6 square miles, including 0.2 square miles of inland water. The Town operates under a Home Rule Charter adopted by the citizens in 2008 with an elected Town Council and appointed Town Administrator form of government. All powers of the Town, except those vested in the Financial Town Meeting are vested in a five member council headed by the Council President. The Town Council is responsible for establishing policies, enacting ordinances, and appointing a Town Administrator. The Town Administrator supervises the operation of the municipal government under the authority and direction of the Town Council. The Finance Board of the Town is comprised of 5 residents of the Town who are appointed by the Town Council. All proposed budget requests from town department heads, board chairperson's and community service representatives for the Town's ensuing fiscal year are to be submitted to the Finance Board by December 31 of the prior calendar year. The annual Financial Town Meeting is held on or before June 15th each year to adopt the budget.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units", GASB Statement No. 61 "Financial Reporting Entity-Omnibus" and GASB Statement No. 80 "Blending Requirements for Certain Component Units". A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or based on the nature and significance of the organization's relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The Town of Richmond does not have any component units.

B. BASIS OF PRESENTATION AND ACCOUNTING

Government-Wide Financial Statements

The Town's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements report information about the reporting entity as a whole. Fiduciary activities of the Town are not included in these statements. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through property taxes, intergovernmental revenue, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services rendered.

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

These statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total column. In the Statement of Activities, those transactions between governmental and business-type activities have not been eliminated.

Fund Financial Statements

The Fund Financial Statements of the Town are organized into funds, each of which is considered to be a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific Town functions or activities. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three categories: governmental, proprietary, and fiduciary. Major individual governmental funds and enterprise funds are reported as separate columns in the Fund Financial Statements.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide Financial Statements.

All governmental funds are accounted for on a spending or *"current financial resources"* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally collected 60 days after year-end) are recognized when due. The primary revenue sources which have been treated as susceptible to accrual by the Town are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured.

Major Governmental Funds:

General Fund – The General Fund is used to account for resources devoted to financing the general services that the Town performs for its citizens and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted or reported in another fund.

Capital Bond Fund – The Capital Bond Fund accounts for debt proceeds and General Fund appropriations used for the acquisition or construction of capital facilities and other capital assets.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period earned while expenses are recognized in the period the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The Town has one Enterprise Fund as follows:

Water Fund – The Water Fund is used to account for the water use fees and the expenses associated with providing water services to Town residents.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Net Position and a Statement of Changes in Net Position. The Town's Fiduciary Funds include the Private Purpose Trust Funds and Agency Funds. Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations or other governments. The Fiduciary Funds are accounted for on a spending or "*economic resources*" measurement focus and the accrual basis of accounting. Agency funds are purely custodial and do not involve measurement of results of operations.

Private Purpose Trust Funds – These funds account for funds held by the Town under various trust arrangements for the benefit of individuals and cemetery perpetual care.

Agency Funds – These funds account for assets held by the Town for performance bonds and probate.

C. RECENTLY ISSUED ACCOUNTING STANDARDS

The Town has implemented the following new accounting pronouncements:

- GASB Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 77 – *Tax Abatement Disclosures*, effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 78 – *Pensions Provided Through Certain Multiple – Employer Defined Benefit Pension Plans*, effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants*, effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 80 – *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 82 – *Pension Issues - an amendment of GASB Statements No. 67, No. 68 and No. 73*, effective for the Town's fiscal year ending June 30, 2017.

The adoption of GASB statements No. 74, 77, 78, 79, 80 and 82 did not have an impact on the Town's financial position or results of operations.

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

- GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 81 – *Irrevocable Split-Interest Agreements*, effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 83 – *Certain Asset Retirement Obligations*, effective for the Town's fiscal year ending June 30, 2019.
- GASB Statement No. 84 – *Fiduciary Activities*, effective for the Town's fiscal year ending June 30, 2020.
- GASB Statement No. 85 – *Omnibus 2017*, effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 86 – *Certain Debt Extinguishment Issues*, effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 87 – *Leases*, effective for the Town's fiscal year ending June 30, 2021.

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

D. CASH AND CASH EQUIVALENTS

The Town considers cash and cash equivalents in the Proprietary Funds to include cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition.

E. INVESTMENTS

The Town reports investments at fair value.

F. ACCOUNTS RECEIVABLE AND TAXES RECEIVABLE

Accounts receivable and taxes receivable are shown net of an allowance for uncollectible accounts. The allowances are calculated based on the age of the individual receivables.

G. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

H. UNBILLED SERVICES – ACCRUED REVENUE

Water revenue is recorded when earned. Customers are billed quarterly. The estimated value of services provided, but unbilled at year-end has been included in the accompanying financial statements.

I. CAPITAL ASSETS

Capital assets are reported in the Government-Wide Statement of Net Position. In the Fund Financial Statements, capital assets used in governmental fund activities are accounted for as capital expenditures. Capital assets used in Proprietary Fund operations are accounted for in the same manner as in the Government-Wide Financial Statements.

All capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at acquisition value as of the date received.

Capitalized assets are defined by the Town as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year.

Under the provisions of GASB Statement No. 34, the Town retroactively accounted for infrastructure capital assets in fiscal year 2007. Infrastructure assets are defined generally as capital assets that are immovable and of value only to the governmental unit, including roads, bridges, sidewalks and street lighting.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	20
Buildings and improvements	30-40
Motor vehicles	5
Furniture and equipment	5-40
Infrastructure/roadways (principally roads)	25-40
Water tank	30
Main extension	40

J. DEBT PREMIUMS

In the Governmental Fund Financial Statements, debt premiums are reported as an “other financing source”. In the Government-Wide Statements, debt premiums are deferred and amortized over the term of the debt. Debt premiums are presented as an addition to the face amount of the debt payable.

K. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred outflows of resources represent a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

In the Governmental Fund Financial Statements, deferred inflows of resources are reported for receivables recorded in the Governmental Fund Financial Statements for which the revenue is not available or amounts received before the period for which property taxes are levied. In the Government-Wide Financial Statements deferred outflows of resources and deferred inflows of resources are reported for amounts related to the Town's pension plans that will be amortized as a component of pension expense in future years.

L. PROPERTY TAXES

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 96.7% of the total 2016 levy. The tax levy of the Town is approved by the citizens at the Financial Town Meeting.

The Town's fiscal 2016-2017 property taxes were levied in July 2016 on assessed valuation as of December 31, 2015. Upon levy, taxes are due and payable on September 7 or may be paid quarterly on September 7, December 7, March 7, and June 7. Failure to mail payments by due dates will result in lien on taxpayer's property. Taxable assessed values are established by Tax Assessor's Office and are currently calculated at approximately 100% of current market value for real estate and 80% of current market value for motor vehicles.

M. COMPENSATED ABSENCES

Under the terms of various contracts and agreements, Town employees are granted vacation and sick leave in varying amounts based on length of service.

Vacation benefits are accrued as a liability based on the accumulated benefits earned at June 30. The liability is calculated at the rate of pay in effect at June 30, 2017. Sick leave is not paid upon termination or retirement, therefore, no liability is accrued for sick leave.

The entire compensated absence liability is reported on the Government-Wide Financial Statements. For Governmental Fund Financial Statements, the amount of accumulated vacation has been recorded as a current liability to the extent that the amounts are due to employees that have resigned or retired.

N. ACCRUED LIABILITIES AND LONG-TERM DEBT

All accrued liabilities and long-term debt are reported in the Government-Wide Financial Statements.

For Governmental Fund Financial Statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the Governmental Fund Financial Statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the Governmental Fund Financial Statements until due.

O. PENSIONS

For the purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees' Retirement System plans and the additions to/ deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

P. USE OF ESTIMATES

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. LEGAL DEBT MARGIN

The Town's legal debt margin as set forth by State Statute is limited to three percent of total taxable assessed value, which approximates $24,778,969. As of June 30, 2017, the Town's debt subject to the legal debt margin is $5,010,462 and the Town is under the debt limit by $19,768,507. The debt subject to the debt limitation is based on the type of debt that is issued.

B. DEFICIT FUND BALANCES

The following nonmajor governmental funds had deficit fund balances as of June 30, 2017: MEDS Grant - $(1,231); Police Grants – $(4,635).

NOTE 3 – CASH DEPOSITS

DEPOSITS **–** are in three financial institution and are carried at cost. The carrying amount of deposits is separately displayed on the Balance Sheet of the Fund Financial Statements and the Statement of Net Position as "Cash and Cash Equivalents".

	Carrying Amount
Total Deposits	$7,119,146
Add: Petty cash and cash on hand	56,981
Investments classified as cash and cash equivalents	6,787
Total Cash and Cash Equivalents Reported in the Financial Statements	$7,182,914

CUSTODIAL CREDIT RISK – custodial credit risk is the risk that in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a formal deposit policy for custodial credit risk, but is governed by State laws as described below. As of June 30, 2017, $2,703,355 of the Town's bank balance of $7,192,610 was exposed to custodial credit risk as follows:

	Bank Balance
Insured (Federal depository insurance funds)	$4,489,255
Collateralized with securities, held by pledging financial Institution or its agent, in the Town's name	763,952
Collateralized with securities held by pledging financial Institution or its agent, but not in the Town's name	1,939,403
Total	$7,192,610

Under Rhode Island general laws, depository institutions holding deposits of the State, its agencies or governmental subdivisions of the State, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, which are time deposits with maturities greater than sixty (60) days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent (100%) of the deposits, regardless of maturity. At June 30, 2017, the Town's uncollateralized deposits with institutions were $0.

NOTE 4 – INVESTMENTS

At June 30, 2017, the Town's investments were as follows:

Investment	***Weighted Average Maturity***	***Fair Value***	***Rating***
Money Market Fund	N/A	$ 6,787	N/A
Mutual Funds & ETFs - Equity	N/A	51,855	N/A
Mutual Funds - Fixed Income	N/A	4,673	Average B
ETFs - Fixed Income	8.45 years	5,331	Average AAA
ETFs - Fixed Income	7.88 years	12,922	Average AA
Mutual Funds - Fixed Income	6.76 years	5,382	Average B
Mutual Funds - Fixed Income	7.06 years	35,096	Average BBB
Mutual Funds - Fixed Income	3 years	7,157	Average A
		129,203	
Less: Investment classified as cash equivalents		(6,787)	
Total Investments Reported in the Financial Statements		$ 122,416	

The money market investments have a maturity of less than one year. The fair value of the money market funds reflects the net asset value reported by the fund administrator which is a stable $1 per unit. The underlying investments, which are short-term cash equivalent type investments are generally carried at amortized cost which approximates fair value. There are no participant withdrawal limitations.

The Town has an Investment Policy for all idle funds to ensure that capital losses are avoided. The deposit of funds are to be federally insured or collateralized in an amount at least 102% in market value to the amount of the deposit. All investments are to meet the "prudent investor" rule which states "Investments shall be made with judgment and care, under circumstance then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering probable safety of capital as well as probable income to be derived," which simply means that under varying economic conditions the portfolio will be adjusted to ensure safety of principal.

The Town's policy permits the following investments for Town funds: U.S. Treasury Bills, short-term obligations of U.S. government agencies, federally insured or collateralized certificates of deposit, repurchase agreements collateralized by U.S. Treasury securities, State investment pools, and money market funds consisting of U.S. government securities. General Fund investments are governed by Title 35, Chapter 10, Section 11 of the State's General Laws. This law generally allows for short-term investments, such as certificates of deposit, money market funds, obligations guaranteed by the U.S. government, etc. with the goal of seeking reasonable income while preserving capital.

Interest Rate Risk – The Town policy limits investment maturities. In order to minimize risk of fair value losses arising from interest rate fluctuations, the Town uses the three-month U.S. Treasury Bill as a performance benchmark.

Credit Risk –The Town is governed by State Laws that limit investment choices to short-term investments for its' public deposits (General Fund) and reserve funds (Capital Projects).

Concentration of Credit Risk –The Town does not have any policies that limit the amount that can be invested with one issuer.

Custodial Credit Risk – Custodial credit risk for investments is the risk that in the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy governing custodial credit risk.

NOTE 5 – FAIR VALUE MEASUREMENTS

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2017:

- The following investments are valued using prices quoted in active markets for those investments (Level 1 inputs): Fixed Income - Mutual funds and ETFs $51,855 and Equity Mutual funds and ETFs $70,561.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June, 30, 2017 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Nondepreciable assets:				
Land	$ 3,712,793	$ 192,098	$ -	$ 3,904,891
Construction in progress	449,074	-	449,074	-
	4,161,867	192,098	449,074	3,904,891
Depreciable assets:				
Infrastructure	35,183,525	521,834	609,824	35,095,535
Land improvements	400,810	238,845	-	639,655
Buildings and improvements	2,745,897	223,577	-	2,969,474
Furniture and equipment	640,886	53,819	-	694,705
Motor vehicles	2,162,598	296,793	130,000	2,329,391
	41,133,716	1,334,868	739,824	41,728,760
Total capital assets	45,295,583	1,526,966	1,188,898	45,633,651
Less accumulated depreciation for:				
Infrastructure	27,071,098	782,355	609,824	27,243,629
Land improvements	60,123	20,041	-	80,164
Buildings and improvements	2,099,206	55,600	-	2,154,806
Furniture and equipment	485,205	23,955	-	509,160
Motor vehicles	1,410,260	178,656	130,000	1,458,916
Total accumulated depreciation	31,125,892	1,060,607	739,824	31,446,675
Governmental activities capital assets, net	$ 14,169,691	$ 466,359	$ 449,074	$ 14,186,976
Business-Type Activities				
Nondepreciable assets:				
Land	$ 59,254	$ -	$ -	$ 59,254
Construction in progress	10,480	155,687	-	166,167
	69,734	155,687	-	225,421
Depreciable assets:				
Buildings	905,694	-	-	905,694
Main extension	1,523,539	-	-	1,523,539
Water Tank	2,145,730	-	-	2,145,730
Equipment and machinery	281,026	-	-	281,026
	4,855,989	-	-	4,855,989
Total capital assets	4,925,723	155,687	-	5,081,410
Less accumulated depreciation for:				
Buildings	667,642	22,642	-	690,284
Main extension	114,265	38,089	-	152,354
Water Tank	-	71,524	-	71,524
Equipment and machinery	116,676	8,047	-	124,723
Total accumulated depreciation	898,583	140,302	-	1,038,885
Business-type activities capital assets, net	$ 4,027,140	$ 15,385	$ -	$ 4,042,525

Depreciation expense was charged as follows:

Governmental activities:	
General government	$ 58,640
Public safety	72,348
Public works	929,619
Total depreciation expense, governmental activities	$ 1,060,607
Business-type activities:	
Water fund	$ 140,302
Total depreciation expense, business-type activities	$ 140,302

NOTE 7 – LONG-TERM LIABILITIES

A. LONG-TERM LIABILITIES:

Changes in long-term liabilities during the year ended June 30, 2017 were as follows:

	Beginning Balance	*Additions*	*Retirements*	*Ending Balance*	*Amounts Due Within One Year*
Governmental activities:					
Bonds and capital leases payable:					
General obligation bonds payable	$3,440,000	$ -	$ 460,000	$ 2,980,000	$ 475,000
Capital leases	35,270	8,574	35,844	8,000	1,370
	3,475,270	8,574	495,844	2,988,000	476,370
Plus amortized premiums on bonds	114,078	-	12,675	101,403	-
Total bonds and capital leases	3,589,348	8,574	508,519	3,089,403	476,370
Other liabilities:					
Accrued compensated absences	189,651	114,335	132,755	171,231	119,861
Net pension liabilities	666,862	62,818	-	729,680	-
Total Governmental Activities Long-Term Liabilities	$4,445,861	$ 185,727	$ 641,274	$ 3,990,314	$ 596,231
Business- type activities:					
Loans payable:					
Loans payable	$2,060,748	$ -	$ 30,286	$ 2,030,462	$ 31,185
Total Business- type activities Long-Term Liabilities	$2,060,748	$ -	$ 30,286	$ 2,030,462	$ 31,185

All debt of the Government Activities is general obligation debt. The payments on the bonds and capital leases are paid from the General Fund. The payments on the bonds in the Business-type activities are paid from the Water Fund. The compensated absences are paid from the General Fund. The net pension liabilities will be paid from the General Fund.

B. BONDS AND LOANS PAYABLE

Outstanding bonds and loans payable are as follows:

Purpose	*Date Issued*	*Interest Rate*	*Maturity Date*	*Authorized and Issued*	*Outstanding June 30, 2016*	*New Issues*	*Maturities During Year*	*Outstanding June 30, 2017*
Governmental activities: Bonds payable								
2007 Capital Improvement bonds	8/15/2007	4-5.50%	8/15/2017	$ 1,400,000	$ 290,000	$ -	$ 145,000	$ 145,000
2010 Capital improvement bonds	8/15/2010	1.15-3.00%	8/15/2020	1,150,000	965,000	-	90,000	875,000
2014 Capital improvement bonds	8/6/2014	2.00%	8/1/2024	2,410,000	2,185,000	-	225,000	1,960,000
	Total governmental activities bonds payable			$ 4,960,000	$ 3,440,000	$ -	$ 460,000	$ 2,980,000
Business type activities: Loans payable								
2012 Water capital improvements	2/28/2012	3.75%	2/28/2052	$ 825,000	$ 779,199	$ -	$ 12,322	$ 766,877
2014 Water capital improvements	1/9/2015	3.00%	1/9/2055	744,000	734,127	-	10,169	723,958
2014 Water capital improvements	1/9/2015	2.75%	1/9/2055	275,000	271,138	-	3,968	267,170
2014 Water capital improvements	1/9/2015	3.00%	1/9/2055	280,000	276,284	-	3,827	272,457
	Total business-type activities loans payable			$ 2,124,000	$ 2,060,748	$ -	$ 30,286	$ 2,030,462

At June 30, 2017 annual debt service requirements to maturity for bonds and loans payable are as follows:

	Governmental Activities Bonds payable			*Business- Type Activities Loans payable*		
Year ending June 30,	*Principal*	*Interest*	*Total*	*Principal*	*Interest*	*Total*
2018	$ 475,000	$ 72,628	$ 547,628	$ 31,185	$ 60,246	$ 91,431
2019	485,000	60,675	545,675	32,110	59,321	91,431
2020	495,000	49,275	544,275	33,063	58,368	91,431
2021	505,000	36,975	541,975	34,044	57,387	91,431
2022	245,000	26,925	271,925	36,365	56,376	92,741
2023-2027	775,000	35,325	810,325	191,718	265,437	457,155
2028-2032	-	-	-	221,909	235,246	457,155
2033-2037	-	-	-	256,858	200,297	457,155
2038-3042	-	-	-	297,316	159,840	457,156
2043-2047	-	-	-	344,152	113,004	457,156
2048-2052	-	-	-	397,879	58,783	456,662
2053-2055	-	-	-	153,863	9,032	162,895
	$ 2,980,000	$ 281,803	$ 3,261,803	$ 2,030,462	$ 1,333,337	$ 3,363,799

C. CAPITAL LEASE OBLIGATIONS

The Town acquired equipment valued at $178,569 that were financed with lease-purchase agreements. Amortization of assets acquired under capital leases is included in depreciation expense for the year ended June 30, 2017.

Capital lease obligations currently outstanding are as follows:

Purpose	Date Issued	Interest Rate	Maturity Date	Authorized and Issued	Outstanding June 30, 2016	New Issues	Retirements During Year	Outstanding June 30, 2017
Savin Copier	1/19/2017	13.49%	1/19/2022	$ 8,574	$ -	8,574	$ 574	$ 8,000
Pelican Sweeper	9/18/2012	3.89%	9/18/2016	169,995	35,270	-	35,270	-
Total governmental activities capital leases				$ 178,569	$ 35,270	$ 8,574	$ 35,844	$ 8,000

Obligations of governmental activities under capital leases at June 30, 2017 were as follows:

Fiscal Year Ended June 30,	Lease Payment Requirements
2018	$ 2,367
2019	2,367
2020	2,367
2021	2,367
2022	1,274
Total minimum lease payments	10,742
Less: Amount representing interest cost	(2,742)
Present value of minimum lease payments	$ 8,000

NOTE 8 – INTERFUND BALANCES

The Town reports interfund balances between many of its funds. Interfund balances at June 30, 2017 were as follows:

	Due From:			
	General Fund	Nonmajor Governmental Funds	Private Purpose Trust Funds	Total
Due To:				
General Fund	$ -	$ 36,731	$ 14	$ 36,745
Capital Bond Fund	1,226,818		-	1,226,818
Nonmajor Governmental Funds	755,120	-	-	755,120
Enterprise Fund	589,397	-	-	589,397
Private Purpose Trust	129,153	-	-	129,153
Agency Funds	191,539	-	-	191,539
Total	$ 2,892,027	$ 36,731	$ 14	$ 2,928,772

The balances primarily result from the time lag between the dates the 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made.

NOTE 9 – INTERFUND TRANSFERS

	Transfer From:		
	General Fund	Nonmajor Governmental Funds	Total
Transfer To:			
General Fund	$ -	$ 192,641	$ 192,641
Capital Bond Fund	443,700	-	443,700
Total	$ 443,700	$ 192,641	$ 636,341

Transfers are used to move revenues from the fund that the budget requires to collect them, to the funds that the budget requires to expend them.

NOTE 10 – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

A. ACCOUNTS RECEIVABLE

The Town disaggregates significant components of receivables in the financial statements. Receivable balances determined immaterial are included as other receivables. The Town expects to receive all receivables within the subsequent year. The real estate and personal property taxes include an allowance for doubtful accounts of $208,000.

B. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities at June 30, 2017, were as follows:

	Vendors	*Salaries and Benefits*	*Other*	*Total*
Governmental Activities:				
General Fund	$ 113,822	$ 69,535	$ 320,692	$ 504,049
Capital Bond Fund	51,491	-	-	51,491
Nonmajor Governmental Funds	12,207	-	-	12,207
Total Governmental Activities	$ 177,520	$ 69,535	$ 320,692	$ 567,747
Business-Type Activities:				
Water Fund	$ 93,667	$ -	$ 2,723	$ 96,390
Total Business-Type Activities	$ 93,667	$ -	$ 2,723	$ 96,390

NOTE 11 – NET POSITION/FUND BALANCES

The Government-Wide Financial Statements and Proprietary Fund Statements utilize a net position presentation. Net position is segregated into the following three categories:

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balance of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category

Restricted Net Position – This category represents balances limited to uses specified either externally by creditors, grantors, contributors, laws or regulations of other governments or imposed through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the residual component of net position that does not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criteria includes items that are not expected to be converted to cash (e.g. inventories, prepaid amounts, and noncurrent receivables).

Restricted Fund Balance **–** This classification includes amounts that have constraints placed on the use of resources that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance **–** This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority. These committed amounts cannot be used for any other purpose unless the Town removes or changes the specific use by taking the same type of action it employed to previously commit those amounts.

Assigned Fund Balance **–** This classification includes amounts constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned Fund Balance **–** This classification is the residual fund balance for the General Fund. This classification represents fund balance that has not been assigned to another fund and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Committed fund balances are established, modified or rescinded by either of the following formal actions; a resolution approved by the tax payers at a Financial Town Meeting or an ordinance adopted by the Town Council. The committed fund balance can only be removed by the same formal action used to establish the commitment. Both actions are considered equally binding. The Town Council has authorized the Town Administrator or his/her/their designee to assign fund balance. The Town considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Town considers unrestricted fund balance classifications to be used in the following order when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used: 1) committed; 2) assigned; and 3) unassigned.

The Town's minimum fund balance policy requires a minimum unassigned fund balance in its General Fund ranging from 15% to 20% of the subsequent year's budgeted expenditures and outgoing transfers.

NOTE 12 – CHARIHO REGIONAL SCHOOL DISTRICT

The Chariho Regional School District (Regional School) was created to include a regional school for the Towns of Hopkinton, Charlestown and Richmond (the Towns), which encompasses grades K-12. The Regional School is a separate legal entity from the Town. The voters of the participating Towns elect the Regional School Committee. The Regional School cannot assess and levy property taxes. Revenues are derived principally from the participating Towns of the Regional School, which contribute funds according to a financial formula based upon each Town's enrollment, and from State aid to education. As of October 2015, the District had a total enrollment of 3,291 of which 1,163 were students from Richmond. This number was used for calculating the Town's fiscal year 2016 – 2017 contribution to the District. Financial statements for the Regional School District are issued separately and may be obtained from the Chariho Regional School District, 455A Switch Road, Wood River Junction, Rhode Island 02894.

NOTE 13 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town has purchased commercial insurance to insure its risk of loss. Settled claims resulting from these risks have not exceeded the insurance coverage in any of the past three fiscal years.

NOTE 14 – LITIGATION AND CONTINGENCIES

A. LITIGATION:

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

B. FEDERALLY FUNDED PROGRAMS:

The Town participates in a number of federally funded programs. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

NOTE 15 – RESTATEMENTS

The net position of the Governmental Activities has been restated to correct capital assets - accumulated depreciation.

	Governmental Activities
Net position June 30, 2016,	
as previously reported	$ 16,523,395
To correct the prior year capital assets - accumulated depreciation	1,078,297
Net position June 30, 2016, as restated	$ 17,601,692

NOTE 16 – TAX ABATEMENTS

The Town established in 2014 by ordinance a tax stabilization program for qualifying property that is used for renewable energy production pursuant to Section 44-3-9 of Rhode Island General Laws. The purpose of the program is to encourage the development of cost-effective, domestically-produced renewable energy, and to increase the Town's non-residential tax base, by exempting or stabilizing personal property taxes on facilities that qualify for such an exemption or stabilization. Renewable energy means energy produced by sunlight, wind or geothermal heat.

The Town Council has the authority to exempt from payment of personal property taxes, in whole or in part, or to stabilize the amount of personal property taxes on property that will be used exclusively for the production of renewable energy. An applicant for the tax exemption or stabilization under this program must submit a written proposal to the Town Clerk describing the property, the proposed use and the exemption or stabilization sought. The Town shall conduct a public hearing on the proposal before being approved. The exemption or stabilization must be established by a resolution approved by the Town Council and shall be effective for a period not to exceed fifteen (15) years.

The Town Council will adopt the resolution only if it finds that adopting the tax exemption or stabilization:

- Will induce or encourage a producer of renewable energy to locate its facility in Richmond, or
- Will increase the manufacturing infrastructure of Richmond, resulting in a long-term benefit to Richmond or the State of Rhode Island, and
- Will benefit the Town by encouraging the renewable energy producer to construct and equip a new facility, representing an investment of not less than $500,000 in tangible property, and
- Will not give the renewable energy producer an unfair advantage in relation to existing competing businesses in Richmond.

The Town Council has the authority to terminate the tax exemption or stabilization if the owner of the personal property, or real property on which it is located, is delinquent in the payment of any property taxes, or if the real or personal property is no longer used for the purpose for which the exemption or stabilization was approved, or if the facility or the real property on which it is located is sold.

The Town had one taxpayer participating in the tax stabilization program in fiscal year 2017. The tax stabilization agreement is on the tangible property owned by the taxpayer which will be taxed at $3,750 per year for 12 ½ years starting in fiscal year 2017. The total value of the tax abatement granted under this agreement in fiscal year 2017 was $28,461.

As the result of a recent change in the Rhode Island General Laws, which changes how cities and towns tax “renewable energy resources and associated equipment” the Town repealed in July 2017 the ordinance establishing the tax stabilization program described above. The one taxpayer that has an agreement with the Town under the repealed ordinance would not be effected by the change and will continue to pay taxes under the existing stabilization agreement.

NOTE 17 – PENSION PLANS

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

Defined Benefit Plans

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 by accessing the ERSRI website at www.ersri.org.

Benefits Provided – General employees, police officers and firefighters employed by electing municipalities participate in MERS. Eligible employees become members at their date of employment. Anyone employed by a municipality at the time the municipality joins MERS may elect not to be covered. Elected officials may opt to be covered by MERS. Employees covered under another plan maintained by the municipality may not become members of MERS. Police officers and/or firefighters may be designated as such by the municipality, in which case the special contribution and benefit provisions described below will apply to them, or they may be designated as general employees with no special benefits. Members designated as police officers and/or firefighters are treated as belonging to a unit separate from the general employees, with separate contribution rates applicable. The Town of Richmond has only general employees and police officers that participate in the MERS Plan.

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

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

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

Subsequent to June 30, 2015, 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. These amended benefit provisions, which have been included in the determination of the total pension liability at the June 30, 2015 measurement date and are reflected in the summary of benefit provisions described below.

General Employees - Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age (SSNRA).

Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior retirement date, described below, and the retirement age applicable to members hired after June 30, 2012. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior retirement date. The minimum retirement age is 59.

Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior retirement date if they continue to work and contribute until that date. If this option is elected, the retirement benefit will be calculated using the benefits accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.

Effective July 1, 2015, members will be eligible to retire with full benefits at the earlier of their current Rhode Island Retirement Security Act (RIRSA) date described above or upon the attainment of age 65 with 30 years of service, age 64 with 31 years of service, age 63 with 32 years of service, or age 62 with 33 years of service.

A member who is within five years of reaching their retirement eligibility date and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.

Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

The annual benefit is equal to 2.00% of the member's monthly FAC for each year of service prior to July 1, 2012 and 1.00% of the member's monthly FAC for each year of service from July 1, 2012 through June 30, 2015. For all service after June 30, 2015, the annual benefit is equal to 1.0% per year unless the member had 20 or more years of service as of June 30, 2012 in which case the benefit accrual is 2.0% per year for service after June 30, 2015. The benefit cannot exceed 75% of the member's FAC. Benefits are paid monthly.

Police and Fire Employees - Members are eligible to retire when they are at least 50 years old and have a minimum of 25 years of contributing service or if they have 27 years of contributing service at any age. Members with less than 25 years of contributing service are eligible for retirement on or after their Social Security normal retirement age.

Members who, as of June 30, 2012, had at least 10 years of contributing service, had attained age 45, and had a prior retirement date before age 52 may retire at age 52.

Active members on June 30, 2012 may choose to retire at their prior retirement date if they continue to work and contribute until that date. If this option is elected, the retirement benefit will be calculated using the benefits accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.

A member who is within five years of reaching their retirement eligibility date, as described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.

Prior to July 1, 2012, members designated as police officers or firefighters were eligible for retirement at or after age 55 with credit for at least 10 years of service or at any age with credit for 25 or more years of service. Members were also eligible to retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elected to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member was eligible to retire at any age with 20 or more years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

A monthly benefit is paid equal to 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum).

If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012, benefits are based on 2.50% of the member's FAC for each year of service prior to July 1, 2012 and 2.00% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC. The Town of Richmond elected not to participate in the 20-year retirement provision.

Active members (including future hires), members who retire after July 1, 2015 and after attaining age 57 with 30 years of service will have a benefit equal to the greater of their current benefit described above and one calculated based on a 2.25% multiplier for all years of service.

Other Benefit Provisions - Death and disability benefits are also provided to members. A member is eligible for a disability retirement provided he/she has credit for at least five years of service or if the disability is work-related. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement.

Joint and survivor benefit options are available to retirees**.** For some employees, a Social Security option is also available where an annuity is paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

Post-retirement benefit increases are paid to members who retire after June 30, 2012. Members will be eligible to receive cost of living increases at the later of the member's third anniversary of retirement and the month following their SSNRA (age 55 for members designated as police officers and/or firefighters). When a municipality elects coverage, it may elect either COLA C (covering only current and future active members and excluding members already retired) or COLA B (covering current retired members as well as current and future active members).

a.) The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.

b.) Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%

c.) The COLA will be limited to the first $25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the every fourth year provision described in (a) above will be limited to the first $30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of $25,000 for 2013, $25,000 for 2014, $25,168 for 2015, $25,855 for 2016, and $26,098 for 2017. The Town of Richmond has not elected the optional cost-of-living provision for either the general employees or police officers.

Special Provisions Applying to Specific Units – Prior to July 1, 2012, some units had specific provisions that apply only to that unit. Per section 45-21.2-5 benefits for members eligible to retire prior to June 30, 2012 are preserved for the calculation of the retirement benefits. For service accrued after July 1, 2012, retirement benefits will be calculated in accordance with section 45-21.2-2 and adjustments to benefits will be provided as set forth in 45-21-52. The following summarized those provisions:

Richmond Police – Rhode Island General Law §§ 45-21.2-6.3

Under these special provisions, members are eligible to retire after attaining 22 years of service. The retirement benefit for a member with 22 or more years of service was improved to 50.00% x Final Average Compensation (FAC), plus 2.2727% x FAC x Years of Service in excess of 22, with a maximum benefit equal to 75% of FAC.

Employees Covered by Benefit Terms - At the June 30, 2015 valuation date, the following employees were covered by the benefit terms:

	General Employees Plan	Police Officers Plan
Retirees and Beneficiaries	13	1
Inactive, Nonretired Members	30	3
Active Members	27	13
Total	70	17

Contributions - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Police officers are required to contribute 9% of their salaries. The Town of Richmond 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 Town of Richmond contributed the following amounts in the year ended June 30, 2017: general employees plan - $104,169 and police officers plan - $86,883. The Town's contributions represented the following percentages of annual covered payroll: general employees plan – 9.04%; police officers plan – 10.95%.

Net Pension Liability - The total pension liability was determined by actuarial valuations performed as of June 30, 2015 and rolled forward to June 30, 2016, 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, 2016 Measurement Date (June 30, 2015 valuation rolled forward to June 30, 2016)	
Actuarial Cost Method	Entry Age Normal - The Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions:	
Investment Rate of Return	7.50%
Projected Salary Increases	General Employees - 3.50% to 7.50% ; Police Officers - 4.00% to 14.00%
Inflation	2.75%
Mortality	• Male Employees, MERS General and MERS Police: 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000. • Female Employees, MERS General and MERS Police: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.
Cost of Living Adjustments	A 2% COLA is assumed after January 1, 2014.

The actuarial assumptions used in the June 30, 2015 valuation rolled forward to June 30, 2016 and the calculation of the total pension liability at June 30, 2016 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 a collective summary of capital market expectations from 35 sources. The June 30, 2016 expected arithmetic returns over the long-term (20-years) by asset class are summarized in the following table:

Type of Investment	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity:	38.00%	
U.S. Equity		6.98%
International Developed		7.26%
International Emerging Markets		9.57%
Equity Hedge Funds	8.00%	4.10%
Private Equity	7.00%	10.15%
Core Fixed Income	15.00%	2.37%
Absolute Return Hedge Funds	7.00%	4.10%
Infrastructure	3.00%	5.58%
Real Estate	8.00%	5.33%
Other Real Return Assets:	11.00%	
Master Limited Partnerships		4.97%
Credit		4.97%
Inflation Linked Bonds		1.76%
Cash, Overlay and Money Market	3.00%	0.82%
	100.00%	

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall long-term expected rate of return best-estimate on an arithmetic basis.

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.

General Employees Plan
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2015	$2,345,235	$2,037,804	$307,431
Changes for the Year:			
Service cost	84,243	-	84,243
Interest on the total pension liability	173,801	-	173,801
Changes in benefits	-	-	-
Difference between expected and actual experience	(89,581)	-	(89,581)
Changes in assumptions	-	-	-
Employer contributions	-	105,589	(105,589)
Employee contributions	-	21,668	(21,668)
Net investment income	-	(702)	702
Benefit payments, including employee refunds	(140,013)	(140,013)	-
Administrative expense	-	(1,888)	1,888
Other changes	-	(1)	1
Net changes	28,450	(15,347)	43,797
Balances as of June 30, 2016	$2,373,685	$2,022,457	$351,228

Police Officers Plan
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2015	$1,901,180	$1,541,749	$359,431
Changes for the Year:			
Service cost	117,007	-	117,007
Interest on the total pension liability	145,968	-	145,968
Changes in benefits	-	-	-
Difference between expected and actual experience	(90,309)	-	(90,309)
Changes in assumptions	-	-	-
Employer contributions	-	90,160	(90,160)
Employee contributions	-	65,623	(65,623)
Net investment income	-	(579)	579
Benefit payments, including employee refunds	(26,892)	(26,892)	-
Administrative expense	-	(1,558)	1,558
Other changes	-	(1)	1
Net changes	145,774	126,753	19,021
Balances as of June 30, 2016	$2,046,954	$1,668,502	$378,452

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 employer's 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.

Plan	1.00% Decrease (6.5%)	Current Discount Rate (7.5%)	1.00 Increase (8.5%)
General Employees	$603,438	$351,228	$144,790
Police Officers	$586,001	$378,452	$208,650

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ERSRI financial report.

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

For the year ended June 30, 2017, the Town recognized pension expense as follows: general employees plan - $70,466; and police officers plan - $76,725. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	General Employees Plan	Police Officers Plan
Deferred Outflows of Resources:		
Change in assumptions	$ 1,961	$ -
Net difference between projected and actual investment earnings	129,096	101,534
Contributions subsequent to the measurement date	104,169	86,883
Total	$235,226	$ 188,417
Deferred Inflows of Resources:		
Change in assumptions	$ -	$ 40,809
Difference between expected and actual experience	109,385	162,481
Total	$109,385	$203,290

The deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2017 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

	Net Deferred Outflows/(Inflows) of Resources	
Year Ending June 30	**General Employees Plan**	**Police Officers Plan**
2018	$(15,864)	$(1,780)
2019	(17,827)	(1,780)
2020	24,767	17,645
2021	30,596	3,113
2022	-	(21,084)
Thereafter	-	(97,870)

<u>Defined Contribution Plan</u>

Plan Description

Certain general employees participating in the defined benefit plan, as described above, may 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.

General employees contribute 5% of their annual covered salary and employers contribute, depending on years of service, 1% to 1.5% 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.

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

The Town of Richmond recognized pension expense of $10,359 and employees contributed $49,024 for the fiscal year ended June 30, 2017.

The System issues an annual financial report that includes financial statements and required supplementary information for plans administered by the System. The reports can be obtained at http://www.ersri.org.

B. AGGREGATE PENSION AMOUNTS REPORTED IN THE FINANCIAL STATEMENTS

	Deferred Outflows of Resources – Pension Amounts	Deferred Inflows of Resources – Pension Amounts	Net Pension Liability	Pension Expense
General Employees Plan	$235,226	$109,385	$351,228	$ 70,466
Police Officers Plan	188,417	203,290	378,452	76,725
Total	$423,643	$312,675	$729,680	$147,191

NOTE 18 – SUBSEQUENT EVENTS

On October 17, 2017, the Town issued $2,501,000 in General Obligation Bonds. The bonds bear interest of 2.106% and mature October 15, 2018-2027.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

Schedule of Changes in the Net Pension Liability and Related Ratios

Schedule of Town Contributions

Budgetary Comparison Schedule - General Fund

In addition, the notes to the required supplementary information are included to provide information that is essential to a user's understanding of the required supplementary information.

TOWN OF RICHMOND, RHODE ISLAND

Required Supplementary Information
General Employees Pension Plan
Schedule of Changes in the Net Pension Liability and Related Ratios (1)
"Unaudited"

Fiscal Year	***2017***	***2016***	***2015***
Total pension liability:			
Service cost	$ 84,243	$ 78,867	$ 82,980
Interest	173,801	169,745	159,161
Changes of benefit terms	-	7,172	-
Differences between expected and actual experience	(89,581)	(80,463)	-
Changes of assumptions	-	-	8,897
Benefits payments, including refunds of member contributions	(140,013)	(107,834)	(107,897)
Net change in total pension liability	28,450	67,487	143,141
Total pension liability - beginning	2,345,235	2,277,748	2,134,607
Total pension liability - ending (a)	$ 2,373,685	$ 2,345,235	$ 2,277,748
Plan fiduciary net position:			
Contributions - employer	$ 105,589	$ 105,664	$ 96,455
Contributions - employee	21,668	10,150	9,770
Net investment income	(702)	47,756	264,216
Benefits payments, including refunds of member contributions	(140,013)	(107,834)	(107,897)
Administrative expense	(1,888)	(1,701)	(1,655)
Other	(1)	-	60
Net change in plan fiduciary net position	(15,347)	54,035	260,949
Plan fiduciary net position - beginning	2,037,804	1,983,769	1,722,820
Plan fiduciary net position - ending (b)	$ 2,022,457	$ 2,037,804	$ 1,983,769
Town's net pension liability (asset) - ending (a) - (b)	$ 351,228	$ 307,431	$ 293,979
Plan fiduciary net position as a percentage of the total pension liability	85.20%	86.89%	87.09%
Covered employee payroll	$ 1,051,724	$ 1,015,021	$ 972,797
Net pension liability as a percentage of covered employee payroll	33.40%	30.29%	30.22%

(1) This schedule is intended to show 10 years - additional information will be presented as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF RICHMOND, RHODE ISLAND
Required Supplementary Information
Police Officers Pension Plan
Schedule of Changes in the Net Pension Liability and Related Ratios (1)
"Unaudited"

Fiscal Year	2017	2016	2015
Total pension liability:			
Service cost	$ 117,007	$ 110,292	$ 98,579
Interest	145,968	130,490	121,078
Changes of benefit terms	-	86,007	-
Differences between expected and actual experience	(90,309)	(97,139)	-
Changes of assumptions	-	-	(54,846)
Benefits payments, including refunds of member contributions	(26,892)	(26,394)	(63,940)
Net change in total pension liability	145,774	203,256	100,871
Total pension liability - beginning	1,901,180	1,697,924	1,597,053
Total pension liability - ending (a)	$ 2,046,954	$ 1,901,180	$ 1,697,924
Plan fiduciary net position:			
Contributions - employer	$ 90,160	$ 87,587	$ 57,398
Contributions - employee	65,623	50,296	60,573
Net investment income	(579)	36,131	185,875
Benefits payments, including refunds of member contributions	(26,892)	(26,394)	(63,940)
Administrative expense	(1,558)	(1,448)	(1,164)
Other	(1)	-	1
Net change in plan fiduciary net position	126,753	146,172	238,743
Plan fiduciary net position - beginning	1,541,749	1,395,577	1,156,834
Plan fiduciary net position - ending (b)	$ 1,668,502	$ 1,541,749	$ 1,395,577
Town's net pension liability - ending (a) - (b)	$ 378,452	$ 359,431	$ 302,347
Plan fiduciary net position as a percentage of the total pension liability	81.51%	81.09%	82.19%
Covered employee payroll	$ 727,204	$ 718,512	$ 644,730
Net pension liability as a percentage of covered employee payroll	52.04%	50.02%	46.90%

(1) This schedule is intended to show 10 years - additional information will be presented as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF RICHMOND, RHODE ISLAND

Required Supplementary Information - Pension Plans

Schedule of Town Contributions (1)

"Unaudited"

Fiscal Year	***2017***	***2016***	***2015***
General Employees Plan			
Actuarially determined contribution	$ 104,169	$ 105,589	$ 105,664
Contributions in relation to the actuarially determined contribution	104,169	105,589	105,664
Contribution deficiency (excess)	$ -	$ -	$ -
Covered employee payroll	$ 1,152,316	$ 1,051,724	$ 1,015,021
Contributions as a percentage of covered employee payroll	9.04%	10.04%	10.41%
Police Officers Plan			
Actuarially determined contribution	$ 86,883	$ 90,160	$ 87,587
Contributions in relation to the actuarially determined contribution	86,883	90,160	87,587
Contribution deficiency (excess)	$ -	$ -	$ -
Covered employee payroll	$ 793,449	$ 727,204	$ 718,512
Contributions as a percentage of covered employee payroll	10.95%	12.40%	12.19%

(1) This schedule is intended to show 10 years - additional information will be presented as it becomes available.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF RICHMOND, RHODE ISLAND

Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Revenues				
Taxes				
01 00 4000 Taxes	$ 17,336,638	$ 17,336,638	$ 17,546,610	$ 209,972
01 00 4001 Interest & penalty	115,000	115,000	100,377	(14,623)
01 00 4002 Miscellaneous	10,000	10,000	8,510	(1,490)
01 00 4071 Prior year taxes	700,000	700,000	360,465	(339,535)
Total Taxes	18,161,638	18,161,638	18,015,962	(145,676)
State Aid				
01 00 4006 State aid to education	4,854,963	4,854,963	4,974,327	119,364
01 00 4008 Corporation tax	94,755	94,755	95,248	493
01 00 4009 Hotel tax	4,994	4,994	4,088	(906)
01 00 4010 Meals & beverage tax	150,115	150,115	143,755	(6,360)
01 00 4063 Motor vehicle phase-out	65,687	65,687	66,710	1,023
01 00 4067 Incentive aid	-	-	1,028	1,028
Total State Aid	5,170,514	5,170,514	5,285,156	114,642
Permits & fees				
01 00 4012 Building permit fees	75,000	75,000	115,436	40,436
01 00 4013 Zoning fees	2,000	2,000	1,276	(724)
01 00 4014 Planning fees	3,000	3,000	33,545	30,545
Total Permits & Fees	80,000	80,000	150,257	70,257
Licenses & fees				
01 00 4015 Misc. business license & fees	7,000	7,000	12,669	5,669
01 00 4016 Liquor license fees	8,000	8,000	9,200	1,200
01 00 4017 Dog license	6,800	6,800	6,588	(212)
01 00 4018 Marriage license	300	300	392	92
01 00 4019 Misc. non-business license & fees	750	750	2,740	1,990
01 00 4020 Hopkinton transfer station stickers	825	825	1,300	475
Total Licenses & Fees	23,675	23,675	32,889	9,214
User Fees				
01 00 4026 Realty stamp commission	25,000	25,000	32,354	7,354
01 00 4027 Copier use fees	9,000	9,000	8,545	(455)
01 00 4028 Recording fees	85,000	85,000	100,689	15,689
01 00 4030 Probate fees	7,000	7,000	3,934	(3,066)
01 00 4042 Recreation event fees	17,300	17,300	10,130	(7,170)
01 00 4043 Community ctr revenue	2,200	2,200	895	(1,305)
01 00 4065 Transfer station fees	153,500	153,500	165,114	11,614
Total User Fees	299,000	299,000	321,661	22,661
Fines & Forfeitures				
01 00 4021 Dog fines	1,700	1,700	1,180	(520)
01 00 4022 State traffic fines	30,000	30,000	47,678	17,678
Total Fines & Forfeitures	31,700	31,700	48,858	17,158
Investments				
01 00 4024 Interest income	25,000	25,000	26,938	1,938
Total Interest on Investments	25,000	25,000	26,938	1,938

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

TOWN OF RICHMOND, RHODE ISLAND

Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Budgetary Basis (Continued)
For the Fiscal Year Ended June 30, 2017

	Original Budget	*Final Budget*	*Actual Amounts (Budgetary Basis)*	*Variance With Final Budget Positive (Negative)*
Miscellaneous Income				
01 00 4033 School resource officer reimbursement	72,377	72,377	70,193	(2,184)
01 00 4034 Police VIN inspection fee	5,500	5,500	4,820	(680)
01 00 4049 Recycling rebate	4,500	4,500	4,073	(427)
01 00 4050 Misc. revenue	1,000	1,000	(86)	(1,086)
01 00 4051 Misc. police returns	30,000	30,000	38,207	8,207
01 00 4028 Police details	-	-	97,470	97,470
Total Miscellaneous Income	113,377	113,377	214,677	101,300
Federal aid				
01 00 4035 COPS Grant	42,000	42,000	44,250	2,250
01 00 4052 Emergency Claims	-	-	18,746	18,746
01 00 4452 EMA Grant	5,000	5,000	-	(5,000)
Total Federal Aid	47,000	47,000	62,996	15,996
Senior Activities				
01 00 4076 Senior activities bingo	8,000	8,000	8,123	123
01 00 4078 Senior activities dues	2,800	2,800	3,247	447
01 00 4079 Senior activities program fees	5,000	5,000	6,078	1,078
Total Senior Activities	15,800	15,800	17,448	1,648
Transfers and Use of Committed Fund Balance				
01 00 4055 Education Impact fees	159,041	159,041	159,041	-
01 00 4056 Recreation Impact fees	33,600	33,600	33,600	-
01 00 4058 Transfer from water fund debt	91,061	91,061	91,431	370
01 00 4059 Transfer from Water Fund Admin	11,475	11,475	11,475	-
01 00 4074 Appropriated Reserve	200,000	200,000	200,000	-
Total Transfers and Use of Committed Fund Balance	495,177	495,177	495,547	370
Total Revenues	$ 24,462,881	$ 24,462,881	$ 24,672,389	$ 209,508

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Budgetary Basis (Continued)
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Expenditures				
Town Council				
01 10 5000 Council President	1,500	1,500	1,500	-
01 10 5001 Council Members	5,000	5,000	5,000	-
01 10 5100 FICA	497	497	497	-
01 10 5130 Retirement - ER 1452 Town	260	260	407	(147)
Total Town Council	7,257	7,257	7,404	(147)
Building / Planning / Zoning				
01 11 5000 Regular Wages	33,851	34,528	17,223	17,305
01 11 5001 Planner - King	-	-	14,515	(14,515)
01 11 5009 BPZ Clerk - Diaz	35,718	36,968	14,271	22,697
01 11 5020 Planner - Stetson	54,606	56,517	48,840	7,677
01 11 5021 Building Official - St. Lawrence	-	-	19,681	(19,681)
01 11 5040 Electrical Inspector - Vinnari	13,707	14,187	14,236	(49)
01 11 5041 Plumbing Inspector - Walsh	13,674	13,947	10,192	3,755
01 11 5042 Alternate Inspector	7,800	7,800	5,773	2,027
01 11 5045 Zoning Official- Brown	13,640	14,049	13,211	838
01 11 5046 BPZ Clerk - Patton	-	-	22,091	(22,091)
01 11 5100 FICA	13,234	13,617	13,477	140
01 11 5102 Health Insurance	38,130	38,130	31,736	6,394
01 11 5130 Municipal Retirement -ER 1452	12,914	13,313	12,181	1,132
01 11 5205 Planning Misc. Supplies	700	700	542	158
01 11 5207 Bldg., misc. supplies / permit forms	300	300	225	75
01 11 5220 Stenographer fees	3,300	3,300	900	2,400
01 11 5226 Advertising	1,200	1,200	75	1,125
01 11 5229 Professional services	1,000	1,000	-	1,000
01 11 5252 Planning, education / training / seminars	150	150	30	120
01 11 5262 Planning, dues	770	770	1,095	(325)
01 11 5263 Bldg., dues	40	40	65	(25)
01 11 5265 Zoning, travel	800	800	875	(75)
01 11 5266 Planning, travel	250	250	167	83
01 11 5267 Bldg. travel	1,100	1,100	666	434
01 11 5609 Comp plan update reserve	20,000	20,000	20,000	-
Total Building / Planning / Zoning	266,884	272,666	262,067	10,599
Town Clerk's Department				
01 12 5003 Town Clerk - Nelson	56,565	57,979	16,205	41,774
01 12 5014 Deputy Clerk - Clidence	12,168	12,168	29,157	(16,989)
01 12 5016 P/T Clerk - Chipman	-	-	2,459	(2,459)
01 12 5017 Assistant Clerk - Galuszka	23,644	24,590	25,202	(612)
01 12 2018 Town Clerk - Rapose	32,225	33,514	53,350	(19,836)
01 12 5073 Meeting Fill-in	495	495	-	495
01 12 5100 FICA	9,569	9,848	9,613	235
01 12 5102 Health insurance	34,655	34,655	32,612	2,043
01 12 5130 Muncipal Retirement - ER 1452	11,693	12,073	11,042	1,031
01 12 5225 Microfilming & indexing	900	900	1,347	(447)
01 12 5250 Education / training / seminars	2,465	2,465	2,202	263
01 12 5256 Books/ Manuals/ Subscriptions	150	150	-	150
01 12 5264 Travel	500	500	83	417
Total Town Clerk's Department	185,029	189,337	183,272	6,065

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Information Technology				
01 13 5250 Operations improvement	6,000	6,000	-	6,000
01 13 5334 Internet email & web site services	5,000	5,000	5,313	(313)
01 13 5378 Equipment repairs / maintenance & parts	6,000	6,000	7,924	(1,924)
01 13 5384 Software support & maintenance	49,725	49,725	55,611	(5,886)
01 13 5385 COTT land evidence support & maint	19,500	19,500	18,063	1,437
01 13 5386 IT support services	46,750	46,750	47,258	(508)
01 13 5481 Hardware support - fingerprinting	3,735	3,735	311	3,424
01 13 5484 Software support - police	10,500	10,500	10,540	(40)
01 13 5486 GIS support services	28,000	28,000	21,344	6,656
Total Information Technology	175,210	175,210	166,364	8,846
Legal Services				
01 14 5400 Legal - Labor lawyer	5,000	5,000	4,320	680
01 14 5410 Legal - Town Council	35,000	35,000	40,420	(5,420)
01 14 5415 Legal - Litigation	14,000	14,000	3,483	10,517
01 14 5420 Legal - Criminal prosecution	28,000	28,000	26,625	1,375
01 14 5440 Legal - Planning & zoning	24,000	24,000	28,890	(4,890)
01 14 5750 Legal - Contingency	5,000	5,000	-	5,000
Total Legal Services	111,000	111,000	103,738	7,262
Finance Department				
01 15 5002 Assistant Finance Director - Christens	30,556	31,778	34,639	(2,861)
01 15 5020 Finance Director - Krugman	48,705	50,653	49,893	760
01 15 5100 FICA	6,063	6,306	6,597	(291)
01 15 5102 Health insurance	4,650	4,650	3,936	714
01 15 5130 Retirement - ER 1452 Town	8,243	8,573	8,312	261
01 15 5200 Office Supplies	1,150	1,150	455	695
01 15 5250 Education / training / seminars	500	500	567	(67)
01 15 2560 Dues	280	280	280	-
01 15 5264 Travel	600	600	729	(129)
01 15 5390 Data processing - payroll	14,000	14,000	14,240	(240)
Total Finance Department	114,747	118,490	119,648	(1,158)
Tax Assessor's Department				
01 16 5000 Regular Wages	42,120	43,594	43,769	(175)
01 16 5017 Assessor Clerk - Brennan	19,208	19,880	20,119	(239)
01 16 5100 FICA	4,692	4,856	4,897	(41)
01 16 5102 Health insurance	16,020	16,020	15,801	219
01 16 5130 Retirement - ER 1452 Town	6,746	6,969	6,053	916
01 16 5202 Postage	4,110	4,110	4,187	(77)
01 16 5250 Education / training / seminars	100	100	-	100
01 16 5256 Books / manuals / subscriptions	339	339	-	339
01 16 5260 Dues	215	215	200	15
01 16 5264 Travel	600	600	81	519
01 16 5321 RI vehicle value commission	150	150	107	43
01 16 5328 Tax bills	6,818	6,818	6,910	(92)
Total Tax Assessor's Department	101,118	103,651	102,124	1,527

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Tax Collector's Department				
01 17 5004 Tax Collector - Alves	29,406	30,582	31,176	(594)
01 17 5007 P/T Clerk - Vona	12,734	13,082	11,785	1,297
01 17 5100 FICA	3,224	3,341	3,507	(166)
01 17 5102 Health insurance	2,920	2,920	2,880	40
01 17 5130 Retirement - ER 1452 Town	3,058	3,180	3,126	54
01 17 5200 Office supplies	400	400	413	(13)
01 17 5229 Professional Services	6,500	6,500	7,314	(814)
01 17 5250 Education / training / seminars	150	150	44	106
01 17 5260 Dues	60	60	135	(75)
01 17 5264 Travel	75	75	-	75
Total Tax Collector's Department	58,527	60,290	60,380	(90)
Town Hall / General Government				
01 18 5200 Office supplies	4,000	4,000	3,459	541
01 18 5202 Postage	8,500	8,500	5,335	3,165
01 18 5215 Telephone	11,460	11,460	11,611	(151)
01 18 5217 Electricity	8,755	8,755	9,495	(740)
01 18 5226 Advertising	8,000	8,000	5,479	2,521
01 18 5229 Professional services	2,200	2,200	2,400	(200)
01 18 5231 Office equip repair	110	110	-	110
01 18 5260 Dues RILC&T	2,875	2,875	2,875	-
01 18 5282 Pest Control	-	-	495	(495)
01 18 5371 Fee for shredding	2,400	2,400	2,992	(592)
01 18 5399 Miscellaneous expense	2,000	2,000	3,549	(1,549)
Total Town Hall / General Government	50,300	50,300	47,690	2,610
Public Works/Transfer Station				
01 23 5217 Electricity	11,000	11,000	16,902	(5,902)
01 23 5275 Propane	8,000	8,000	5,422	2,578
01 23 5289 Security system maintenance	1,200	1,200	1,109	91
01 23 5335 Bottled water	300	300	125	175
Total Public Works/Transfer Station	20,500	20,500	23,558	(3,058)
Elder Affairs Commission				
01 29 5250 Education / training / seminars	100	100	-	100
01 29 5351 Newsletter	1,200	1,200	243	957
01 29 5370 Operating supplies	150	150	52	98
01 29 5520 Senior citizens meals	350	350	186	164
Total Elder Affairs Commission	1,800	1,800	481	1,319
Town Sergeant				
01 31 5001 Town Sergeant	500	500	500	-
01 31 5100 FICA	-	-	38	(38)
Total Town Sergeant	500	500	538	(38)
Contingency				
01 36 5750 Contingency - Emergencies	20,000	20,000	-	20,000
01 36 5752 Contingency - Wages	85,000	5,549	-	5,549
01 36 5755 Contingency - Healthcare	18,000	18,000	-	18,000
Total Contingency	123,000	43,549	-	43,549
Probate Court				
01 38 5001 Probate clerk	4,800	4,800	1,600	3,200
01 38 5100 FICA	367	367	-	367
01 38 5229 Probate judge	3,600	3,600	3,900	(300)
Total Probate Court	8,767	8,767	5,500	3,267

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Town Administration				
01 44 5002 Town Administrator - Pinch	76,000	76,000	74,974	1,026
01 44 5100 FICA	5,814	5,814	5,954	(140)
01 44 5102 Health insurance	2,920	2,920	2,880	40
01 44 5130 Retirement - ER 1452 Town	7,904	7,904	7,515	389
01 44 5250 Education / training / seminars	400	400	28	372
01 44 5260 Dues	-	-	100	(100)
Total Town Administration	93,038	93,038	91,451	1,587
Land Trust				
01 46 5264 Travel	250	250	150	100
01 46 5336 Contract services	3,000	3,000	125	2,875
01 46 5337 Stewardship	2,000	2,000	4,004	(2,004)
01 46 5370 Operating supplies	600	600	-	600
Total Land Trust	5,850	5,850	4,279	1,571
Conservation Commission				
01 47 5205 Office supplies	200	200	174	26
01 47 5250 Education / training / seminars	150	150	100	50
01 47 5260 Dues	200	200	100	100
01 47 5267 Travel	50	50	39	11
01 47 5370 Operating expense	4,250	4,250	4,250	-
Total Conservation Commission	4,850	4,850	4,663	187
Other Expenses				
01 49 5150 Worker's compensation	47,000	47,000	52,101	(5,101)
01 49 5219 Street lighting	18,500	18,500	21,022	(2,522)
01 49 5354 Insurance	105,000	105,000	113,209	(8,209)
01 49 5356 Annual audit fee	24,185	24,185	24,300	(115)
Total Other Expenditures	194,685	194,685	210,632	(15,947)
Economic Development				
01 28 5229 Professional Services	1,000	1,000	625	375
01 28 5250 Education / Training / Seminars	1,000	1,000	-	1,000
01 28 5252 Education Training	1,000	1,000	-	1,000
01 28 5351 Printing	1,000	1,000	-	1,000
01 28 5354 Insurance	500	500	-	500
Total Economic Development	4,500	4,500	625	3,875
Building Maintenance Department				
01 24 5044 Bldg Maintenance - Pierce	32,074	32,715	32,850	(135)
01 24 5100 FICA	2,454	2,503	2,299	204
01 24 5102 Health insurance	18,240	18,240	16,087	2,153
01 24 5130 Retirement - ER 1452 Town	3,336	3,403	3,294	109
01 24 5201 Custodial / supplies	2,500	2,500	2,006	494
01 24 5264 Travel	600	600	513	87
01 24 5280 Grounds maintenance	2,500	2,500	2,651	(151)
01 24 5282 Pest Control	495	495	140	355
01 24 5285 Building maintenance	18,000	18,000	19,021	(1,021)
01 24 5286 Heating/fuel oil	8,000	8,000	4,488	3,512
01 24 5289 Security system maintenance	3,700	3,700	2,814	886
01 24 5290 Elevator inspection & maintenance	2,800	2,800	4,095	(1,295)
Total Building Maintenance Department	94,699	95,456	90,258	5,198
Total General Government	1,622,261	1,561,696	1,484,672	77,024

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

TOWN OF RICHMOND, RHODE ISLAND

Budgetary Comparison Schedule - General Fund

Schedule of Revenues and Expenditures - Budgetary Basis (Continued)

For the Fiscal Year Ended June 30, 2017

	Original Budget	***Final Budget***	***Actual Amounts (Budgetary Basis)***	***Variance With Final Budget Positive (Negative)***
Police Department				
01 20 5001 Regular Wages - Sworn Officers	83,000	83,000	85,411	(2,411)
01 20 5004 F/T Clerk - Bowen	36,400	37,310	37,464	(154)
01 20 5006 Patrolman Zoglio	57,982	59,615	60,061	(446)
01 20 5008 Lieutenant Arnold	75,094	77,956	77,656	300
01 20 5020 Patrolman Kelley	57,982	59,615	54,462	5,153
01 20 5021 Patroman Briody	59,032	60,946	61,442	(496)
01 20 5024 Detective Bishop	61,994	64,449	64,922	(473)
01 20 5025 Patrolman Vaughn	59,031	60,862	61,505	(643)
01 20 5026 Sergeant Lawing	68,243	70,685	70,598	87
01 20 5027 Patrolman Andrukiewicz	58,453	60,574	59,719	855
01 20 5028 Patrolman Vachon	63,691	64,701	69,851	(5,150)
01 20 5029 Corporal Litterio	63,917	65,620	63,069	2,551
01 20 5033 Officer - Donohue	48,923	48,763	47,952	811
01 20 5034 Dispatcher - Jillett	26,310	27,889	28,038	(149)
01 20 5035 Dispatcher - Lassell	23,808	23,808	26,043	(2,235)
01 20 5036 Officer - Jacome	49,131	48,763	50,193	(1,430)
01 20 5037 Dispatcher - Cook	23,227	24,621	21,968	2,653
01 20 5038 Officer - Taylor	42,985	46,302	44,138	2,164
01 20 5040 All Part Time Dispatch	30,690	32,618	15,230	17,388
01 20 5061 OT Vacation Fill In	50,000	50,000	57,552	(7,552)
01 20 5062 OT Training/Dispatch/Court	70,000	70,000	100,015	(30,015)
01 20 5063 Sick Fill In OT	28,000	28,000	32,378	(4,378)
01 20 5070 Holiday Pay Police Dept	52,000	52,000	46,808	5,192
01 20 5100 FICA	91,027	93,185	98,767	(5,582)
01 20 5102 Health insurance	239,470	239,470	235,272	4,198
01 20 5130 Retirement - ER 1452 Town	20,045	20,597	19,847	750
01 20 5131 Retirement - ER 1454 Police	94,811	97,580	85,488	12,092
01 20 5200 Office supplies	7,000	7,000	5,665	1,335
01 20 5202 Postage	450	450	384	66
01 20 5215 Telephone	9,760	9,760	10,879	(1,119)
01 20 5250 Education / training / seminars	15,000	15,000	13,574	1,426
01 20 5260 Dues	600	600	275	325
01 20 5264 Travel	700	700	418	282
01 20 5300 Fuel / State Fleep Ops	55,000	55,000	39,873	15,127
01 20 5323 Vehicle Repairs / Maintenance	30,000	30,000	30,081	(81)
01 20 5324 Uniforms	12,000	12,000	8,881	3,119
01 20 5353 Body Armor	1,500	1,500	947	553
01 20 5355 Fingerprinting	3,500	3,500	2,640	860
01 20 5369 Small Equipment Purchases	9,500	9,500	12,063	(2,563)
01 20 5378 Equip Repairs / Maint & Parts	-	-	2,050	(2,050)
01 20 5379 Emergency Repairs	2,500	2,500	1,735	765
01 20 5399 Misc. Expense	300	300	684	(384)
01 20 5400 Legal - Labor Lawyer	5,000	5,000	11,468	(6,468)
01 20 5080 Police Details	-	-	101,126	(101,126)
Total Police Department	1,788,056	1,821,739	1,918,592	(96,853)

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Budgetary Basis (Continued)
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Animal Control				
01 21 5020 Animal Control Officer - Fisher	39,626	40,815	40,488	327
01 21 5040 All Part Time Animal Control	5,000	5,200	9,369	(4,169)
01 21 5060 OT animal control	1,400	1,400	2,269	(869)
01 21 5070 Holiday pay animal control	900	900	233	667
01 21 5100 FICA	3,590	3,696	3,885	(189)
01 21 5102 Health insurance	14,295	14,295	14,096	199
01 21 5130 Retirement - ER 1452 Town personnel	4,121	4,245	4,262	(17)
01 21 5203 Animal control misc. supplies	5,500	5,500	5,388	112
01 21 5215 Telephone	550	550	432	118
01 21 5250 Education / training / seminars	600	600	1,070	(470)
01 21 5260 Dues	65	65	60	5
01 21 5264 Travel	-	-	41	(41)
01 21 5300 Fuel / state fleet ops	2,500	2,500	1,694	806
01 21 5323 Vehicle repairs / maintenance & parts	1,000	1,000	31	969
01 21 5325 Clothing allowance	1,200	1,200	1,241	(41)
01 21 5340 Veterinarian	4,000	4,000	2,839	1,161
01 21 5341 Dog tags and licenses	350	350	279	71
01 21 5342 Impoundment / turnover fees	2,500	2,500	1,011	1,489
01 21 5380 Computer upgrades / software	200	200	-	200
Total Animal Control	87,397	89,016	88,688	328
Emergency Management				
01 35 5001 EMA director stipend	10,000	10,000	9,019	981
01 35 5002 Deputy Stipends (2)	2,000	2,000	-	2,000
01 35 5100 FICA	918	918	767	151
01 35 5200 Office supplies	-	-	158	(158)
01 35 5202 Miscellaneous supplies	600	600	575	25
01 35 5215 Telephone & internet	3,600	3,600	3,176	424
01 35 5250 Education / Training / Seminars	-	-	37	(37)
01 35 5378 Equipment repairs/maintenance & parts	-	-	27	(27)
Total Emergency Management	17,118	17,118	13,759	3,359
Total Public Safety	1,892,571	1,927,873	2,021,039	(93,166)

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Budgetary Basis (Continued)
For the Fiscal Year Ended June 30, 2017

	Original Budget	*Final Budget*	*Actual Amounts (Budgetary Basis)*	*Variance With Final Budget Positive (Negative)*
Public Works Department				
01 19 5000 Regular Wages	66,229	68,878	69,163	(285)
01 19 5021 Assistant Director - Smith	56,675	58,659	58,902	(243)
01 19 5023 Truck Driver/Laborer - Hill	48,588	50,046	50,290	(244)
01 19 5024 Truck Driver/Laborer - Robar	40,116	44,128	44,521	(393)
01 19 5027 Shop Forman - Caswell	34,465	38,608	40,357	(1,749)
01 19 5030 Truck Driver/Laborer - Doucette	30,160	33,176	32,695	481
01 19 5031 Truck Driver/Laborer - Reynolds	30,160	33,176	33,332	(156)
01 19 5034 Laborer - McCall	30,160	30,160	18,720	11,440
01 19 5060 Overtime Public Works	40,000	40,000	36,429	3,571
01 19 5068 Temp Employee Snow Removal	3,300	3,300	3,518	(218)
01 19 5100 FICA	29,058	30,609	28,882	1,727
01 19 5102 Health insurance	97,530	97,530	69,674	27,856
01 19 5130 Muncipal Retirement - ER 1452	35,002	37,111	33,720	3,391
01 19 5200 Office supplies	-	-	413	(413)
01 19 5215 Telephone	4,200	4,200	6,477	(2,277)
01 19 5260 Dues	-	-	25	(25)
01 19 5285 Building Maintenance	1,000	1,000	4,692	(3,692)
01 19 5300 Fuel / state fleet ops	2,500	2,500	4,737	(2,237)
01 19 5325 Clothing allowance	8,500	8,500	9,476	(976)
01 19 5360 Street maintenance - snow removal	45,000	45,000	99,007	(54,007)
01 19 5361 Street maintenance - gravel	6,000	6,000	9,344	(3,344)
01 19 5362 Street maintenance - drainage	9,000	9,000	13,335	(4,335)
01 19 5363 Street maintenance - asphalt	20,000	20,000	11,312	8,688
01 19 5364 Street maintenance - signs & posts	5,500	5,500	6,059	(559)
01 19 5366 Street maintenance - snow contingency	50,000	50,000	-	50,000
01 19 5367 Equipment rental	8,000	8,000	7,920	80
01 19 5368 Engineering	1,500	1,500	-	1,500
01 19 5370 Operating supplies	5,000	5,000	3,333	1,667
01 19 5372 Fuel oils & lubricants	35,000	35,000	23,932	11,068
01 19 5378 Equipment repairs / maintenance & parts	110,000	110,000	113,492	(3,492)
01 19 5399 Misc. expenses	750	750	849	(99)
Total Public Works Department	853,393	877,331	834,606	42,725
Total Public Works Department	853,393	877,331	834,606	42,725
Recreation				
01 22 5040 Part Time Recreation Director	9,850	9,850	8,084	1,766
01 22 5047 Part Time Recreation Program	16,500	16,500	8,955	7,545
01 22 5100 FICA	2,016	2,016	1,303	713
01 22 5204 Recreation / supplies	500	500	-	500
01 22 5260 Dues	50	50	-	50
01 22 5280 Grounds Maintenance	-	-	1,423	(1,423)
01 22 5391 Recreation program expenses	3,000	3,000	3,954	(954)
01 22 5394 Recreation other events	2,000	2,000	146	1,854
01 22 5395 Porta jon rental	667	667	234	433
Total Recreation	34,583	34,583	24,099	10,484
Police / Community Center Utilities				
01 30 5217 Electricity	12,000	12,000	15,618	(3,618)
01 30 5275 Propane	3,500	3,500	1,974	1,526
01 30 5282 Pest control	675	675	450	225
01 30 5285 Building maintenance	3,000	3,000	4,916	(1,916)
01 30 5289 Security system maintenance	500	500	400	100
01 30 5290 Elevator inspection maintenance	2,500	2,500	3,820	(1,320)
Total Police / Community Center Utilities	22,175	22,175	27,178	(5,003)
Total Recreation	56,758	56,758	51,277	5,481

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Educational Expenditures				
01 40 5800 Chariho Regional School Budget	18,363,948	18,363,948	18,363,948	-
01 40 5801 Chariho Regional School Debt Service	187,138	187,138	187,138	-
Total Educational Expenditures	18,551,086	18,551,086	18,551,086	-
Total Educational Expenditures	18,551,086	18,551,086	18,551,086	-
Transfers / Recycling / Landfill				
01 32 5001 Transfer Station - Zucco	32,050	33,172	35,021	(1,849)
01 32 5060 Overtime	-	-	167	(167)
01 32 5100 FICA	2,452	2,538	2,511	27
01 32 5102 Health Insurance	13,500	13,500	13,309	191
01 32 5130 Muncipal Retirement - ER 1452	3,333	3,450	3,358	92
01 32 5215 Telephone	380	380	374	6
01 32 5319 Tipping fees	36,000	36,000	41,509	(5,509)
01 32 5331 Well water testing	15,000	15,000	14,075	925
01 32 5371 Fee for hauling refuse	56,000	56,000	52,381	3,619
01 32 5378 Equipment maintenance & parts	1,500	1,500	837	663
Total Transfers / Recycling / Landfill	160,215	161,540	163,542	(2,002)
Total Transfers / Recycling / Landfill	160,215	161,540	163,542	(2,002)
Community Services Support				
01 25 5500 Hope Valley Ambulance	50,000	50,000	50,000	-
01 25 5501 Clark Memorial Library	97,000	97,000	97,000	-
01 25 5506 Domestic Violence Resource Center	750	750	750	-
01 25 5509 American Legion - Downy Weaver	500	500	500	-
01 25 5510 Richmond Historical Society	400	400	400	-
01 25 5511 Chariho Youth Soccer	400	400	400	-
01 25 5513 Chariho Cowboys	400	400	400	-
01 25 5515 Southern RI Volunteers	750	750	750	-
01 25 5516 WARM Shelter	500	500	500	-
01 25 5521 Wood River Health Service	1,500	1,500	1,500	-
01 25 5522 Education Exchange	300	300	300	-
01 25 5523 RI Center Assisting Those in Need	1,000	1,000	1,000	-
01 25 5529 South Kingstown Adult Day Services	500	500	500	-
01 25 5530 Richmond Historical Society Bell School House Paint	600	600	600	-
01 25 5532 Neighbors Helping Neighbors	500	500	500	-
01 25 5533 Community 2000 Education Foundation	500	500	500	-
Total Community Services Support	155,600	155,600	155,600	-
Senior Activities				
01 26 5200 Office supplies	-	-	142	(142)
01 26 5205 Misc supplies	500	500	387	113
01 26 5215 Phone/Internet	1,700	1,700	1,817	(117)
01 26 5391 Program Expenses	9,000	9,000	9,545	(545)
Total Senior Activities	11,200	11,200	11,891	(691)
Total Community Service	166,800	166,800	167,491	(691)

(Continued)

The accompanying notes to the required supplementary information are an integral part of this schedule.

TOWN OF RICHMOND, RHODE ISLAND

Budgetary Comparison Schedule - General Fund
Schedule of Revenues and Expenditures - Budgetary Basis (Continued)
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
Canvassing Authority				
01 33 5001 Board / commission / stipend	2,500	2,500	2,000	500
01 33 5003 Election officials	5,125	5,125	5,150	(25)
01 33 5060 DPW Personnel OT	600	600	-	600
01 33 5100 FICA	237	237	38	199
01 33 5200 Office supplies	1,665	1,665	1,460	205
01 33 5264 Travel	350	350	-	350
01 33 5399 Miscellaneous	1,070	1,070	660	410
Total canvassing authority	11,547	11,547	9,308	2,239
Debt Service				
01 39 5771 Pelican lease principal matures 2016	35,270	35,270	35,270	-
01 39 5772 Pelican lease interest matures 2016	1,372	1,372	1,372	-
01 39 5773 Water main prin matures 2052	12,322	12,322	12,322	-
01 39 5774 Water main interest matures 2052	23,006	23,006	23,376	(370)
01 39 5775 Water Tank Prin Matures 2055	17,964	17,964	17,964	-
01 39 5776 Water Tank Interest Matures 2055	37,769	37,769	37,769	-
01 39 5782 Paying Agent Fee	2,600	2,600	2,500	100
01 39 5785 GOB SER 2007 principal matures 2018	145,000	145,000	145,000	-
01 39 5786 GOB SER 2007 interest matures 2018	8,972	8,972	8,972	-
01 39 5787 GOB SER 2010 principal matures 2021	90,000	90,000	90,000	-
01 39 5788 GOB SER 2010 interest matures 2021	24,625	24,625	24,625	-
01 39 5789 Principal pmt matures - 2025	225,000	225,000	225,000	-
01 39 5790 GOB SER 2014 interest matures 2024	51,650	51,650	51,650	-
Total Debt Service	675,550	675,550	675,820	(270)
Reval Restricted Account				
01 41 5775 Restricted revaluation account	29,000	29,000	29,000	-
Total Reval Restricted Account	29,000	29,000	29,000	-
Transfers				
01 49 5358 Transfer to Capital fund	443,700	443,700	443,700	-
Total Expenditures	$ 24,462,881	$ 24,462,881	$ 24,431,541	$ 31,340

The accompanying notes to the required supplementary information are an integral part of this schedule.

NOTE 1 – PENSION PLANS

The actuarial methods and assumptions used to calculate the total pension liability are described in Note 17 to the financial statements.

The net pension liability amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year-end.

The schedules are intended to present ten years of data. Additional years of data will be presented as they become available.

At its October 2016 meeting, the State Investment Commission voted to redeem the investment in seven hedge funds totaling approximately $586 million held within the Pooled Investment Trust. The action was taken as part of an overall asset allocation review. Approximately $508 million has been redeemed through August 31, 2017. Remaining redemptions are estimated to continue through March 2018.

In May 2017, the Employees' Retirement System of Rhode Island Board voted to lower the investment rate of return assumption from 7.5% to 7.0% which will be reflected in the determination of the net pension liability for the various plans administered by the System beginning with the June 30, 2017 measurement date valuations.

Actuarially Determined Contributions:
Actuarially determined contribution rates are calculated as of June 30 of each plan year and effective 2 years after the actuarial valuation. The following actuarial methods and assumptions were used to determine contribution amounts reported in that schedule:

- Actuarial cost method – Entry Age Normal
- Amortization method - Level percentage of payroll, closed
- Remaining amortization period - 21 years
- Asset valuation method – 5-year smoothed market
- Inflation – 2.75%
- Investment return - 7.50%
- Salary increases – 3.75% to 7.50% for general employees; 4% to 14% for police officers
- Retirement age – Experienced-based table of rates that are specific to the type of eligibility condition
- Mortality – Males, General and Police Officers – 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000
- Mortality – Females, General and Police Officers – 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000

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

NOTE 2 - BUDGETARY DATA AND BUDGETARY COMPLIANCE

In accordance with the Richmond Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund. The Town Council presents an annual budget for the General Fund to the citizens of Richmond for adoption at the annual Financial Town meeting based on the recommendation of the Finance Board. The annual operating budget's appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the reappropriation of accumulated surpluses to the extent necessary. The General Fund operating budget is in conformance with the legally enacted budgetary basis, which is not in conformance with generally accepted accounting principles. The accompanying budgetary comparison schedule is reflected on the budgetary basis. The difference between the budgetary basis and generally accepted accounting principles is explained below.

Appropriations in addition to those contained in the annual operating budget require approval by the taxpayers at a Financial Town Meeting. The Town Council, with some restrictions, can transfer budgeted amounts within and among departments and to authorize emergency expenditures. Management cannot make budget transfers without prior Town Council approval.

Explanation of Differences between Budgetary Revenues and Other Financing Sources and Expenditures and Other Financing Uses and GAAP Revenues and Other Financing Sources and Expenditures and Other Financing Uses

Revenues and Other Financing Sources	***General Fund***
Actual amounts (budgetary basis)	$24,672,389
Differences – budget to GAAP:	
Budgeted transfer from the Enterprise Fund is included for budgetary purposes, but is not included for financial reporting purposes.	(91,431)
Budgeted use of committed fund balance is included for budgetary purposes, but is not included for financial reporting purposes.	(200,000)
Unbudgeted revenues not included for budgetary purposes, but included for financial reporting purposes.	33,244
Capital lease proceeds not included for budgetary purposes, but included for financial reporting purposes.	8,574
Total revenues and other financing sources as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds	$24,422,776

TOWN OF RICHMOND, RHODE ISLAND
Notes to Required Supplementary Information
June 30, 2017

Expenditures and Other Financing Uses	*General Fund*
Actual amounts (budgetary basis)	$24,431,541
Differences – budget to GAAP:	
Budgeted payment of debt service for the Enterprise Fund is included for budgetary purposes, but is not included for financial reporting purposes.	(91,431)
Budgeted transfer to Revaluation Restricted and Comprehensive Plan accounts are included for budgetary purposes, but are not included for financial reporting purposes.	(49,000)
Unbudgeted expenditures not included for budgetary purposes, but is included for financial reporting purposes.	64,360
Assets acquired with a capital lease are not included as expenditures for budgetary purposes, but are included for financial reporting purposes.	8,574
Total expenditures and other financing uses as reported in the statement of revenues, expenditures and changes in fund balances – governmental funds	$24,364,044

OTHER SUPPLEMENTARY INFORMATION

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

THIS SECTION CONTAINS THE FOLLOWING:

Combining Financial Statements for General Fund

Combining Fund Financial Statements for Nonmajor Governmental Funds

Combining Fund Financial Statements for Private Purpose Trust Funds

Combining Statement of Assets and Liabilities for Agency Funds

Other Supplementary Information

TOWN OF RICHMOND, RHODE ISLAND
Combining Balance Sheet
General Fund
June 30, 2017

	General Fund	Revaluation Fund	Comprehensive Plan Fund	Elimination Entries	Total General Fund
Assets					
Cash and cash equivalents	$ 7,176,127	$ -	$ -	$ -	$ 7,176,127
Property taxes, net of allowance for doubtful accounts of $208,000	806,721	-	-	-	806,721
Accounts receivable	57,904	-	-	-	57,904
Due from federal and state government	139,498	-	-	-	139,498
Due from other funds	36,745	217,084	25,491	(242,575)	36,745
Prepaid expenditures	6,384	-	-	-	6,384
Total assets	$ 8,223,379	$ 217,084	$ 25,491	$ (242,575)	$ 8,223,379
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable and accrued expenditures	$ 183,357	$ -	$ -	$ -	$ 183,357
Due to other funds	3,134,602	-	-	(242,575)	2,892,027
Total liabilities	3,317,959	-	-	(242,575)	3,075,384
Deferred Inflows of Resources					
Deferred property taxes	523,772	-	-	-	523,772
Total deferred inflows of resources	523,772	-	-	-	523,772
Fund balances					
Nonspendable:					
Prepaid items	6,384	-	-	-	6,384
Committed for:					
Revaluation	-	217,084	-	-	217,084
Comprehensive Plan	-	-	25,491	-	25,491
Capital projects	245,160	-	-	-	245,160
Capital - Alton Water	19,291	-	-	-	19,291
Capital - Foster Woods recreation	12,794	-	-	-	12,794
Landscaping projects	675	-	-	-	675
Landfill	50,000	-	-	-	50,000
Public works projects	2,671	-	-	-	2,671
Police programs	4,811	-	-	-	4,811
Building maintenance	1,000	-	-	-	1,000
Snow removal	12,740	-	-	-	12,740
School budget	268,346	-	-	-	268,346
Legal fees	10,000	-	-	-	10,000
Future state aid funding shortfalls	135,954	-	-	-	135,954
Unassigned	3,611,822	-	-	-	3,611,822
Total fund balances	4,381,648	217,084	25,491	-	4,624,223
Total liabilities, deferred inflows of resources, and fund balances	$ 8,223,379	$ 217,084	$ 25,491	$ (242,575)	$ 8,223,379

TOWN OF RICHMOND, RHODE ISLAND

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

General Fund

For the Fiscal Year Ended June 30, 2017

	General Fund	Revaluation Fund	Comprehensive Plan Fund	Elimination Entries	Total General Fund
Revenues:					
Property taxes	$ 18,015,962	$ -	$ -	$ -	$ 18,015,962
Intergovernmental revenue	5,348,152	33,244	-	-	5,381,396
License, permits and fees	582,588	-	-	-	582,588
Interest on investments	26,938	-	-	-	26,938
Other revenues	214,677	-	-	-	214,677
Total revenues	24,188,317	33,244	-	-	24,221,561
Expenditures:					
Current:					
General government	1,464,672	57,900	6,460	-	1,529,032
Public safety	2,021,039	-	-	-	2,021,039
Public works	834,606	-	-	-	834,606
Recreation and culture	51,277	-	-	-	51,277
Education	18,551,086	-	-	-	18,551,086
Transfer station and recycling	163,542	-	-	-	163,542
Community services	167,491	-	-	-	167,491
Canvassing authority	9,308	-	-	-	9,308
Capital outlay	8,574	-	-	-	8,574
Debt service:					
Principal	495,270	-	-	-	495,270
Interest and other charges	89,119	-	-	-	89,119
Total expenditures	23,855,984	57,900	6,460	-	23,920,344
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	332,333	(24,656)	(6,460)	-	301,217
Other financing sources (uses):					
Capital lease	8,574	-	-	-	8,574
Transfers from other funds	192,641	29,000	20,000	(49,000)	192,641
Transfers to other funds	(492,700)	-	-	49,000	(443,700)
Total other financing sources (uses)	(291,485) -	29,000	20,000	-	(242,485)
Net change in fund balances	40,848	4,344	13,540	-	58,732
Fund balances - beginning of year	4,340,800	212,740	11,951	-	4,565,491
Fund balances - end of year	$ 4,381,648	$ 217,084	$ 25,491	$ -	$ 4,624,223

COMBINING FUND FINANCIAL STATEMENTS– NONMAJOR GOVERNMENTAL FUNDS

THE FOLLOWING FUNDS OF THE TOWN ARE REPORTED IN THIS SECTION:

Special Revenue Funds are used to account for resources allocated to specific purposes. A Special Revenue fund continues in existence as long as governmental resources are allocated to its specific purposes.

Historical Records Trust – was established to account for monies set aside for the maintenance of Historical Records.

Police Grants – was established to account for grant funds for highway safety programs and other Police Grants.

Legislative Grant – was established to account for Legislative Grant receipts and disbursements.

CDBG 13/29/DR Grant – was established to account for CDBG 13/29/DR Grant.

Land Trust – was established to account for donations from citizens to be used for the Land Trust.

Heritage Trail Grant – was established to account for grants and local funds to be used for the Heritage Trail project.

Planning Board – was established to account for Planning Board reviews and inspections receipts and disbursements.

Hazard Mitigation – was established to account for Hazard Mitigation Grant receipts and disbursements.

Community Development Block Grant – was established to account for the Community Development Block Grant Program receipts and disbursements.

Bryne Grant – was established to account for grants from the US Department of Justice.

Senior Crafts – was established to account for donations to be used for Senior crafts costs.

Impact Fees Education – was established to account for fees set aside for educational purposes.

Impact Fees Recreation – was established to account for fees set aside for recreational purposes.

Healthcare Meds Grant – was established to account for to account for Medical Emergency Distribution System Grant receipts and disbursements.

Dog Park Donations – was established to account for donations for the dog park.

Spay/Neuter Fund- was established per State law to account for a portion of Animal control fees to be used for expenditures as outlined in the State law.

ACO Adoptions – was established to account for donations received for animal adoptions.

Animal Control Stray & Homeless – was established to account for fees collected by Animal Control for expenditures incurred for stray and homeless animals.

Senior Activities Grant – was established to account for Senior Activity programs and grants.

The Capital Projects Funds
account for all resources used for the acquisition
and/or construction of capital items by the Town
except those financed by the Proprietary Fund Types or Trust Funds.

Open Space Recreation Capital Project – was established to account for Open Space Program receipts and disbursements

TOWN OF RICHMOND, RHODE ISLAND

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Special Revenue Funds	*Open Space Recreation Capital Project Fund*	*Total Nonmajor Governmental Funds*
ASSETS			
Due from federal and state governments	$ 44,264	$ -	$ 44,264
Due from other funds	138,719	616,401	755,120
Total assets	$ 182,983	$ 616,401	$ 799,384
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 12,207	$ -	$ 12,207
Due to other funds	36,731	-	36,731
Total liabilities	48,938	-	48,938
Fund balances			
Restricted for:			
Historical records preservation	15,368	-	15,368
Senior activities	29,716	-	29,716
Land trust	20,615	-	20,615
Public safety programs	7,285	-	7,285
Community service programs	1,192	-	1,192
Dog park	4,760	-	4,760
Committed for:			
Planning inspections	22,900	-	22,900
Public facilities and recreation	29,400	616,401	645,801
Public safety programs	8,675	-	8,675
Unassigned	(5,866)	-	(5,866)
Total fund balances	134,045	616,401	750,446
Total liabilities and fund balances	$ 182,983	$ 616,401	$ 799,384

TOWN OF RICHMOND, RHODE ISLAND

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds	*Open Space Recreation Capital Project Fund*	*Total Nonmajor Governmental Funds*
Revenues			
Intergovernmental revenue	$ 226,084	$ -	$ 226,084
License, permits and fees	31,987	72,922	104,909
Other revenues	5,803	-	5,803
Total revenues	263,874	72,922	336,796
Expenditures			
Current:			
General government	25,182	-	25,182
Public safety	18,702	-	18,702
Community services	213,813	-	213,813
Total expenditures	257,697	-	257,697
Excess of revenues over expenditures before other financing uses	6,177	72,922	79,099
Other financing uses			
Transfers to other funds	(192,641)	-	(192,641)
Total other financing uses	(192,641)	-	(192,641)
Net change in fund balances	(186,464)	72,922	(113,542)
Fund balances - beginning of year	320,509	543,479	863,988
Fund balances - end of year	$ 134,045	$ 616,401	$ 750,446

TOWN OF RICHMOND, RHODE ISLAND
Combining Balance Sheet
Special Revenue Funds
June 30, 2017

	Historical Records Trust	Police Grants	Legislative Grant	CDBG 13/29/DR	Land Trust	Heritage Trail	Planning Board
ASSETS							
Due from federal and state governments	$ -	$ 1,127	$ -	$ -	$ -	$ -	$ -
Due from other funds	15,368	-	5,030	-	6,393	14,222	22,900
Total assets	$ 15,368	$ 1,127	$ 5,030	$ -	$ 6,393	$ 14,222	$ 22,900
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	5,762	-	-	-	-	-
Total liabilities	-	5,762	-	-	-	-	-
Fund balances							
Restricted for:							
Historical records preservation	15,368	-	-	-	-	-	-
Senior activities	-	-	5,030	-	-	-	-
Land trust	-	-	-	-	6,393	14,222	-
Public safety programs	-	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-	-
Dog park	-	-	-	-	-	-	-
Committed for:							
Planning inspections	-	-	-	-	-	-	22,900
Public facilities and recreation	-	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-	-
Unassigned	-	(4,635)	-	-	-	-	-
Total fund balances	15,368	(4,635)	5,030	-	6,393	14,222	22,900
Total liabilities and fund balances	$ 15,368	$ 1,127	$ 5,030	$ -	$ 6,393	$ 14,222	$ 22,900

(Continued)

TOWN OF RICHMOND, RHODE ISLAND
Combining Balance Sheet (Continued)
Special Revenue Funds
June 30, 2017

	Community Development Block Grant	Hazard Mitigation	Bryne Grant	Senior Crafts	Impact Fees Education	Impact Fees Recreation
ASSETS						
Due from federal and state governments	$ 30,253	$ 6,768	$ 6,116	$ -	$ -	$ -
Due from other funds	-	-	-	4,515	21,600	7,800
Total assets	$ 30,253	$ 6,768	$ 6,116	$ 4,515	$ 21,600	$ 7,800
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 12,207	$ -	$ -	$ -	$ -	$ -
Due to other funds	16,854	6,768	6,116	-	-	-
Total liabilities	29,061	6,768	6,116	-	-	-
Fund balances						
Restricted for:						
Historical records preservation	-	-	-	-	-	-
Senior activities	-	-	-	4,515	-	-
Land trust	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Community service programs	1,192	-	-	-	-	-
Dog park	-	-	-	-	-	-
Committed						
Planning inspections	-	-	-	-	-	-
Public facilities and recreation	-	-	-	-	21,600	7,800
Public safety programs	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	1,192	-	-	4,515	21,600	7,800
Total liabilities and fund balances	$ 30,253	$ 6,768	$ 6,116	$ 4,515	$ 21,600	$ 7,800

(Continued)

TOWN OF RICHMOND, RHODE ISLAND
Combining Balance Sheet (Continued)
Special Revenue Funds
June 30, 2017

	Healthcare MEDS Grant	Dog Park Donations	Spay/Neuter Fund	ACO Adoptions	Animal Control Stray & Homeless	Senior Activities Grant	Total
ASSETS							
Due from federal and state governments	$ -	$ -	$ -	$ -	$ -	$ -	$ 44,264
Due from other funds	-	4,760	7,285	7,176	1,499	20,171	138,719
Total assets	$ -	$ 4,760	$ 7,285	$ 7,176	$ 1,499	$ 20,171	$ 182,983
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,207
Due to other funds	1,231	-	-	-	-	-	36,731
Total liabilities	1,231	-	-	-	-	-	48,938
Fund balances							
Restricted for:							
Historical records preservation	-	-	-	-	-	-	15,368
Senior activities	-	-	-	-	-	20,171	29,716
Land trust	-	-	-	-	-	-	20,615
Public safety programs	-	-	7,285	-	-	-	7,285
Community service programs	-	-	-	-	-	-	1,192
Dog park	-	4,760	-	-	-	-	4,760
Committed							
Planning inspections	-	-	-	-	-	-	22,900
Public facilities and recreation	-	-	-	-	-	-	29,400
Public safety programs	-	-	-	7,176	1,499	-	8,675
Unassigned	(1,231)	-	-	-	-	-	(5,866)
Total fund balances	(1,231)	4,760	7,285	7,176	1,499	20,171	134,045
Total liabilities and fund balances	$ -	$ 4,760	$ 7,285	$ 7,176	$ 1,499	$ 20,171	$ 182,983

TOWN OF RICHMOND, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Historical Records Trust	*Police Grants*	*Legislative Grant*	*CDBG 13/29/DR*	*Land Trust*	*Heritage Trail*	*Planning Board*
Revenues							
Intergovernmental revenue	$ -	$ 12,842	$ 3,125	$ 77,817	$ -	$ -	$ -
License, permits and fees	1,633	-	-	-	-	-	10,933
Other revenues	-	-	-	-	1,590	-	-
Total revenues	1,633	12,842	3,125	77,817	1,590	-	10,933
Expenditures							
Current:							
General government	-	-	-	-	-	-	25,182
Public safety	-	17,477	-	-	-	-	-
Community services	-	-	-	77,817	-	-	-
Total expenditures	-	17,477	-	77,817	-	-	25,182
Excess (deficiency) of revenues over (under) expenditures before other financing uses	1,633	(4,635)	3,125	-	1,590	-	(14,249)
Other financing sources uses							
Transfers to other funds	-	-	-	-	-	-	-
Total other financing uses	-	-	-	-	-	-	-
Net change in fund balances	1,633	(4,635)	3,125	-	1,590	-	(14,249)
Fund balances - beginning of year	13,735	-	1,905	-	4,803	14,222	37,149
Fund balances - end of year	$ 15,368	$ (4,635)	$ 5,030	$ -	$ 6,393	$ 14,222	$ 22,900

(Continued)

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Community Development Block Grant	Hazard Mitigation	Bryne Grant	Senior Crafts	Impact Fees Education	Impact Fees Recreation
Revenues						
Intergovernmental revenue	$ 132,100	$ -	$ -	$ -	$ -	$ -
License, permits and fees	-	-	-	-	12,000	3,900
Other revenues	-	-	-	2,550	-	-
Total revenues	132,100	-	-	2,550	12,000	3,900
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Community services	132,100	-	-	716	-	-
Total expenditures	132,100	-	-	716	-	-
Excess (deficiency) of revenues over (under) expenditures before other financing uses	-	-	-	1,834	12,000	3,900
Other financing sources uses						
Transfers to other funds	-	-	-	-	(159,041)	(33,600)
Total other financing uses	-	-	-	-	(159,041)	(33,600)
Net change in fund balances	-	-	-	1,834	(147,041)	(29,700)
Fund balances - beginning of year	1,192	-	-	2,681	168,641	37,500
Fund balances - end of year	$ 1,192	$ -	$ -	$ 4,515	$ 21,600	$ 7,800

(Continued)

TOWN OF RICHMOND, RHODE ISLAND
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Healthcare MEDS Grant	Dog Park Donations	Spay/Neuter Fund	ACO Adoptions	Animal Control Stray & Homeless	Senior Activities Grant	Total
Revenues							
Intergovernmental revenue	$ 200	$ -	$ -	$ -	$ -	$ -	$ 226,084
License, permits and fees	-	-	916	2,255	350	-	31,987
Other revenues	-	1,663	-	-	-	-	5,803
Total revenues	200	1,663	916	2,255	350	-	263,874
Expenditures							
Current:							
General government	-	-	-	-	-	-	25,182
Public safety	20	-	-	950	255	-	18,702
Community services	-	981	-	-	-	2,199	213,813
Total expenditures	20	981	-	950	255	2,199	257,697
Excess (deficiency) of revenues over (under) expenditures before other financing uses	180	682	916	1,305	95	(2,199)	6,177
Other financing sources uses							
Transfers to other funds	-	-	-	-	-	-	(192,641)
Total other financing uses	-	-	-	-	-	-	(192,641)
Net change in fund balances	180	682	916	1,305	95	(2,199)	(186,464)
Fund balances - beginning of year	(1,411)	4,078	6,369	5,871	1,404	22,370	320,509
Fund balances - end of year	$ (1,231)	$ 4,760	$ 7,285	$ 7,176	$ 1,499	$ 20,171	$ 134,045

COMBINING FINANCIAL STATEMENTS
FOR PRIVATE PURPOSE TRUST FUNDS

Private Purpose Trust Funds were established to account for assets held by the Town in a fiduciary capacity for individuals, governmental entities and others. Trust funds are operated by carrying out specific requirements, or other governing regulations.

Emily Anthony Fund – was established to account for monies donated for scholarships to assist worthy and deserving children.

Edwin Anthony Fund – was established to account for monies donated to assist in the support and care of the poor.

Crawley Property Fund – was established to account for the Land Trust for the Crawly Property.

Senior Activities Fund – was established to account for monies donated to the Senior Citizens Activity Committee.

Cemetery Funds – was established to account for monies donated for the Town cemetery and for revenue from the sale of cemetery lots.

Wood River Cemetery Fund – was established to account for monies donated for the Wood River Cemetery.

Historical Cemetery Fund – was established to account for monies donated for historical cemeteries.

White Brook Cemetery Fund – was established to account for monies donated for the White Brook Cemetery.

Town Farm Fund – was established to account for Town Farm Fund receipts and disbursements.

Link Cemetery Fund – was established to account for monies donated for the Link Cemetery.

Henry D Hoyle Grant – was established to account for Henry D Hoyle Grant receipts and disbursements.

Clarke Cemetery Fund – was established to account for monies donated for the Clarke Cemetery Fund.

J Crawford Fenner Fund – was established to account for J Crawford Fenner Fund receipts and disbursements.

TOWN OF RICHMOND, RHODE ISLAND

Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2017

	Emily Anthony Funds	*Edwin Anthony Funds*	*Crawley Property*	*Senior Activities*	*Cemetery Funds*	*Wood River Cemetery Funds*
Assets						
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-
Due from other funds	56,045	5,560	4,056	109	35,105	8,864
Total assets	56,045	5,560	4,056	109	35,105	8,864
Liabilities						
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Net Position						
Restricted for other purposes	$ 56,045	$ 5,560	$ 4,056	$ 109	$ 35,105	$ 8,864

(Continued)

TOWN OF RICHMOND, RHODE ISLAND

Combining Statement of Fiduciary Net Position (Continued)

Private Purpose Trust Funds

June 30, 2017

	Historical Cemetery Fund	*White Brook Cemetery Fund*	*Town Farm Fund*	*Link Cemetery Fund*	*Henry D. Hoyle Grant*	*Clarke Cemetery Fund*	*J Crawford Fenner Fund*	*Total*
Assets								
Cash and cash equivalents	$ -	$ 6,787	$ -	$ -	$ -	$ -	$ -	$ 6,787
Investments	-	122,416	-	-	-	-	-	122,416
Due from other funds	9,618	-	1,255	832	639	3,514	3,556	129,153
			-					
Total assets	9,618	129,203	1,255	832	639	3,514	3,556	258,356
Liabilities								
Due to other funds	-	14	-	-	-	-	-	14
Total liabilities	-	14	-	-	-	-	-	14
Net Position								
Restricted for other purposes	$ 9,618	$ 129,189	$ 1,255	$ 832	$ 639	$ 3,514	$ 3,556	$ 258,342

TOWN OF RICHMOND, RHODE ISLAND
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Fiscal Year Ended June 30, 2017

	Emily Anthony Funds	*Edwin Anthony Funds*	*Crawley Property*	*Senior Activities*	*Cemetery Funds*	*Wood River Cemetery Funds*
Additions						
Gifts and contributions	$ 2,185	$ -	$ -	$ -	$ 1,800	$ -
Investment earnings:						
Net increase (decrease) in fair value of investments	-	-	-	-	-	-
Interest and dividends	223	22	16	-	140	35
Net investment earnings	223	22	16	-	140	35
Total additions	2,408	22	16	-	1,940	35
Deductions						
Miscellaneous	4,220	1,007	-	-	1,680	-
Total deductions	4,220	1,007	-	-	1,680	-
Change in net position	(1,812)	(985)	16	-	260	35
Net position - beginning of year	57,857	6,545	4,040	109	34,845	8,829
Net position - end of year	$ 56,045	$ 5,560	$ 4,056	$ 109	$ 35,105	$ 8,864

(Continued)

TOWN OF RICHMOND, RHODE ISLAND
Combining Statement of Changes in Fiduciary Net Position (Continued)
Private Purpose Trust Funds
For the Fiscal Year Ended June 30, 2017

	Historical Cemetery Fund	White Brook Cemetery Fund	Town Farm Fund	Link Cemetery Fund	Henry D. Hoyle Grant	Clarke Cemetery Fund	J Crawford Fenner Fund	Total
Additions								
Gifts and contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,985
Investment earnings:								
Net increase (decrease) in fair value of investments	-	5,537	-	-	-	-	-	5,537
Interest and dividends	39	3,177	5	4	2	14	14	3,691
Net investment earnings	39	8,714	5	4	2	14	14	9,228
Total additions	39	8,714	5	4	2	14	14	13,213
Deductions								
Miscellaneous	-	3,240	-	-	-	-	-	10,147
Total deductions	-	3,240	-	-	-	-	-	10,147
Change in net position	39	5,474	5	4	2	14	14	3,066
Net position - beginning of year	9,579	123,715	1,250	828	637	3,500	3,542	255,276
Net position - end of year	$ 9,618	$ 129,189	$ 1,255	$ 832	$ 639	$ 3,514	$ 3,556	$ 258,342

A G E N C Y   F U N D S

Agency Funds account
for assets held by the Town
as an agent for individuals,
organizations or other governmental units.

TOWN OF RICHMOND, RHODE ISLAND

Combining Statement of Fiduciary Assets and Liabilities

Agency Funds

June 30, 2017

	Landscape Escrows	*Curb Cut Bonds*	*Fairside Drive Bond*	*Wisteria Lane Bond*	*Safety Markings*	*Probate Court*	*Camelot Performance Bond*	*Total Agency Funds*
Assets								
Due from other funds	$ 10,258	$ 3,027	$ 23,076	$ 35,001	$ 2,226	$ 2,430	$ 115,521	$ 191,539
Total assets	$ 10,258	$ 3,027	$ 23,076	$ 35,001	$ 2,226	$ 2,430	$ 115,521	$ 191,539
Liabilities								
Deposits held in custody for others	$ 10,258	$ 3,027	$ 23,076	$ 35,001	$ 2,226	$ 2,430	$ 115,521	$ 191,539
Total liabilities	$ 10,258	$ 3,027	$ 23,076	$ 35,001	$ 2,226	$ 2,430	$ 115,521	$ 191,539

TOWN OF RICHMOND, RHODE ISLAND
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
Landscape Escrows				
Assets				
Due from other funds	$ 10,217	$ 41	$ -	$ 10,258
Total assets	$ 10,217	$ 41	$ -	$ 10,258
Liabilities				
Deposits held in custody for others	$ 10,217	$ 41	$ -	$ 10,258
Total liabilities	$ 10,217	$ 41	$ -	$ 10,258
Curb Cut Bonds				
Assets				
Due from other funds	$ 4,515	$ 2,512	$ 4,000	$ 3,027
Total assets	$ 4,515	$ 2,512	$ 4,000	$ 3,027
Liabilities				
Deposits held in custody for others	$ 4,515	$ 2,512	$ 4,000	$ 3,027
Total liabilities	$ 4,515	$ 2,512	$ 4,000	$ 3,027
Fairside Drive Bond				
Assets				
Due from other funds	$ 22,984	$ 92	$ -	$ 23,076
Total assets	$ 22,984	$ 92	$ -	$ 23,076
Liabilities				
Deposits held in custody for others	$ 22,984	$ 92	$ -	$ 23,076
Total liabilities	$ 22,984	$ 92	$ -	$ 23,076
Wisteria Lane Bond				
Assets				
Due from other funds	$ -	$ 35,001	$ -	$ 35,001
Total assets	$ -	$ 35,001	$ -	$ 35,001
Liabilities				
Deposits held in custody for others	$ -	$ 35,001	$ -	$ 35,001
Total liabilities	$ -	$ 35,001	$ -	$ 35,001

(Continued)

TOWN OF RICHMOND, RHODE ISLAND

Combining Statement of Changes in Fiduciary Assets and Liabilities (Continued)
Agency Funds
For the Fiscal Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
Safety Markings				
Assets				
Due from other funds	$ 2,218	$ 8	$ -	$ 2,226
Total assets	$ 2,218	$ 8	$ -	$ 2,226
Liabilities				
Deposits held in custody for others	$ 2,218	$ 8	$ -	$ 2,226
Total liabilities	$ 2,218	$ 8	$ -	$ 2,226
Probate Court				
Assets				
Due from other funds	$ 2,420	$ 10	$ -	$ 2,430
Total assets	$ 2,420	$ 10	$ -	$ 2,430
Liabilities				
Deposits held in custody for others	$ 2,420	$ 10	$ -	$ 2,430
Total liabilities	$ 2,420	$ 10	$ -	$ 2,430
Camelot Performance Bond				
Assets				
Due from other funds	$ 115,060	$ 461	$ -	$ 115,521
Total assets	$ 115,060	$ 461	$ -	$ 115,521
Liabilities				
Deposits held in custody for others	$ 115,060	$ 461	$ -	$ 115,521
Total liabilities	$ 115,060	$ 461	$ -	$ 115,521
Total Agency Funds				
Assets				
Due from other funds	$ 157,414	$ 38,125	$ 4,000	$ 191,539
Total assets	$ 157,414	$ 38,125	$ 4,000	$ 191,539
Liabilities				
Deposits held in custody for others	$ 157,414	$ 38,125	$ 4,000	$ 191,539
Total liabilities	$ 157,414	$ 38,125	$ 4,000	$ 191,539

Fiscal Year	Balance July 1, 2016	Current year Assessment	Additions	Abatements	Refunds/ Adjustments	Amount to be Collected	Current Year Collections	Balance June 30, 2017
2017	$ -	$ 17,880,304	$ 26,664	$ (20,764)	$ 3,722	$ 17,889,926	$ 17,290,235	$ 599,691
2016	626,952	-	$ 4,473	(1,585)	4,917	634,757	521,369	113,388
2015	105,314	-	173	(627)	427	105,287	49,489	55,798
2014	65,631	-	-	(128)	(281)	65,222	13,879	51,343
2013	57,216	-	-	(124)	(43)	57,049	10,285	46,764
2012	38,916	-	-	(120)	27	38,823	7,185	31,638
2011	30,485	-	-	-	(198)	30,287	4,768	25,519
2010	15,132	-	-	(34)	1,018	16,116	4,152	11,964
2009	22,138	-	-	(55)	2	22,085	4,163	17,922
2008	19,952	-	-	-	(9)	19,943	3,073	16,870
2007	16,766	-	-	-	-	16,766	1,051	15,715
2006	16,394	-	-	-	-	16,394	1,161	15,233
2005	14,134	-	-	-	-	14,134	1,258	12,876
	$ 1,029,030	$ 17,880,304	$ 31,310	$ (23,437)	$ 9,582	$ 18,926,789	$ 17,912,068	$ 1,014,721
Allowance for Uncollectible Accounts	(190,000)							(208,000)
Net Property Tax Receivable	$ 839,030							$ 806,721

Schedule of Net Assessed Property Value by Category

Description of Property	Valuations December 31, 2015	Levy July 1, 2016
Real property	$ 768,781,750	$ 16,582,622
Motor vehicle	86,798,076	1,965,108
Tangible personal property	19,827,710	427,684
Total	875,407,536	18,975,414
Exemptions	(49,441,899)	(1,095,110)
Net assessed value	$ 825,965,637	$ 17,880,304

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	$ 17,912,068
Refunds	(12,709)
July -August 2017 Collections Subject to 60-day FY 17 Accrual	283,050
July -August 2016 Collections Subject to 60-day FY 16 Accrual	(275,334)
Current Year Property Tax Revenue	$ 17,907,075

(continued)

Fiscal Year 2017 Cash Collection Summary

Fiscal Year	*July- August 2016 Collections Subject to 60 day FY 16 Accrual*	*September- June 2017 Collections*	*Total FY 2017 Cash Collections*	*July- August 2017 Collections Subject to 60 day FY 17 Accrual*
2017	$ -	$ 17,290,235	$ 17,290,235	$ 231,458
2016	237,464	283,905	521,369	42,401
2015	30,152	19,337	49,489	4,033
2014	3,858	10,021	13,879	2,404
2013	200	10,085	10,285	1,069
2012	1,935	5,250	7,185	1,685
2011	140	4,628	4,768	-
2010	183	3,969	4,152	-
2009	449	3,714	4,163	-
2008	454	2,619	3,073	-
2007	-	1,051	1,051	-
2006	89	1,072	1,161	-
2005	410	848	1,258	-
		-		
	$ 275,334	$ 17,636,734	$ 17,912,068	$ 283,050

TOWN OF RICHMOND, RHODE ISLAND
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	General Fund			
	Original Budget	***Final Budget***	***Actual Amounts (Budgetary Basis)***	***Variance with Final Budget Positive (Negative)***
Revenues				
Property taxes	$ 18,161,638	$ 18,161,638	$ 18,015,962	$ (145,676)
Intergovernmental revenue	5,217,514	5,217,514	5,348,152	130,638
License, permits and fees	450,175	450,175	571,113	120,938
Interest on investments	25,000	25,000	26,938	1,938
Other revenues	113,377	113,377	214,677	101,300
Total Revenues	23,967,704	23,967,704	24,176,842	209,138
Expenditures				
General government	1,622,261	1,561,696	1,484,672	77,024
Public safety	1,892,571	1,927,873	2,021,039	(93,166)
Public works	853,393	877,331	834,606	42,725
Recreation and culture	56,758	56,758	51,277	5,481
Education	18,551,086	18,551,086	18,551,086	-
Transfer station and recycling	160,215	161,540	163,542	(2,002)
Community services	166,800	166,800	167,491	(691)
Canvassing authority	11,547	11,547	9,308	2,239
Debt service				
Principal	525,556	525,556	525,556	-
Interest	147,394	147,394	147,764	(370)
Other	2,600	2,600	2,500	100
Total expenditures	23,990,181	23,990,181	23,958,841	31,340
Excess of Revenues Over Expenditures Before Other Financing Sources (Uses)	(22,477)	(22,477)	218,001	240,478
Other financing sources (uses)				
Budgeted use of committed fund balance	200,000	200,000	200,000	-
Transfers in	295,177	295,177	295,547	370
Transfers out	(443,700)	(443,700)	(443,700)	-
Revaluation restricted account	(29,000)	(29,000)	(29,000)	-
Total other financing sources (uses)	22,477	22,477	22,847	370
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	$ -	$ -	$ 240,848	$ 240,848

OTHER SUPPLEMENTARY INFORMATION

The Annual Supplemental Transparency Report Schedules

required by the State of Rhode Island General Law § 45-12-22.2 and § 44-35-10

Annual Supplemental Transparency Report (MTP2) - Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Municipal

Notes to Supplementary Information – Annual Supplemental Transparency Report (MTP2)

Town of Richmond
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2017

REVENUE	Municipal	Education Department
Current Year Levy Tax Collection	$ 17,546,610	$ -
Last Year's Levy Tax Collection	326,306	-
Prior Years Property Tax Collection	34,159	-
Interest & Penalty	100,377	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	8,510	-
Licenses and Permits	181,846	-
Fines and Forfeitures	81,212	-
Investment Income	26,938	-
Departmental	387,140	-
Rescue Run Revenue	-	-
Police & Fire Detail	97,470	-
Other Local Non-Property Tax Revenues	11,475	-
Tuition	-	-
Impact Aid	-	-
Medicaid	-	-
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	-
CDBG	-	-
COPS Grants	44,250	-
SAFER Grants	-	-
Other Federal Aid Funds	18,746	-
MV Excise Tax Reimbursement	66,710	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	-	-
Library Construction Aid	-	-
Public Service Corporation Tax	95,248	-
Meals & Beverage Tax / Hotel Tax	147,843	-
LEA Aid	-	-
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	-	-
State Food Service Revenue	-	-
Incentive Aid	1,028	-
Property Revaluation Reimbursement	33,244	-
Other State Revenue	4,974,327	-
Other Revenue	38,121	-
Local Appropriation for Education	-	-
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	$ 24,221,560	$ -
Financing Sources: Transfer from Capital Funds	$ -	$ -
Financing Sources: Transfer from Other Funds	201,215	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	$ 201,215	$ -

Town of RIchmond
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2017

EXPENDITURES	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	$ 217,096	$ 191,380	$ -	$ -	$ 180,032	$ -	$ 428,843	$ 17,039	$ 785,569
Compensation - Group B	-	-	-	-	-	-	-	-	214,154
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	-	-	-	-	36,597	-	236,753
Overtime - Group B	-	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	101,126
Active Medical Insurance - Group A	33,395	21,939	-	-	30,784	-	96,097	-	186,494
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	39,778
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	1,033	679	-	-	952	-	2,972	-	7,771
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	1,230
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	16,141	15,001	-	-	13,477	-	33,692	1,303	98,767
Life Insurance	-	-	-	-	-	-	-	-	-
State Defined Contribution- Group A	6,068	5,597	-	-	3,898	-	12,919	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	6,351
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	431	400	-	-	1,954	-	40,059	498	-
Other Benefits- Group B	-	-	-	-	-	-	-	-	7,613
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	27,453	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	12,895	11,894	-	-	8,283	-	-	-	85,488
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	13,496
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	127,790	52,871	9,788	126,245	7,435	-	23,775	4,100	7,310
Materials/Supplies	14,678	5,055	581	16,762	767	-	45,803	-	30,779
Software Licenses	-	-	-	32,194	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	-	-	-
Insurance	113,209	-	-	-	-	-	-	-	-
Maintenance	1,109	-	-	-	-	-	24,550	1,423	4,916
Vehicle Operations	-	-	-	-	-	-	142,161	-	69,954
Utilities	43,431	-	3,067	-	-	-	11,339	-	28,471
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	21,022	-	-
Revaluation	-	57,900	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	99,007	-	-
Trash Removal & Recycling	-	-	-	-	-	-	52,381	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	7,350	-	-	-	-	-	-	-	-
Other Operation Expenditures	10,011	2,036	-	-	2,897	97,000	50,816	234	27,365
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	$ 604,637	$ 364,751	$ 13,436	$ 175,201	$ 250,479	$ 97,000	$ 1,149,486	$ 24,598	$ 1,953,385

EXPENDITURES	**Fire Department**	**Centralized Dispatch**	**Public Safety Other**	**Education Appropriation**	**Debt**	**OPEB**	**Total Municipal**	**Education Department**
Compensation- Group A	$ -	$ -	$ 60,118	$ -	$ -	$ -	$ 1,880,077	$ -
Compensation - Group B	-	-	-	-	-	-	214,154	-
Compensation - Group C	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	-	-	2,502	-	-	-	275,852	-
Overtime - Group B	-	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	101,126	-
Active Medical Insurance - Group A	-	-	13,674	-	-	-	382,383	-
Active Medical Insurance- Group B	-	-	-	-	-	-	39,778	-
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	-	-	423	-	-	-	13,829	-
Active Dental Insurance- Group B	-	-	-	-	-	-	1,230	-
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-
Payroll Taxes	-	-	4,652	-	-	-	183,033	-
Life Insurance	-	-	-	-	-	-	-	-
State Defined Contribution- Group A	-	-	1,364	-	-	-	29,846	-
State Defined Contribution - Group B	-	-	-	-	-	-	6,351	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	1,147	-	-	-	44,488	-
Other Benefits- Group B	-	-	-	-	-	-	7,613	-
Other Benefits- Group C	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	27,453	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	-	2,898	-	-	-	121,458	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	13,496	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	-	-	3,850	-	-	-	363,164	-
Materials/Supplies	-	-	6,400	-	-	-	120,825	-
Software Licenses	-	-	-	-	-	-	32,194	-
Capital Outlays	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	113,209	-
Maintenance	-	-	27	-	-	-	32,024	-
Vehicle Operations	-	-	1,725	-	-	-	213,840	-
Utilities	-	-	3,608	-	-	-	89,916	-
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	21,022	-
Revaluation	-	-	-	-	-	-	57,900	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	99,007	-
Trash Removal & Recycling	-	-	-	-	-	-	52,381	-
Claims & Settlements	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	7,350	-
Other Operation Expenditures	50,000	-	1,208	-	-	-	241,568	-
Local Appropriation for Education	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	18,551,886	-	-	18,551,886	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	495,270	-	495,270	-
Municipal Debt- Interest	-	-	-	-	86,619	-	86,619	-
School Debt- Principal	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	$ 50,000	$ -	$ 103,595	$ 18,551,886	$ 581,889	$ -	$ 23,920,344	$ -

	Total Municipal	Education Department
Financing Uses: Transfer to Capital Funds	$ 443,700	$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	$ 443,700	$ -
Net Change in Fund Balance[1]	58,731	-
Fund Balance1- beginning of year	$4,565,491	
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	-	-
Fund Balance[1] - beginning of year adjusted	4,565,491	-
Rounding		
Fund Balance[1] - end of year	$ 4,624,222	$ -

[1] and Net Position if Enterprise Fund activity is included in the transparency portal report.

Town of Richmond
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Municipal
Fiscal Year Ended June 30, 2017

Per Audited Fund Financial Statements **Fund Description**	**Total Revenue**	**Total Other Financing Sources**	**Total Expenditures**	**Total Other Financing Uses**	**Net Change in Fund Balance[1]**	**Beginning Fund Balance[1] (Deficit)**	**Prior Period Adjustment**	**Restated Beginning Fund Balance[1] (Deficit)**	**Ending Fund Balance[1] (Deficit)**
General Fund	$ 24,221,561	$ 201,215	$ 23,920,344	$ 443,700	$ 58,732	$ 4,565,491	$ -	$ 4,565,491	$ 4,624,223
Totals per audited financial statements	$ 24,221,561	$ 201,215	$ 23,920,344	$ 443,700	$ 58,732	$ 4,565,491	$ -	$ 4,565,491	$ 4,624,223
<u>Reconciliation from financial statements to MTP2</u>									
Other Financing Uses - Amount to School Fund Unrestricted FY 2017 Local Appropriation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rounding	(1)	-	(0)	-	(1)	-	-	-	(1)
Totals Per MTP2	$ 24,221,560	$ 201,215	$ 23,920,344	$ 443,700	$ 58,731	$ 4,565,491	$ -	$ 4,565,491	$ 4,624,222

[1] and Net Position if Enterprise Fund activity is included in the transparency portal report.

Notes to Supplementary Information – *Annual Supplemental Transparency Report (MTP2)*

NOTE 1 - BASIS OF PRESENTATION

The *Annual Supplemental Transparency Report (MTP2)* is a supplemental schedule required by the State of Rhode Island General Laws 45-12-22.2 and 44-35-10. This supplementary schedule included within the annual financial statements is part of a broader project to create a municipal transparency portal (MTP) website to host municipal financial information in a centralized location.

The format of the Annual Supplemental Transparency Report (MTP2) was prescribed by the State Department of Revenue (Division of Municipal Finance), Office of the Auditor General, and the Department of Education.

NOTE 2 - REPORTABLE GOVERNMENT SERVICES

Data consistency and comparability are among the key objectives of the State's Municipal Transparency portal. Consistent with that goal, the State has defined "reportable government services", RGS, to include those operational revenues, expenditures, and transfers related to activities which are essential to the achievement of municipal operations. The determination of RGS may be different from the activities included within the legally adopted budget of the municipality. In practice, some communities report certain RGS in separate funds (e.g., special revenue funds, enterprise funds) rather than the municipality's general fund. The Annual Supplemental Transparency Report (MTP2) includes a reconciliation to the fund level statements.

NOTE 3 - ALLOCATIONS

The State reporting requires expenditures to be reported by departments, as defined by the State. Some of the departmental groupings are not consistent with the departments reflected in the Town's budget and accounting system. To report these costs, the Town made allocations of costs to the State's departmental groupings based on a reasonable basis.

NOTE 4 - EMPLOYEE GROUPS - COMPENSATION AND BENEFIT COSTS

Compensation includes salaries, longevity, stipends, clothing allowance/maintenance, shift differential, out-of-rank, holiday pay and bonuses.

For Public Safety departments (i.e., police, fire, and centralized dispatch) and the Education Department, compensation and most benefits costs are reported in the following employee groupings:

Group A: This group consists of employees who serve the primary function of the department.

- Police Department - police officers (e.g., uniform personnel - including, leadership positions)
- Fire Department - fire fighters (e.g., uniform personnel - including, leadership positions)
- Centralized Dispatch Department - civilian dispatchers only
- Education Department - professional staff providing direct services to students
- For the remaining departments - all employees' compensation and benefits are reported under Group A

Group B: For Police and Fire Departments, compensation and benefits paid to its administrative employees and civilian dispatch employees are reported under Group B. The Education Department reports compensation and benefits paid to executive/mid-level educational administration employees under Group B.

Group C: This group is only used for the Education Department and it includes administrative and support staff.

Other post-employment benefits (OPEB) are not reported by employee groups on the MTP2. They are reported in total as either (1) contributions to a qualified OPEB trust or (2) the amount paid for medical and dental insurance for retirees when an OPEB trust fund has not been established. The detail employee group information for the Education Department can be found on the State's Municipal Transparency portal website.

Additional guidance and definitions regarding the State's Municipal Transparency Portal can be found on the State Division of Municipal Finance website: *http://www.municipalfinance.ri.gov/*.

STATISTICAL SECTION

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

TOWN OF RICHMOND, RHODE ISLAND

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(Unaudited)

EXHIBIT 1

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities:										
Net investment in capital assets	$12,059,872	$12,183,492	$11,362,540	$11,918,950	$11,372,800	$10,117,906	$10,822,388	$11,644,019	$12,700,301	$2,054,119
Restricted	175,776	168,195	125,554	142,346	158,793	-	-			
Unrestricted	5,114,226	5,250,005	4,645,969	4,378,536	5,086,922	5,662,225	6,034,135	6,434,399	5,985,444	5,429,271
Total governmental activities net position	$17,349,874	$17,601,692	$16,134,063	$16,439,832	$16,618,515	$15,780,131	$16,856,523	$18,078,418	$18,685,745	$7,483,390
Business-type activities:										
Net investment in capital assets	$2,012,063	$1,966,392	$1,646,660	$1,333,901	$1,250,298	$1,191,096	$588,288	$579,071	$607,907	$665,579
Unrestricted	541,747	698,860	650,559	516,567	562,537	536,798	476,495	468,970	434,513	379,946
Total business-type activities net position	$2,553,810	$2,665,252	$2,297,219	$1,850,468	$1,812,835	$1,727,894	$1,064,783	$1,048,041	$1,042,420	$1,045,525
Primary government:										
Net investment in capital assets	$14,071,935	$14,149,884	$13,009,200	$13,252,851	$12,623,098	$11,309,002	$11,410,676	$12,223,090	$13,308,208	$2,719,698
Restricted	175,776	168,195	125,554	142,346	158,793	-	-	-	-	-
Unrestricted	5,655,973	5,948,865	5,296,528	4,895,103	5,649,459	6,199,023	6,510,630	6,903,369	6,419,957	5,809,217
Total primary government net position	$19,903,684	$20,266,944	$18,431,282	$18,290,300	$18,431,350	$17,508,025	$17,921,306	$19,126,459	$19,728,165	$8,528,915

TOWN OF RICHMOND, RHODE ISLAND
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Unaudited)

EXHIBIT 2

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental activities:										
General government	$1,598,501	$1,446,108	$1,428,610	$1,396,108	$1,386,225	$1,202,400	$1,211,012	$1,112,240	$1,381,725	$1,285,864
Public safety	2,113,299	2,017,079	1,917,635	1,781,017	1,853,424	1,672,730	1,498,832	1,438,854	1,359,604	1,255,025
Public works	1,831,733	1,486,652	1,677,538	2,103,662	1,643,344	2,180,519	2,123,184	2,296,905	2,069,878	524,205
General public assistance	-	-	-	-	-	769,187	726,279	332,833	426,905	320,111
Recreation and culture	51,277	56,564	56,787	55,117	58,270	52,129	57,159	47,559	83,777	82,319
Education	18,551,086	18,201,477	18,329,949	18,300,639	18,086,820	18,098,080	17,072,158	16,564,107	17,187,604	17,333,510
Transfer station/recycling area	162,538	158,807	160,101	151,885	145,665					
Community services	381,304	481,724	471,944	277,513	564,606	153,049	143,870	173,810	176,777	177,827
Other	9,308	4,864	6,235	3,921	9,595	71,712	198,390	103,966	353,697	287,727
Interest	71,106	85,234	165,227	54,800	102,443	85,817	82,831	73,311	125,009	77,294
Total governmental activities expenses	24,770,152	23,938,509	24,214,026	24,124,662	23,850,392	24,285,623	23,113,715	22,143,585	23,164,976	21,343,882
Business-type activities:										
Water Supply Board	284,775	206,183	186,857	157,750	65,015	79,645	73,599	93,202	74,475	102,991
Total business-type activities expenses	284,775	206,183	186,857	157,750	65,015	79,645	73,599	93,202	74,475	102,991
Total primary government expenses	$25,054,927	$24,144,692	$24,400,883	$24,282,412	$23,915,407	$24,365,268	$23,187,314	$22,236,787	$23,239,451	$21,446,873
Program revenues										
Governmental activities:										
Charges for services:										
General government	$441,445	$481,710	$323,629	$319,272	$216,997	$270,050	$309,441	$338,242	$236,515	$504,495
Public safety	263,069	156,603	129,702	147,545	50,425	86,792	5,987	87,349	67,013	64,418
Public works	-	-	-	-	-		-	_		-
Recreation and culture	11,025	9,654	11,362	19,203	-		-	-		
Transfer station/recycling area	169,187	149,090	141,772	137,403	-	-	-	-		-
Education					70,516	50,138	42,103	71,232	-	-
Other activities	17,448	19,171	12,590	16,583	213,032	111,365	106,774	16,358	8,632	12,650
Operating grants and contributions	5,302,454	5,508,948	5,703,959	5,604,383	5,962,795	6,099,529	5,546,692	5,495,190	622,113	6,303,066
Capital grants and contributions		177303		-	49,315	559,037	641,878	283,430	.	-
Total governmental activities program revenues	6,204,628	6,502,479	6,323,014	6,244,389	6,563,080	7,176,911	6,652,875	6,291,801	934,273	6,884,629
Business-type activities:										
Charges for services:										
Water Supply Board	122,631	117,112	123,194	127,537	130,654	117,031	87,050	98,823	98,904	84,870
Operating and capital grants and contributions	50,702	466,186	510,414	74,036	65,000	625,725	-	.		-
Total business-type activities program revenues	173,333	583,298	633,608	201,573	195,654	742,756	87,050	98,823	98,904	84,870
Total primary government program revenues	6,377,961	7,085,777	6,956,622	6,445,962	6,758,734	7,919,667	6,739,925	6,390,624	1,033,177	6,969,499
Net (Expense)/Revenue										
Governmental activities	$(18,565,524)	$(17,436,030)	$(17,891,012)	$(17,880,273)	$(17,287,312)	$(17,108,712)	$(16,460,840)	$(15,851,784)	$(22,230,703)	$(14,459,253)
Business-type activities	(111,442)	377,115	446,751	43,823	130,639	663,111	13,451	5,621	24,429	(18,121)
Total primary government net expenses	$(18,676,966)	$(17,058,915)	$(17,444,261)	$(17,836,450)	$(17,156,673)	$(16,445,601)	$(16,447,389)	$(15,846,163)	$(22,206,274)	$(14,477,374)

(Continued)

TOWN OF RICHMOND, RHODE ISLAND
CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Unaudited)

EXHIBIT 2

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes and other	$17,975,939	$17,439,301	$17,236,054	$16,717,549	$16,232,872	$15,881,815	$15,166,543	$14,504,920	$14,033,839	$ 13,312,636
Unrestricted investment earnings	26,938	24,938	16,214	8,276	8,009	6,328	14,260	26,392		
State aid	310,829	349,599	332,054	324,007	-	57,421	58,142	713,145	6,158,139	993,406
Other revenues		924	921	6,261	281,604		-	-		103,825
Transfers		10600	-	-	35,698		-			
Total governmental activities	18,313,706	17,825,362	17,585,243	17,056,093	16,558,183	15,945,564	15,238,945	15,244,457	20,191,978	14,409,867
Business-type activities:										
Unrestricted investment earnings		1,518			-		3,291		4,367	
Transfers		(10,600)			(35,698)		-			
Total business-type activities	-	(9,082)			(35,698)		3,291		4,367	
Total primary government	$18,313,706	$17,816,280	$17,585,243	$17,056,093	$16,522,485	$15,945,564	$15,242,236	$15,244,457	$20,196,345	$14,409,867
Change in Net Position										
Governmental activities	$(251,818)	$389,332	$(305,769)	$(824,180)	$(729,129)	$(1,163,148)	$(1,221,895)	$(607,327)	$(2,038,725)	$(49,386)
Business-type activities	-111,442	368,033	446,751	43,823	94,941	663,111	16,742	5,621	28,796	-18,121
Total primary government	$(363,260)	$757,365	$140,982	$(780,357)	$(634,188)	$(500,037)	$(1,205,153)	$(601,706)	$(2,009,929)	$(67,507)

TOWN OF RICHMOND, RHODE ISLAND
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Unaudited)

EXHIBIT 3

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund										
Reserved										
Unreserved								2,778,282	2,524,045	2,399,060
Nonspendable	6,384	69,701	21,017	9,556	75	2,663	30,350			
Restricted										
Committed	1,006,017	1,054,786	696,046	733,424	728,577					
Assigned						571,144	734,310			
Unassigned	3,611,822	3,441,004	3,373,920	3,214,276	3,126,696	3,178,062	2,957,716			
Total General fund	$ 4,624,223	$ 4,565,491	$ 4,090,983	$ 3,957,256	$ 3,855,348	$ 3,751,869	$ 3,722,376	$ 2,778,282	$ 2,524,045	$ 2,399,060
Capital Projects Funds										
Restricted	1,059,139	1,699,988	2,424,614							
Committed	116,188	215,224	119,389							
Total Capital Projects Fund	$ 1,175,327	$ 1,915,212	$ 2,544,003	$ -	$ -	$ -	$ -	$ -		
All Other Governmental Funds										
Reserved								2,996,414	2,776,594	3,814,294
Restricted	78,936	71,355	125,554	147,109	158,793	382,778	539,986			
Committed	677,376	794,044	695,989	623,705	847,594	688,711	952,018			
Unassigned	(5,866)	(1,411)	(10,525)	(10,826)	(8,329)	-				
Total All Other Governmental Funds	$ 750,446	$ 863,988	$ 811,018	$ 759,988	$ 998,058	$ 1,071,489	$ 1,492,004	$ 2,996,414	$ 2,776,594	$ 3,814,294
Total governmental funds	$ 6,549,996	$ 7,344,691	$ 7,446,004	$ 4,717,244	$ 4,853,406	$ 4,823,358	$ 5,214,380	$ 5,774,696	$ 5,300,639	$ 6,213,354

TOWN OF RICHMOND, RHODE ISLAND
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Unaudited)

EXHIBIT 4

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Property tax revenue	$17,915,585	$17,344,155	$17,224,428	$16,722,055	$16,316,284	$15,656,682	$14,845,065	$14,277,199	$13,923,630	$12,836,071
Interest on late payments	100,377	94,119	94,877	117,179	144,601	185,525	143,588	158,260	-	-
Intergovernmental and department revenue	5,607,480	6,013,757	6,027,337	5,901,511	6,375,962	6,771,428	6,227,798	6,314,625	6,747,742	7,351,551
Licenses, fees, and permits	687,497	701,494	505,728	520,938	384,988	265,661	284,861	312,605	256,401	557,022
Investment Income	26,938	24,938	16,214	8,276	8,009	6,328	14,260	26,392	79,520	218,274
Other revenues	220,480	137,753	122,924	152,208	83,734	197,243	198,358	377,716	88,269	62,317
Total revenues	$24,558,357	$24,316,216	$23,991,508	$23,422,167	$23,313,578	$23,082,867	$21,713,930	$21,466,797	$21,095,562	$21,025,235
Expenditures										
General government	1,554,214	1,623,378	1,389,345	1,293,863	1,102,101	1,114,763	1,097,331	1,111,867	1,154,554	1,219,531
Public safety	2,039,741	1,869,226	1,849,574	1,774,776	1,758,543	1,621,378	1,470,750	1,412,216	1,329,750	1,237,818
Public works	834,606	681,209	843,301	799,073	715,313	703,440	674,584	853,258	614,233	515,637
Grants expenditures and land acquisition	-	-	-	-	612,434	769,187	1,308,592	332,833	426,905	320,111
Recreation and culture	51,277	56,564	56,787	55,117	58,270	52,129	57,159	47,559	83,777	82,319
Education	18,551,086	18,201,477	18,329,949	18,300,639	18,086,820	18,098,080	17,072,158	16,564,107	17,187,604	17,333,510
Recycling area	163,542	159,766	160,897	151,885	145,665	55,875	55,128	38,738	39,822	40,341
Community services	381,304	481,724	471,944	277,513	156,182	153,049	143,870	173,810	176,777	177,827
Canvassing authority	9,308	4,864	6,235	3,921	9,595	10,073	6,401	2,125		_
Landfill closure						-	-	-	9,146	5,213
Capital outlay	1,192,159	763,440	307,253	473,013	203,450	570,447	1,100,244	60,578	535,344	226,763
Program Expenditures										
Debt Service - principal	495,270	483,950	252,678	371,455	371,642	325,000	325,000	315,355	304,759	329,056
Debt Service - interest	89,119	100,031	141,488	64,453	97,237	85,349	82,174	79,769	92,056	77,294
Debt Service - other		2,500	2,500	1,525	1,975	1,875	30,855	525	525	14,910
Total expenditures	$25,361,626	$24,428,129	$23,811,951	$23,567,233	$23,319,227	$23,560,645	$23,424,246	$20,992,740	$21,955,252	$21,580,330
Excess of revenues over (under) expenditures before other financing sources (uses)	(803,269)	(111,913)	179,557	(145,066)	(5,649)	(477,778)	(1,710,316)	474,057	(859,690)	(555,095)
Other financing sources (uses)										
Capital lease	8,574									
Proceeds from debt issuance	-	-	2,536,753		35,698	-	1,150,000			1,400,000
Transfers From (to) other funds		10,600	-		-					
Total other financing sources (uses)	8,574	10,600	2,536,753	-	35,698	-	1,150,000	-	-	1,400,000
Net change in fund balances	$ (794,695)	$ (101,313)	$ 2,716,310	$ (145,066)	$ 30,049	$ (477,778)	$ (560,316)	$ 474,057	$ (859,690)	$ 844,905
Debt service as a percentage of noncapital expenditures	2.395%	2.488%	1.677%	1.854%	2.07%	1.83%	2.00%	1.93%	1.89%	2.01%

TOWN OF RICHMOND, RHODE ISLAND
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

EXHIBIT 5

	Assessment Date	Real Estate - Residential	Real Estate - Commercial	Personal Property - Motor Vehicle	Personal Property - Tangible	Less Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Value as a Percentage of Actual Taxable Value	Total Assessed Value Before Exemptions
	12/31/2015	691,767,050	77,014,700	86,798,076	19,827,710	49,441,899	$825,965,637	21.57	825,965,637	100%	875,407,536
	12/31/2014	687,478,050	77,113,090	84,666,252	18,224,300	48,518,713	$818,962,979	21.08	818,962,979	100%	867,481,692
(2)	12/31/2013	683,490,350	77,159,100	83,780,528	19,480,110	47,726,523	$816,183,565	20.94	884,855,220	100%	863,910,088
	12/31/2012	701,234,150	83,199,800	83,144,997	19,115,290	47,868,419	$838,825,818	19.76	907,480,486	100%	886,694,237
	12/31/2011	700,787,050	83,424,000	81,745,590	20,841,340	46,258,219	$840,539,761	19.02	907,234,378	100%	886,797,980
(1)	12/31/2010	699,650,750	83,426,300	78,391,069	20,982,590	44,000,360	$838,450,349	18.46	902,048,476	100%	882,450,709
	12/31/2009	836,474,450	89,695,800	77,155,733	19,800,400	45,099,929	$978,026,454	14.99	1,042,415,316	100%	1,023,126,383
	12/31/2008	835,178,250	87,721,670	64,106,902	19,248,440	56,293,676	$949,961,586	14.94	1,022,281,988	100%	1,006,255,262
(2)	12/31/2007	837,393,650	78,935,800	71,672,259	19,308,660	56,484,676	$950,825,693	14.31	1,025,228,434	100%	1,007,310,369
	12/31/2006	785,891,300	72,888,600	68,347,887	22,674,610	54,689,138	$895,113,259	14.11	966,889,369	100%	949,802,397

(1) Revaluation
(2) Statistical Revaluation

Notes: Property is reassessed every nine years with statistical updates every three years at 100%. Tax rates are per $1,000 of assessed value. Motor vehicles are assessed at 80% and the tax rate is frozen at $22.64. Estimated actual taxable value is calculated by dividing the taxable assessed value by those percentages.

TOWN OF RICHMOND, RHODE ISLAND
DIRECT AND OVERLAPING Property tax rates
(RATE PER $1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS (1)
(Unaudited)

EXHIBIT 6

Fiscal Year	General Fund
2017	21.57
2016	21.08
2015	20.94
2014	19.76
2013	19.02
2012	18.46
2011	14.99
2010	14.94
2009	14.31
2008	14.11

Note:

(1) There are no overlapping governments, accordingly the entire tax assessment is applied to the General Fund

TOWN OF RICHMOND, RHODE ISLAND
PRINCIPAL PROPERTY TAX PAYERS
CURRENT AND NINE YEARS AGO
(Unaudited)

EXHIBIT 7

	12/31/2015				12/31/2006			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxes Assessed	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxes Assessed
Kingstown Richmond LP	$ 6,792,200	1	0.822%	$ 146,508				
Narragansett Electric	5,093,140	2	0.617%	$ 109,859	3,838,600	10	0.429%	$ 54,163
Richmond Country Club	3,254,000	3	0.394%	$ 70,189	3,364,200	4	0.376%	$ 47,469
The Preserve at Boulder Hills	2,884,400	4	0.349%	$ 62,217				
New Castle Realty Company	2,685,100	5	0.325%	$ 57,918	2,698,600	7	0.301%	$ 38,077
Cox Com Inc.	2,472,700	6	0.299%	$ 53,336	3,981,140	2	0.445%	$ 56,174
CVS 8320 RI LLC	2,263,300	7	0.274%	$ 48,819				
Richmond Realty Associates	2,241,300	8	0.271%	$ 48,345				
Rolling Greens Corporation	2,146,900	9	0.260%	$ 46,309	2,230,500	9	0.249%	$ 31,472
JAG Enterprises Incorporated	2,078,400	10	0.252%	$ 44,831	2,706,700	6	0.302%	$ 38,192
Stop & Shop Supermarket	2,078,270		0.252%	$ 44,828				
E&A Northeast Ltd Partnership					5,646,600	1	0.631%	$ 79,674
Ocean State Golf Investors					3,915,300	3	0.437%	$ 55,245
Cadlerock Properties					2,711,100	5	0.303%	$ 38,254
Wawaloam Reservation Inc					2,241,700	8	0.250%	$ 31,630
	$ 33,989,710		4.12%	$ 733,158	$ 33,334,440		3.72%	$ 470,349
Total Assessed Value	$ 825,965,637				$ 895,113,259			
Tax Rate	$ 21.57				$ 14.11			

TOWN OF RICHMOND, RHODE ISLAND
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

EXHIBIT 8

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Fiscal Year of the Levy: Amount	Fiscal Year of the Levy: Percentage of Levy	Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: Percentage of Levy
2017	$ 17,880,304	$ 17,290,235	96.7%		$ 17,290,235	96.7%
2016	17,354,620	16,750,448	96.5%	521,369	17,271,817	99.5%
2015 (1)	17,189,267	16,525,473	96.1%	607,969	17,133,442	99.7%
2014	16,740,540	16,019,946	95.7%	668,842	16,688,788	99.7%
2013	16,192,072	15,568,651	96.1%	576,490	16,145,141	99.7%
2012 (1)	15,705,615	14,916,850	95.0%	757,034	15,673,884	99.8%
2011	15,073,977	14,306,567	94.9%	741,693	15,048,260	99.8%
2010	14,376,803	13,753,597	95.7%	612,226	14,365,823	99.9%
2009 (2)	13,852,383	13,149,523	94.9%	684,885	13,834,408	99.9%
2008	12,822,091	12,245,003	95.5%	560,209	12,805,212	99.9%

(1) Statistical Revaluation
(2) Revaluation

TOWN OF RICHMOND, RHODE ISLAND

RATIO OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(Unaudited)

EXHIBIT 9

	Governmental Activities		Business Type Activities			
Fiscal Year	General Obligation Bonds	Capital Lease	Loans Payable	Total Primary Government		Per Capita
2017	3,081,403	8,000	2,030,462	5,119,865	(b)	664.23
2016	3,554,078	35,270	2,060,748	5,650,096	(b)	733.02
2015	4,016,753	69,220	2,090,161	6,176,134	(b)	801.26
2014	1,700,000	101,898	802,776	2,604,674	(b)	337.92
2013	2,040,000	133,353	814,052	2,987,405	(b)	387.57
2012	2,375,000	169,995	825,000	3,369,995	(b)	437.21
2011	2,700,000			2,700,000	(b)	350.29
2010	1,875,000			1,875,000	(a)	259.62
2009	2,190,355			2,190,355	(a)	303.29
2008	2,305,114			2,305,114	(a)	319.18

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

(a) Ratio is calculated using 2000 census year.

(b) Ratio is calculated using 2010 census year.

TOWN OF RICHMOND, RHODE ISLAND
FUND BALANCE RATIOS
LAST TEN FISCAL YEARS
(Unaudited)

EXHIBIT 10

Fiscal Year		Budget			
End	Municipal	School	Total	Fund Balance	Ratio
2017	5,911,795	18,551,086	24,462,881	4,624,223	18.90%
2016	5,260,313	18,539,075	23,799,388	4,565,491	19.18%
2015	5,129,162	18,329,949	23,459,111	4,090,983	17.44%
2014	5,072,828	18,300,639	23,373,467	3,957,256	16.93%
2013	4,778,454	18,086,820	22,865,274	3,855,348	16.86%
2012	4,257,375	18,098,080	22,355,455	3,751,869	16.78%
2011	4,054,432	17,303,309	21,357,741	3,722,376	17.43%
2010	4,190,525	17,443,098	21,633,623	2,778,282	12.84%
2009	4,002,881	17,823,992	21,826,873	2,524,045	11.56%
2008	3,879,886	17,333,510	21,213,396	2,399,060	11.31%

TOWN OF RICHMOND, RHODE ISLAND

Capital Asset Statistics by Function / Activity

(Unaudited)

Last Ten Fiscal Years

EXHIBIT 11

	Fiscal Year									
Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
General government buildings	1	1	1	1	1	1	1	1	1	1
Public Safety Police										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units/Vehicles	18	18	18	15	15	15	13	12	12	12
Animal Control										
Animal Shelters	1	1	1	1	1	1	1	1	1	1
Animal Patrol Unit	1	1	1	1	1	1	1	1	1	1
Public Works										
Building and garage	1	1	1	1	1	1	1	1	1	1
Transfer Station	1	1	1	1	1	1	1	1	1	1
Streets and Highways										
Street (miles)	113	113	113	113	113	113	113	113	113	113
Highways (miles, Town owned)	76	76	76	76	76	76	76	76	76	76
Highways (miles, State owned)	25	25	25	25	25	25	25	25	25	25
Streetlights (Town owned)	117	117	117	117	117	117	117	117	117	117
Streetlights (State owned)	144	144	144	144	144	144	144	144	144	144
Traffic Signals	3	3	3	3	3	3	3	3	3	3
Parks and Recreation										
Playgrounds	1	1	1	1	1	1	1	1	1	1
Parks and Public Squares	1	1	1	1	1	1	1	1	1	1

TOWN OF RICHMOND, RHODE ISLAND

Town Government Employees by Function / Activity

(Unaudited)

Last Ten Fiscal Years

EXHIBIT 12

Function/Program	Full-time Equivalent Employees as of June 30									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Central Administration										
Town Council	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Town Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Town Clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Probate Court	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Building/Zoning	2.3	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Administration										
Treasurer's Office	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Tax Collection	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Tax Assessor	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6
Public Safety										
Police										
Officers	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Civilians	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Animal Control										
Officers	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Emergency Management	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Public Works Department										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Highway Driver/Laborer	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Transfer Station	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Maintenance										
Custodial	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Recreation Department										
Director	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Summer Programs	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

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

Independent Auditor's Report

To the Honorable President and
Members of the Town Council
Town of Richmond, Rhode Island

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Richmond, Rhode Island as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Richmond, Rhode Island's basic financial statements, and have issued our report thereon dated April 18, 2018.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2017-001 and 2017-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2017-003 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Richmond, Rhode Island's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Town of Richmond, Rhode Island's Response to Findings

The Town of Richmond, Rhode Island's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Town of Richmond, Rhode Island's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Bacon & Company, LLC

Warwick, Rhode Island
April 18, 2018

MATERIAL WEAKNESS

2017-001 Segregation of Duties

Criteria: Segregation of duties is an element of internal control that is designed to prevent, detect and correct misstatements in a timely manner, whether due to fraud or error.

Condition: The Tax Collector has job responsibilities that result in a lack of segregation of duties. The Tax Collector is responsible for accepting and recording tax payments, reconciling the daily receipts, preparing the daily deposit, posting abatements and monitoring delinquent accounts.

Effect: Misstatements, whether due to fraud or error, could occur and not be prevented, detected and corrected in a timely manner.

Cause: There is limited number of staff in the Tax Collector's office.

Identification of a repeat finding: This is a repeat finding from previous audits 2014-001.

Recommendation- We recommend that the Town review the current job responsibilities of the Tax Collector to attempt to segregate certain responsibilities. We suggest that internal controls could be improved by having all daily reconciliation procedures completed by two individuals. We also recommend that delinquent accounts and adjustments to the subsidiary ledger be reviewed by another independent individual, in addition to the Tax Collector.

Views of Responsible Officials and Planned Corrective Action: While we recognize that segregation of duties is desirable element of internal controls designed to prevent, detect and correct misstatements in a timely manner, most days there is only one person working in the office. The reconciliation procedures include the finance department reconciling all deposits to the postings. Weekly the Tax Collector will submit reports for delinquent accounts and all adjustments to the subsidiary ledger to the Town Administrator.

2017-002- Property Tax Receivable Reconciliations

Criteria- An entity's system of internal control should include procedures that include the reconciliation of the subsidiary property tax receivable ledger to the property tax receivable account on the general ledger and the reconciliation procedures should be designed to prevent, detect and correct misstatements in a timely manner.

Condition- The Town's process for recording the property tax activity to the property tax receivable accounts on the general ledger, including the tax collections, and the reconciliation to the Tax Collector's subsidiary property tax receivable ledger is not designed to prevent, detect and correct misstatements in a timely manner.

Effect: The lack of formal adequate reconciliation procedures could result in material misstatements from not being prevented, detected and corrected in a timely manner.

Cause: The Town does not record transactions to the general ledger property tax receivable account, based on the tax levy and abatements provided by the Tax Assessor and the daily tax collections deposited and posted to the general ledger revenue accounts. The tax activity is posted to the general ledger property tax receivable accounts based on the monthly tax subsidiary report provided by the Tax Collector. As a result, the reconciliation procedures in place are not adequate to prevent, detect and correct misstatements in a timely manner.

Identification of a repeat finding: This is a repeat finding from previous audits 2015-002.

Recommendation- We recommend that the Town implement procedures to properly account for the property tax receivable accounts in the general ledger. The Town should record the property tax levy, abatements and adjustments to the property tax receivable account and related deferred inflow of resources account in the general ledger from information provided by the Tax Assessor and not from the monthly report provided by the Tax Collector. In addition to recording the daily tax collections to the revenue and cash accounts the tax collections should also be recorded to the property tax receivable and deferred inflow of resources account as part of the same entry to record the deposit. The Town should then perform a monthly reconciliation between the property tax receivable subsidiary ledger balance maintained by the Tax Collector and the general ledger property tax receivable balance. Any variances should be investigated and resolved.

Views of Responsible Officials and Planned Corrective Action: The Town has implemented procedures to properly account for the property tax receivable accounts in the general ledger. The Town records the property tax levy, abatements and adjustments to the property tax receivable account and related deferred inflow of resources account in the general ledger from information provided by the Tax Assessor. The Town performs a monthly reconciliation between the receivable subsidiary ledger maintained by the Tax Collector and the general ledger.

SIGNIFICANT DEFICIENCY

2017-003 Special Revenue and Trust Fund Reporting

Criteria: Generally accepted accounting principles require all revenues recognized and expenditures incurred be reported to the appropriate revenue and expenditure accounts in the financial statements.

Condition: The Town accounts for both the revenues and expenditures for several funds reported in Fund 04 and Fund 05 in separate general ledger liability accounts and does not report the revenues and expenditures in accordance with generally accepted accounting principles. The Town also does not determine if a receivable or payable should be recorded to the fund in conformance with generally accepted accounting principles.

Effect: The Town is not preparing financial reports in conformance with generally accepted accounting principles. In addition, some of the funds were reporting deficit balances because the funds were not reporting receivables for funds owed.

Cause: The Town has established separate revenue and expenditure accounts for all the individual funds reported in Funds 04 and 05, but is not consistently recording all transactions to the appropriate revenue and expenditure accounts and continues to record transactions to the liability accounts. The Town is also not properly monitoring the individual funds to determine if the fund is in a deficit and whether a request for reimbursement needs to be requested and reported as a receivable.

Identification of a repeat finding: This is a repeat finding from previous audits 2015-003.

Recommendation - We recommend that the Town account for all transactions to the separate revenue and expenditure accounts for each sub-fund to properly account for the funds in conformance with generally accepted accounting principles. The Town also should monitor these funds to ensure that the funds are not overspent and that all required reimbursement have been requested and recorded.

Views of Responsible Officials and Planned Corrective Action: The Town is establishing separate revenue and expenditure accounts for each sub fund to properly account for the funds and intends to monitor these funds.