



TOWN OF BARRINGTON, RI

Popular Annual Financial Report 2021

For the Fiscal Year Ended June 2021

DEAR BARRINGTON RESIDENTS,

To keep you informed on how your tax dollars are being spent, we are pleased to present the Town of Barrington's second Popular Annual Financial Report (PAFR), for the fiscal year ended June 30, 2021. The PAFR is a summary of the town's finances. The PAFR presents a summary of financial information from the Annual Comprehensive Financial Report (ACFR) in a user-friendly version. This publication is not to be used as a substitution for the ACFR, which contains more detailed information, including audited financial statements, notes and schedules. The ACFR and the PAFR can be found on the Town's website. The ACFR is prepared following Generally Accepted Accounting Principles (GAAP) and is audited by Bacon & Company CPAs, LLC. The report differs from GAAP Financial Statements because accounting data has been summarized and component units have been left out.

Our goal is to communicate important financial information that is meaningful, helping you to understand how your tax dollars support our town's services and facilities. We hope that the information presented in the PAFR will allow you to better understand the Town's financial health.

A black and white portrait of Kathleen Raposa, the Business & Finance Director. She is a woman with blonde hair, wearing a light-colored top. The portrait is enclosed in a decorative scalloped frame.

Kathleen Raposa

**Kathleen Raposa,
Business & Finance Director**

283 County Rd, Barrington, RI 02806
<https://www.barrington.ri.gov/>

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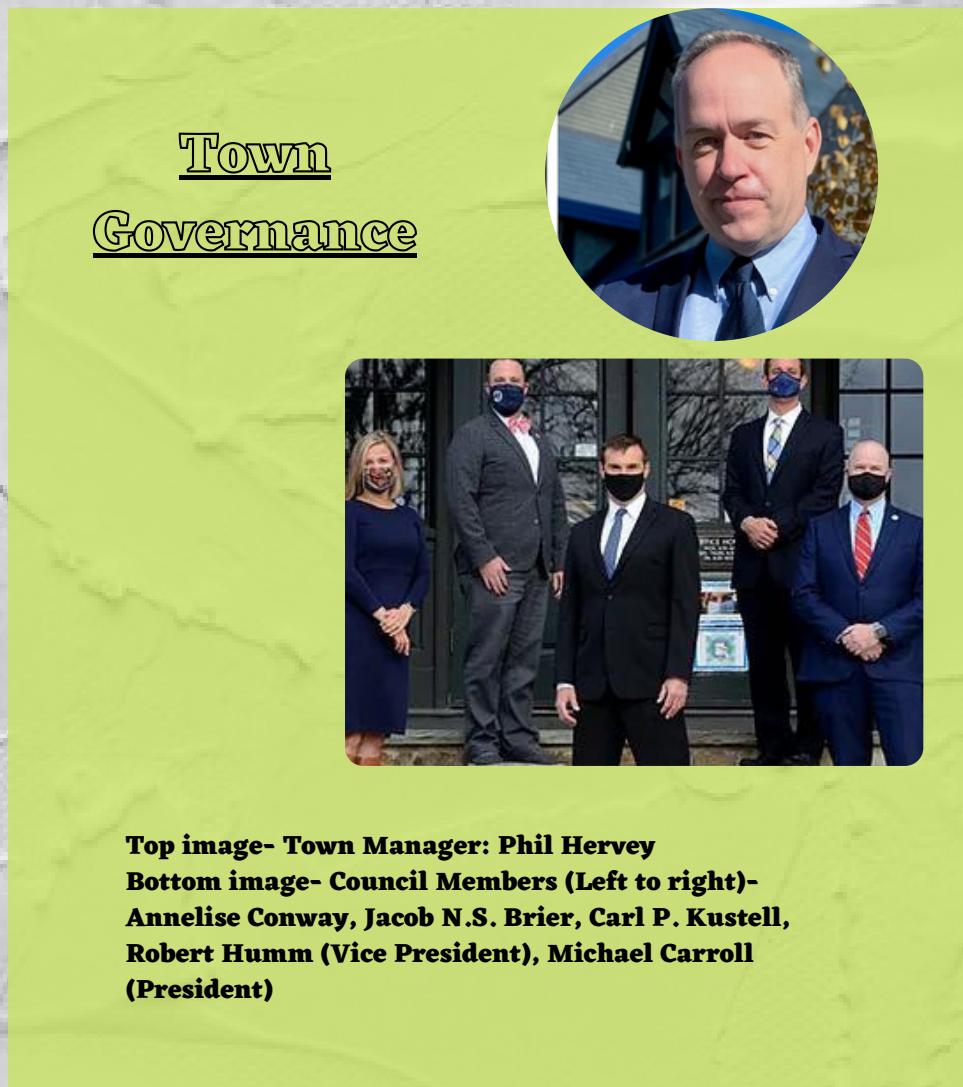
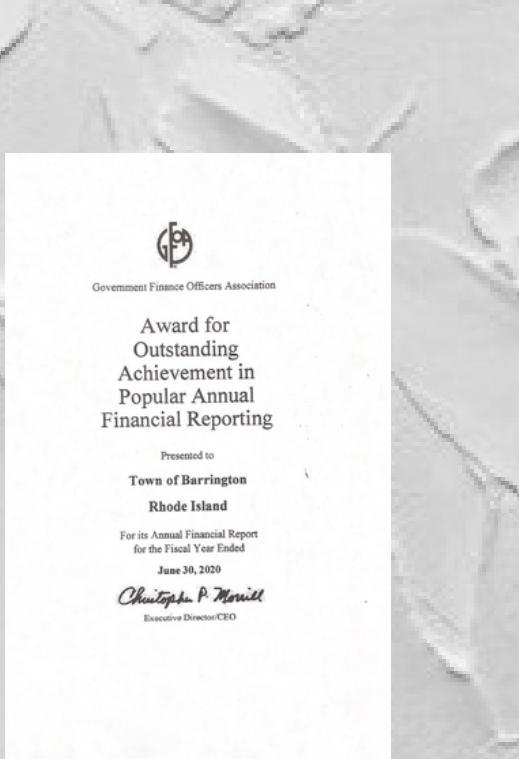
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AWARDS & RECOGNITION

The Town of Barrington's Popular Annual Financial Report (PAFR) was awarded for Outstanding Achievement in Popular Annual Financial Reporting for the first time from the Government Finance Officers Association of the United States and Canada (GFOA). This award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Financial Reporting is valid for only one year. We believe our current report continues to conform to the Popular Annual Financial reporting requirements, and we are submitting it to GFOA to determine its eligibility for another award.



**Top image- Town Manager: Phil Hervey
Bottom image- Council Members (Left to right)-
Annelise Conway, Jacob N.S. Brier, Carl P. Kustell,
Robert Humm (Vice President), Michael Carroll
(President)**

ABOUT BARRINGTON



The Town of Barrington was incorporated as a Town on June 16, 1770. It is located in Bristol County on the east side of Narragansett Bay, in the State of Rhode Island and approximately nine miles southeast of Providence. The Town of Barrington is made up of predominately single-family homes and a small mix of multi-family homes and commercial clusters.

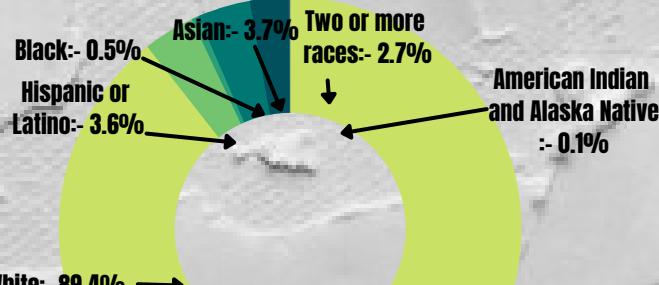
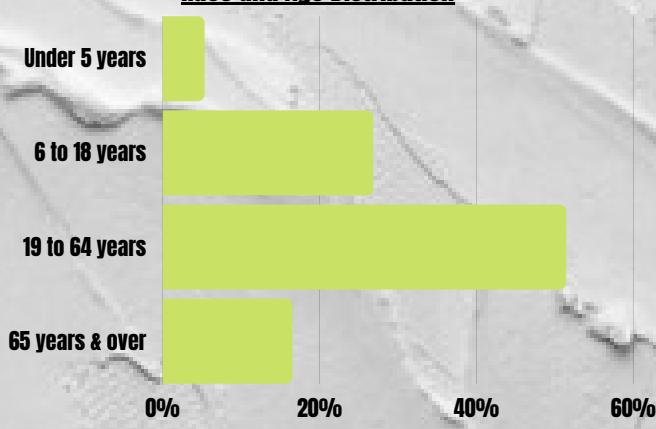
The Town operates under a charter form of government, which provides for a five-member town council that is elected for four-year terms, at the regular elections every two years. They are responsible for enacting local legislation. The town operates under a Town Council-

Town Manager form of government and provides the following services as authorized by its charter:

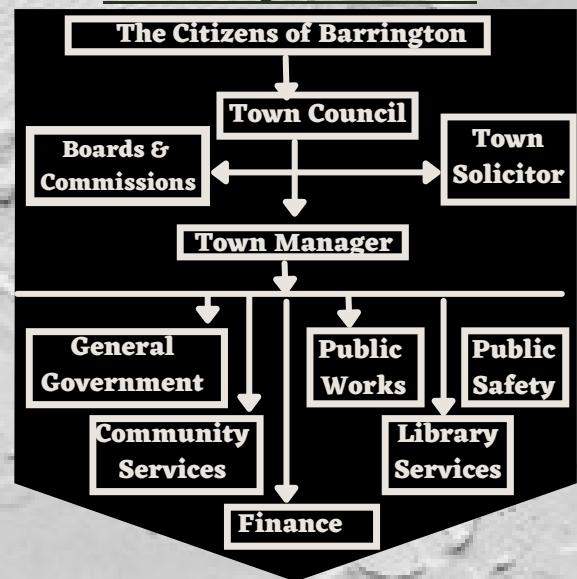
- Public Safety:** police, fire, dispatch and harbor control
- Public Works:** sewer, streets, engineering, land and building maintenance
- Other services:** recreation, education, senior services and general administrative services

**To know more about the Town of Barrington and our services visit our website-
<https://www.barrington.ri.gov/>**

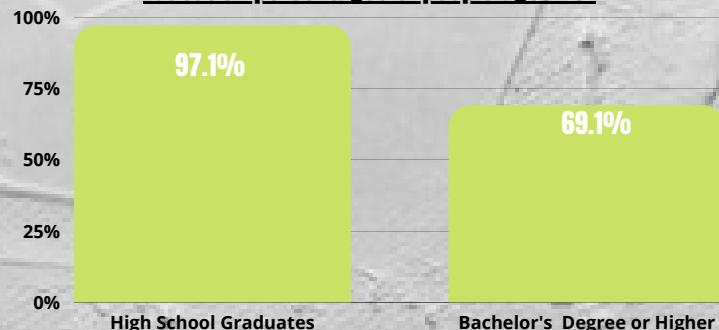
Race and Age Distribution



Government Organization Structure



Education percentages of people ages 25+



ECONOMY AND INDUSTRY



Barrington is primarily a suburban residential community. The median income of individuals in the town is \$65,777 and the average household income is \$147,849.

Most employment opportunities extend outside the Town to the cities of Providence and Boston. The Town had 576 private businesses and 12 government units in the first quarter of 2021. The private sector employed the bulk, approximately 2,198 people with wages over \$28.3 million.

Government jobs employed 707 people with wages at approximately \$9 million.

The largest industries in the Town are 'professional & technical services' with 111 business units and 'healthcare & social assistance' with 98 business units. The businesses below support the Town by paying personal property (tangible) taxes based on the assets they own.

Town Economic Stats



Total town population:
16,310



Unemployment rate:
4.5%



Median sale price of
home: \$489,000



Median household
income: \$ 147,849



Households with a
computer: 95.4%



Households with internet
broadband: 92.4%

Top Ten Employers

EMPLOYERS	EMPLOYEES
Town of Barrington	558
East Side Clinical Lab	300
Residential Properties	185
Shaw's Supermarket	150
New England Linen Supply	138
RI Country Club	109
Saint Andrew's School	90
Atria Bay Spring Village	70
Jet Electro Finishing	68
East Bay Center Inc.	66

Business Units by Industry

INDUSTRY	UNITS
Professional and Technical Services	111
Healthcare and Social Assistance	98
Construction	47
Wholesale Trade	40
Administrative Support and Waste Management	35
Finance and Insurance	29
Retail Trade	29
Accommodation and Food Services	26
Education Services	21
Information	17
Arts, Entertainment and Recreation	16
Real Estate, Rental and Leasing	16
Government	12
Other	91
Total Business Units	588

GENERAL FUND REVENUES

The General Fund allocates money to provide services to its residents. The Town of Barrington's government services is funded through various fees, fines, licenses, grants, aid and taxes.

For the fiscal year 2020-2021, the Town collected total revenue of \$79,177,000 from different sources. The Town received \$1,154,056 from the State of RI, as Housing Aid for the Middle School project, which was transferred into a fund for future debt payments. This amount is included in the total revenue.

This year the Town collected excess revenue of \$2,455,457 mainly from:

- COVID Relief Funds were received
- Money was received for Housing Aid
- Realty Stamps and Land Records was greater than expected because more houses were sold
- Investment income was higher than budgeted
- More inspections were conducted throughout the town than budgeted

DOLLARS IN

REVENUES	BUDGETED AMOUNTS	ACTUAL AMOUNTS	DIFFERENCE(-/+)
General Property Taxes	\$66,730,400	\$66,997,093	\$266,693
Intergovernmental Revenues	\$220,942	\$208,380	\$12,562
Investment and Interest Income	\$180,000	\$277,036	\$97,036
Other Local Revenue	\$1,432,626	\$1,877,285	\$444,659
State Aid and Grant	7,602,035	\$9,171,930	\$1,569,895
Rescue Service Fees	\$400,000	\$400,000	-----
Miscellaneous	\$155,540	\$245,276	\$89,736
Total Revenues	\$76,721,543	\$79,177,000	\$2,455,457

SURPLUS

ITEM	AMOUNT
Revenue Surplus	\$2,455,457
Expenditure Overage	\$(917,529)
Total Surplus	\$1,537,928

Tax Information

TAX BREAK UP

Residential property tax (90%)

Other taxes (10%):

Commercial Property tax
Motor Vehicle Tax
Personal Property Tax

TAX RATE FOR PROPERTY VALUE

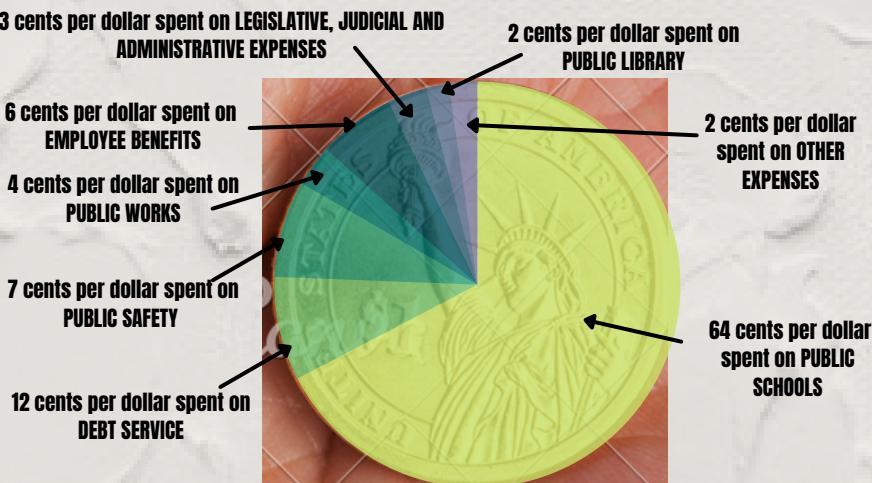
\$19.15 for \$1000

\$19.15 for \$1000
\$30.00 for \$1000
\$19.15 for \$1000

The tax on \$400,000 home would be \$7,660.

GENERAL FUND EXPENDITURES

EXPENDITURE PER DOLLAR



- The Town overspent **\$917,529** in expenditures mainly from:
- Transfer of **\$1,154,056** to a Debt Fund
- Expenditure savings was due to less spent on salaries than budgeted in the Police and Tax Assessor departments
- There was savings in benefits
- The General Fund Surplus (Excess revenue - Expenditure deficit) for the year was **\$1,537,928** (2% of the Total Revenue).

DOLLARS OUT

EXPENDITURES	BUDGETED AMOUNTS	ACTUAL AMOUNTS	DIFFERENCE (-/+)
Public School Appropriation	\$48,208,708	\$48,208,708	\$-----
Legislative, Judicial, and Administrative	\$2,270,650	\$2,204,238	\$66,412
Public Safety	\$5,634,035	\$5,505,419	\$128,616
Public Works	\$3,479,482	\$3,452,767	\$26,715
Debt Service	\$8,942,154	\$8,940,944	\$1,210
Employee Benefits	\$4,572,500	\$4,554,859	\$17,641
Public Library	\$1,261,345	\$1,249,781	\$11,564
Other Expenditures			
Agency Support	\$5,500	\$5,500	\$-----
Recreation Department	\$152,150	\$138,312	\$13,838
Adult Enrichment Center	\$118,224	\$114,346	\$3,878
Government Utilities	\$324,500	\$362,102	\$(37,602)
Capital Items	\$3,200	\$3,286	\$(86)
Miscellaneous	\$14,500	\$10,159	\$4,341
Transfers In/Out	\$1,734,595	\$1,734,595	\$-----
Debt Stabilization	\$-----	\$1,154,056	\$(1,154,056)
Total Expenditures	\$76,721,543	\$77,639,072	<u>\$(917,529)</u>

GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES



The Town of Barrington's Net Position includes a summary of what the Town owns (Assets) and owes (Liabilities). Net position is the difference between Total Assets and Total Liabilities. The Statement of Net Position uses the full accrual basis of accounting. All debt and pension liabilities are included.

The Town's combined net position (Government and Proprietary) amounts to \$68,562,073.

- Government activities are used for government services provided by the town such as public safety, public works, administration and others.
- Proprietary funds are used to fund business-type activities. Business-type activities charge fees to customers to cover the costs of certain services such as sewer services.

The largest portion of the net position (98%) is Net Investments in Capital Assets (NICA) which totals \$67,355,719. NICA includes buildings, land, machinery, vehicles, construction in progress, equipment and other capital infrastructure. Assets are not available for future spending as they cannot be liquidated.

Portions of the net position are resources that are subject to external restrictions and unrestricted resources that may be used to meet Town and resident's needs.

The Town's net position has increased and shows a stronger financial position than the previous year.

STATEMENT OF NET POSITION

	2021	2020
Assets		
Current assets	\$58,570,338	\$56,205,785
Capital assets	\$142,530,692	\$145,337,077
Other non-current assets	\$13,555,082	\$9,795,090
Total Assets	\$214,656,112	\$211,337,952
 Deferred Outflows of Resources	 \$16,192,979	 \$14,227,189
 Liabilities	 	
Current Liabilities	\$7,309,388	\$10,698,799
Long-term Liabilities	\$142,597,865	\$146,240,021
Total Liabilities	\$149,907,253	\$156,938,820
 Deferred Inflows of Resources	 \$12,379,765	 \$7,740,974
 Total Net Position	 \$68,562,073	 \$60,885,347
 Net Position	 	
Net Investment in Capital Assets	\$67,355,719	\$64,685,861
Restricted	\$7,155,514	\$6,839,470
Unrestricted	(\$5,949,160)	(\$10,639,984)
 Total Net Position	 \$68,562,073	 \$60,885,347

GOVERNMENT-WIDE FINANCIALS

The Statement of Activity presents a comparison between direct expenses and program revenues for all governmental and business-type activities. The Town of Barrington's net position increased by \$7,676,726 in the year 2020-2021. There was an increase of \$7,576,297 in government activities which were due to an increase in capital assets. There was a increase in business activities by \$100,429 as expenses exceed revenues due to unbudgeted depreciation exceeding budgeted principal debt payments.

STATEMENT OF ACTIVITIES GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

	2021	2020	2019
Revenue:			
Program Revenues:			
Charges for Services	\$8,140,005	\$7,814,021	\$8,249,089
Operating Grants/Contributions	\$20,809,451	\$12,360,464	\$11,639,472
Capital Grants/Contributions	\$273,433	\$727,184	\$194,612
General Revenues:			
Property Taxes	\$67,525,686	\$65,449,031	\$64,522,653
State Aid and in Lieu of Tax	1,222,313	\$2,509,707	\$1,287,902
Other Revenue	\$1,004,305	\$633,310	\$1,466,250
Total Revenues(1)	\$98,975,193	\$89,493,717	\$87,359,978
 Expenses:			
General Government	\$26,092,206	\$24,998,854	\$23,179,205
Interest on Long-Term Debt	\$2,667,129	\$2,786,560	\$2,919,692
Education	\$62,539,132	\$57,964,208	\$57,098,126
Total Expenses(2)	\$91,298,467	\$85,749,622	\$83,197,023
 Increase in Net Position(1-2)	\$7,676,726	\$3,744,095	\$4,162,955



Fund Balance is the accumulation of profits and losses over the years. Fund Balance can be divided into five categories: **Nonspendable**, **Restricted**, **Committed**, **Assigned**, or **Unassigned**. These classifications tell how much of the fund balance must be reserved for specific uses as required by the funding source, the council, management, or the law.

Fund Balance may be "Restricted" due to externally enforceable restrictions. "Committed" balances are used for a specific purpose and imposed by the governing body. "Unassigned" describes the portion of Fund Balance that has no restriction on how it may be used.

"Nonspendable" are balances that are illiquid or required to be maintained. "Assigned" balances comprise amounts intended to be used by the government for specific purposes.

The policy of the Town is to maintain an unassigned fund balance at 30% of general fund operating expenditures. Anything over 30%, once achieved, will be added to the Capital Reserve Fund. Currently, there is no balance in the Capital Reserve Fund. Capital Reserve Funds are used to acquire capital assets. Comparing unassigned fund balance to expenditures is a great method of evaluating general fund liquidity.

FUND BALANCE	2021	2020	2019
Nonspendable:			
Tax Title Property	\$45,503	\$45,503	\$45,503
Prepaid Expenditure	\$153,277	\$906,706	\$904,375
Inventory	\$1,426	1,601	\$2,111
Restricted for:			
Education Programs	\$2,633,122	\$3,004,088	\$787,050
Committed for:			
Zoning Rewrite	19,196	-----	-----
Revaluation	\$476,299	\$391,968	\$290,581
Assigned to:			
Restoration Projects	\$9,491	9,491	\$9,491
Recreation Programs	\$40,304	\$29,060	\$32,074
Recycling Projects	\$92,035	\$92,035	\$92,035
Field Maintenance	\$440,854	\$379,543	\$362,644
Council Contingency	\$12,090	\$14,590	\$11,163
Education Enrichment Programs	\$60,700	\$61,703	62,678
Testing	\$117,617	-----	-----
Summer Sport Camps	77,808	-----	-----
Debt Stabilization	1,154,056	-----	-----
Unassigned Fund Balance	21,458,504	\$20,074,536	\$19,420,868
 General Fund Balance			
	<u>\$26,792,282</u>	<u>\$25,010,824</u>	<u>\$22,020,573</u>

CAPITAL ASSETS



Capital assets are the assets owned by the Town over a long-term period. On June 30, 2021, the Town's investment in capital assets amounted to \$142,530,692. The total increase in capital assets in the current year was \$76,139,749, of which, \$63,398,130 was completion of the Middle School, \$2,944,684 for the Peck Center roof and renovations, \$2,214,589 for the landfill, \$1,909,860 for roads and \$1,096,908 for a ladder fire truck. Other small-scale events and projects included: Police Cove Park, Latham Park, Emergency Medical Vehicle, Land Purchase, Dump Truck and Boiler Replacement.

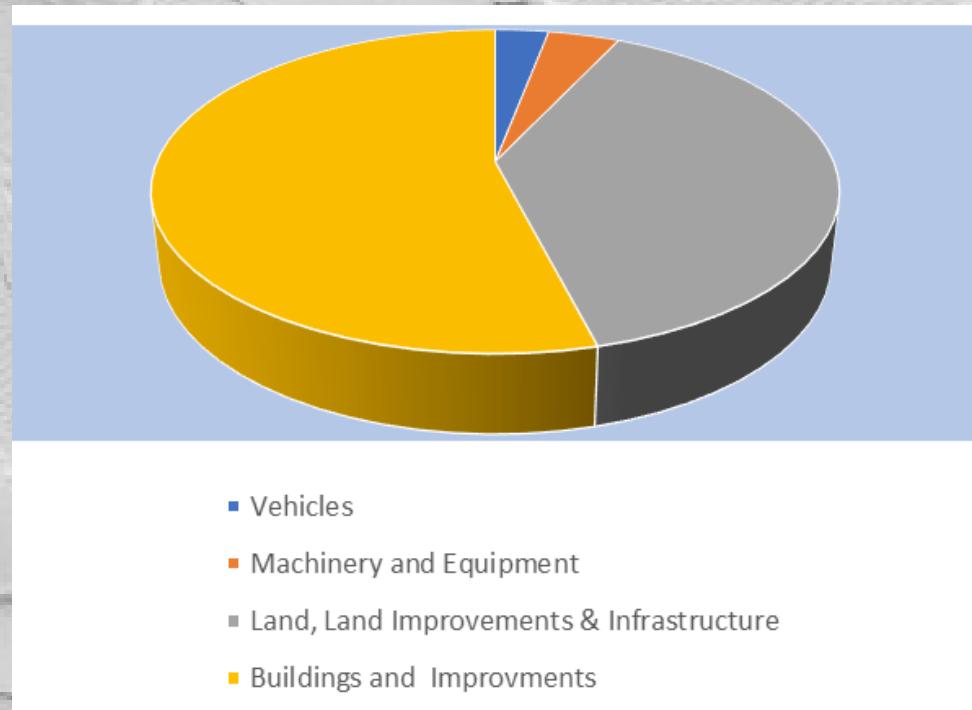
CAPITAL ASSETS

CAPITAL ASSETS	2021
Land, Land Improvements & Infrastructure	\$88,286,533
Buildings & Improvements	\$120,621,396
Vehicles	\$5,071,501
Machinery & Equipment	\$9,496,424
Construction in Progress	\$234,021
Less: Accumulated Depreciation	<u>\$(81,179,183)</u>
Total	\$142,530,692

TOP 10 CAPITAL EVENTS OF THE YEAR

EVENTS/ PROJECT	COST
Middle School	\$63,398,130
Peck Center Roof and Renovations	\$2,944,684
Landfill	\$2,214,589
Roads	\$1,909,860
Ladder Fire Truck	\$1,096,908
Police Cove Park	\$834,272
Latham Park	\$396,707
Emergency Medical Vehicle	\$315,978
Land Purchase	\$201,299
Dump Truck with Plow	\$161,947

CAPITAL ASSET BREAKDOWN



DEBT

HOW MUCH DO WE OWE?



The Town builds and maintains infrastructure for our government and business-type activities through the issuance of debt. The State has set a debt limit at 3% of the total taxable assessed value of property. The debt limit for the year 2021 is \$94,592,639. This debt limit is applicable for General Obligation Bonds, Capital Leases, and Revolving Loans.

1. General Obligation Debt- Debt backed by the full faith and credit of the Town. The Town's general obligation

debt is rated AAA by S & P Ratings and Aa1 by Moody's.

- 1. Capital Leases-** Leases with contract terms longer than a year are defined as capital leases, and leased items are considered purchased assets.
- 2. Revolving Loans-** Debt with fixed payments that the town uses for roads and landfills.

	2021	2020	2019
Debt Limit	\$94,592,639	\$94,942,662	\$95,074,999
General Obligation Bonds	\$7,700,000	\$8,735,000	\$9,725,000
Capital Lease	\$426,059	\$633,141	\$840,217
Revolving Loan	\$13,562,743	\$14,782,368	\$15,982,055
Amount Subject to Debt Limit	\$21,688,802	\$24,150,509	\$26,547,272
Legal Debt Margin	\$72,903,837	\$70,792,153	\$68,527,727

Outstanding Debt over the years

The Town of Barrington has been able to maintain a sizable legal debt margin in the last decades by borrowing less than the debt limit. In the year 2017, the Town's debt increased by three times due to a jump in loans payable. On April 20, 2017, the Town entered into a loan agreement for the amount of \$68,400,000 for the construction of the new Barrington Middle School. Debt approved through legislation is not subject to the debt limit.

CONCLUSION

This brief overview primarily showcased the current financial position of the Town of Barrington.

To learn more about Town's funds or view the 2021 Annual Comprehensive Financial Report (ACFR) or Popular Annual Financial Report (PAFR), please visit-

<https://www.barrington.ri.gov/finance-taxcollections>

Along with ACFR 2021, you also have access to the ACFR of past years and other financial resources by using the link and scrolling down to the "Document" section.

OUR WEBSITE- www.barrington.ri.gov



MAP OF RHODE ISLAND

