

## Cumberland Bond Ratings (as of February 2003)

**Moody's: Baa2**

**Fitch: -**

**Standard & Poor's: A-**

In order to assess a community's financial condition, credit rating agencies focus on measuring a community's available resources to meet existing and projected obligations. The following indicators were developed to gauge these factors in order to provide an overview of a community's relative fiscal health. Taxpayers should not focus on any singular measure. Rather, they should evaluate their community's overall fiscal health using a range of the indicators discussed below.

The **General Fund balance as a percentage of the General Fund operating revenues** grew from -0.6% by the beginning of FY 2001 to 4.0% by the end of the year. One should note that some municipalities include school revenues and expenditures in a Special Revenue Fund and not in the General Fund. Therefore, this indicator doesn't include these revenues and expenditures for those communities. Hence, this indicator should not be used as a comparison among communities.

Cumberland has an **unfunded private municipal pension liability** in the amount of \$4,976,539 as of July 1, 2001. The town also participates in the Municipal Employees' Retirement System of the State of Rhode Island and has a pension funding surplus of \$790,533 In FY 2000.

The **estimated effective tax rate**, which is a tool to compare the overall property tax burden in each community is \$17.96 as of December 31, 1999. The state median is \$22.27. The tax levy as a percentage of the estimated full value is 1.9%. The state median is 2.2%.

The **outstanding long-term debt** per capita is \$1,673 and \$65 per \$1,000 of Personal Income. The statewide average is \$1,912 per capita and \$88 per \$1,000 of Personal Income. The outstanding debt as a percentage of estimated full value is 2.8%, while the statewide average is 3.3%.

Cumberland's bond rating of Baa2 by Moody's is considered medium grade obligations. The bond rating of A- by Standard & Poor's is considered upper medium grade obligations. The General Fund balance as a percentage of the General Fund operating revenues grew during FY 2001. The town has an unfunded private municipal pension liability of \$4,976,539 as of July 1, 2001. The outstanding long-term debt per capita is 12.5% below the statewide average, ranking the town 13th within the state. The town does not maintain a record of General Fixed Assets.

All municipal audits are required to be completed no later than six months after the close of the fiscal year. The Office of the Auditor General has discretion to grant extensions of up to three months after the legal deadline. Cumberland's audit report for FY 2000 was submitted three months after the extension period and the audit report for FY 2001 was submitted within the extension period.

### General Information

Form of Government	Mayor-Council
Population 2000	31,840
Personal Income Per Capita CY 2000	\$25,592

### Property Tax Data FY 2001 (Assessment as of 12/31/1999)

Estimated Full Value	\$1,928,473,737
Property tax collection rate	96.0%
Tax Rates by Class:	
Residential RE Tax Rate	\$20.33
Homestead Provision	NA
Commercial RE Tax Rate	20.33
Inventory Tax Rate	18.05
Motor Vehicle Tax Rate	19.87
Personal Property Tax Rate	20.33
Estimated Effective Tax Rate	
State Median	17.96
Tax Levy as Percentage of Full Value	22.27
State Median	1.9%
	2.2%

