

TOWN OF TIVERTON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019



Jan H. Reitsma
Town Administrator

Denise G. Saurette
Treasurer

Prepared by: Finance Department

-----Tiverton, Rhode Island-----

TOWN OF TIVERTON, RHODE ISLAND

June 30, 2019

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INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF TIVERTON, RHODE ISLAND

JUNE 30, 2019

TOWN COUNCIL

Patricia M. Hilton, President
Denise M. deMedeiros, Vice President
Stephen T. Clarke
Donna Cook
Nancy Driggs
Joseph G. Edwards, V
Joseph C. Perry, Jr.

TOWN ADMINISTRATOR

Jan H. Reitsma

TOWN TREASURER

Denise G. Saurette

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FINANCIAL SECTION

This Section Contains the Following Subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information

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Fall River, MA 02720
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Independent Auditor's Report

The Honorable President and
Members of the Town Council
Town of Tiverton
Tiverton, Rhode Island

Report on the Financial Statements

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 Tiverton, Rhode Island (Town) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town'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. 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 Tiverton, Rhode Island, as of June 30, 2019, 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.

(Continued)

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, OPEB related disclosure, and Pension related disclosure, as listed in the table of contents, 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 Tiverton, Rhode Island's basic financial statements. The introductory section, other supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules included in the other supplementary information section including the detailed revenue and expenditures for the general fund, combining and individual nonmajor fund financial statements, and Annual Supplemental Transparency Portal (MTP2) 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 schedules included in the other supplementary information section including the detailed revenue and expenditures for the general fund, combining and individual nonmajor fund financial statements, and Annual Supplemental Transparency Portal (MTP2) 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated, December 30, 2019, on our consideration of the Town of Tiverton, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Tiverton, Rhode Island's internal control over financial reporting and compliance.

Hague, Sabady & Co. PC

Fall River, Massachusetts
December 30, 2019

Management's Discussion and Analysis

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

The management of the Town of Tiverton, Rhode Island (herein, The Town), offers readers of the Town's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented herein conjunction with additional information found within the financial statements.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP). Users of these financial statements (such as investors and rating agencies) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

Financial Highlights

- ❖ The government-wide liabilities and deferred inflows of the Town exceeded their assets and deferred outflows at the close of the most recent fiscal year by \$2,970,633. The net position of business activities decreased by \$186,297, while the net position of Governmental Activities increased by \$7,689,185.
- ❖ The Town's government-wide (governmental and business activities) operating expenses were \$55,589,908 a 5.9% decrease from the prior year, while the revenues collected were \$63,092,796 and 16.7% increase compared to the prior year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$17,406,228. Of this amount \$3,319,683 or 8.5%, is unassigned in the general fund and available for use within the Town's designation and fiscal policies. \$1,350,420 is available for School expenditures and \$11,510,964 is set aside for the remaining non-major governmental funds.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$3,319,683 or 14.2% of the total general fund expenditures and transfers out for the fiscal year. On a budgetary basis, revenues exceeded expenditures and transfers by \$649,799. The School department unrestricted fund ended with a combined fund balance of \$1,350,420 or 14.5% of the current year budget. The current year's expenditures exceed the current year revenue by \$2,920,204.
- ❖ The Tiverton Casino and Hotel officially opened September 1, 2018. In addition to the State of RI annual minimum guarantee of \$3M in gaming revenue, the Town saw an increase in meals & beverage tax, hotel tax, tangible property tax and of course real estate tax on the land & buildings. As of the end of June 30, 2019, the Town has received \$1,518,558 in gaming revenue.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

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

The government-wide financial statements provide both long-term and short-term information about the Town as a whole. The fund financial statements focus on the individual components of the Town's government, reporting the Town's operations in more detail than the government-wide statements. Both representations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the Town's accountability. An additional part of the basic financial statements are the notes to the financial statements. The report also contains other required supplementary information as well as additional supplementary information to the basic financial statements themselves.

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. The statements provide both short-term and long-term information about the Town's financial position, which assists in assessing the Town's economic position at the end of the fiscal year.

The *Statement of Net Position* presents information on all of the Town's assets and liabilities along with any deferred inflows and/or outflows of resources, with the difference between the two reported as Net Position. Over time, increases or decreases in the Town's 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 would include uncollected taxes and earned, 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, development services, cultural and recreational services. The Town's business activities include the Land Acquisition Fund and the Cafeteria Fund.

In the statement of activities, the operations of the Town are presented in a format that reports the net expense and revenues of its individual functions - the objective being to report the relative burden of each of the Town's functions to the tax payers. Revenues offsetting related functional expenses are separated into three categories: charges for services, operating grants and contributions, and capital grants and contributions.

The government wide financial statements are reported on pages 18 through 21.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

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 near term inflows and outflows 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*.

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 School Special Revenue Unrestricted Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary section of this report.

The basic governmental fund financial statements are presented on pages 22 and 25.

Proprietary Funds - The Town's proprietary funds are used to report financed business-type activities provided to the general public (enterprise funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The Town has two enterprise funds, the Land Acquisition Fund and the Cafeteria Fund. Both are considered to be major funds for financial statement process.

The basic proprietary fund financial statements are presented on pages 26 through 28.

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 29 and 30.

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 31 through 83.

Other Required Supplementary 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 information presents schedules detailing certain pension information, as well as, budgetary comparison schedules for the general fund and the school unrestricted fund to demonstrate compliance with their respective budgets. Required supplementary information is presented on pages 84 through 112.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Governmental Funds (Continued)

Supplementary Information - The combining statements referred to earlier in connection with non-major governmental funds, as well as other information, are presented on pages 113 through 164.

Statistical Section - Information contained in the section has not been subject to audit procedures but is included as additional analysis and can be found on pages 166 to 171.

Government-Wide Financial Analysis

Analysis of the Town of Tiverton's Net Position

As noted earlier, the Town's 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's governmental activities liabilities plus deferred inflows exceeded assets plus deferred outflows by \$6,622,674 as of June 30, 2019. This represents a current years' decrease of \$7,689,184. Listed below is a comparison of the current and prior fiscal years.

The Town's governmental activities net position net investment in capital assets comprises \$24,768,298 of total net position. This amount consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The 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.

In addition, a portion of the Town's net position totaling \$1,216,837 represents resources that are subject to external restriction in how they may be used. Unrestricted net position, totals \$ (32,607,808), and represents the remaining amount available to be used to meet the government's ongoing obligation to citizens and creditors.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

**Statement of Net Position
June 30, 2019 and 2018**

	Governmental		Business-Type		Total		\$ Change
	Activities		Activities				
	2019	2018	2019	2018	2019	2018	
Assets							
Current assets	\$ 29,722,435	\$ 35,170,781	\$ 530,897	\$ 544,057	\$ 30,253,332	\$ 35,714,838	\$ (5,461,506)
Long-term assets	72,855,372	63,336,186	3,148,600	3,360,000	76,003,972	66,696,186	9,307,786
Total assets	<u>102,577,807</u>	<u>98,506,967</u>	<u>3,679,497</u>	<u>3,904,057</u>	<u>106,257,304</u>	<u>102,411,024</u>	<u>3,846,280</u>
Deferred outflows of resources							
Pension related outflows	11,094,256	12,009,871	-	-	11,094,256	12,009,871	(915,615)
Total deferred outflows of resources	<u>11,094,256</u>	<u>12,009,871</u>	<u>-</u>	<u>-</u>	<u>11,094,256</u>	<u>12,009,871</u>	<u>(915,615)</u>
Liabilities							
Current liabilities	6,712,698	6,867,497	27,456	39,319	6,740,154	6,906,816	(166,662)
Long-term liabilities	108,428,482	112,241,779	-	-	108,428,482	112,241,779	(3,813,297)
Total liabilities	<u>115,141,180</u>	<u>119,109,276</u>	<u>27,456</u>	<u>39,319</u>	<u>115,168,636</u>	<u>119,148,595</u>	<u>(3,979,959)</u>
Deferred inflows of resources							
Pension related inflows	4,093,649	4,552,649	-	-	4,093,649	4,552,649	(459,000)
Gain on debt refunding	1,059,908	1,166,772	-	-	1,059,908	1,166,772	(106,864)
Total deferred inflows of resources	<u>5,153,557</u>	<u>5,719,421</u>	<u>-</u>	<u>-</u>	<u>5,153,557</u>	<u>5,719,421</u>	<u>(565,864)</u>
Net Position							
Investment in capital assets, Net investment in capital assets	24,768,298	12,647,896	3,148,600	3,360,000	27,916,898	16,007,896	11,909,002
Restricted	1,216,836	2,270,586	407,300	139,951	1,624,136	2,410,537	(786,401)
Unrestricted	<u>(32,607,808)</u>	<u>(29,230,341)</u>	<u>96,141</u>	<u>364,787</u>	<u>(32,511,667)</u>	<u>(28,865,554)</u>	<u>(3,646,113)</u>
Total net position	<u>\$ (6,622,674)</u>	<u>\$ (14,311,859)</u>	<u>\$ 3,652,041</u>	<u>\$ 3,864,738</u>	<u>\$ (2,970,633)</u>	<u>\$ (10,447,121)</u>	<u>\$ 7,476,488</u>

Changes in Net Position

The following analysis provides a summary of the Town's operations for the year ended June 30, 2019. Governmental activities increased the Town's net position by \$7,689,184 for the current period, while business-type activities decreased the Town's net position by \$186,297. Overall the Town's current year's net position increase was \$7,476,487.

In the current fiscal year, the Town's governmental fund financial statements ended with a net decrease in the overall fund balances of \$8,108,413. The decrease in the overall fund balance is primarily a result of capital projects expenditures of \$9,650,934.

In the statement of activities, expenditures for capital items are not recorded as expenses, but shown in the balance sheet as capital assets, with depreciation shown as a current year expense which resulted in a net increase of \$9,219,175. Bond payments are not recorded as expenditures but shown in the balance sheet as a reduction in long-term liabilities; this resulted in an increase to the Town's net position of \$3,538,240. Other material changes include a decrease in the Town's net other postemployment benefits liability of \$1,551,590 and a decrease in the Town's net pension liability of \$245,780.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

The following page presents the Changes in Net Position for the current year's activity.

Changes in Net Position for the period ending June 30, 2019 and June 30, 2018 (Government-wide level)

	Changes in Net Position						\$ Change
	Governmental		Business-Type		Total		
	2019	2018	2019	2018	2019	2018	
Revenues							
Program Revenues:							
Charges for service	\$ 2,805,593	\$ 2,824,583	\$ 366,003	\$ 319,274	\$ 3,171,596	\$ 3,143,857	\$ 27,739
Operating grants & contributions	11,826,193	9,847,172	251,385	254,610	12,077,578	10,101,782	1,975,796
Capital grants & contributions	2,345,087	1,851,638	-	-	2,345,087	1,851,638	493,449
General Revenues:							
Property taxes	40,745,315	35,118,669	-	-	40,745,315	35,118,669	5,626,646
State aid to town	605,302	1,362,962	-	-	605,302	1,362,962	(757,660)
Medicaid reimbursement	1,472,935	200,000	-	-	1,472,935	200,000	1,272,935
Gaming revenue	1,518,558	-	-	-	1,518,558	-	1,518,558
Miscellaneous revenue	519,971	494,840	-	-	519,971	494,840	25,131
Earnings on investments	636,454	304,710	-	-	636,454	304,710	331,744
Total revenue	62,475,408	52,004,574	617,388	573,884	63,092,796	52,578,458	10,514,338
Expenses							
General government	3,588,309	6,226,722	-	-	3,588,309	6,226,722	(2,638,413)
Public safety	6,663,882	5,770,330	-	-	6,663,882	5,770,330	893,552
Education	38,341,688	34,137,508	-	-	38,341,688	34,137,508	4,204,180
Public works	3,854,394	2,798,844	-	-	3,854,394	2,798,844	1,055,550
Health and human services	560,106	816,695	-	-	560,106	816,695	(256,589)
Parks and recreation	193,058	222,174	-	-	193,058	222,174	(29,116)
Interest on debt	1,677,287	1,863,073	-	-	1,677,287	1,863,073	(185,786)
Land acquisition fund	-	-	64,000	-	64,000	-	64,000
Cafeteria fund	-	-	647,185	647,654	647,185	647,654	(469)
Total expenses	54,878,724	51,835,346	711,185	647,654	55,589,909	52,483,000	3,106,909
Increase(decrease) in net position before transfers	7,596,684	169,228	(93,797)	(73,770)	7,502,887	95,458	7,407,429
Other financing sources/uses							
Sales of Town property	92,500	-	(92,500)	-	-	-	-
Increase(decrease) in net position	7,689,184	169,228	(186,297)	(73,770)	7,502,887	95,458	7,407,429
Net position, July 1, 2018 restated	(14,311,859)	(14,481,087)	3,838,338	3,938,508	(10,473,521)	(10,542,579)	69,058
Net position, June 30, 2019	\$(6,622,674)	\$(14,311,859)	\$3,652,041	\$3,864,738	\$(2,970,634)	\$(10,447,121)	\$7,476,487

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Financial Analysis of the Town of Tiverton's Funds

Governmental Funds - The focus of the Town'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.

As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$17,406,228. Of this amount \$3,292,386 or 19.1% is unassigned and available for use within the Town's designation and fiscal policies. The remainder of the fund balance is categorized at various commitment levels as follows.

	<u>2019</u>	<u>2018</u>	<u>\$ Change</u>
Nonspendable for			
Prepays	\$ 447,268	\$ 203,445	\$ 243,823
Restricted for			
Educational programs	588,093	1,414,087	(825,994)
Public safety programs	89,983	105,601	(15,618)
Debt service	-	362,625	(362,625)
Health and human services	16,826	16,983	(157)
Public works programs	521,934	371,290	150,644
Committed for			
Debt service	1,362,082	8,450,663	(7,088,581)
Public works programs	8,798,321	8,117,959	680,362
Public safety programs	17,518		
General government	383,066	317,448	65,618
Capital projects	24,399	116,895	(92,496)
School capital/operations	858,649	2,970,936	(2,112,287)
Health and human services	18,741	19,121	(380)
Paving and capital	297,390		
Culture and recreation	689,571	714,853	(25,282)
Unassigned	<u>3,292,386</u>	<u>2,332,735</u>	<u>959,651</u>
Total fund balances	<u>\$ 17,406,228</u>	<u>\$ 25,514,641</u>	<u>\$ (8,423,322)</u>

The Town's General Fund unassigned fund balance increased in the current year from \$2,332,735 to \$3,319,683.

Proprietary Funds - The Town's proprietary fund statements provide the same type of information as presented in the government-wide financial statements, but in more detail.

Unrestricted net position of the proprietary funds is \$96,141.

General Fund Budgetary Highlights

The original budget for the fiscal year ended June 30, 2019 was adopted at the financial town referendum in the amount of \$51,622,092. No changes were made to the final budget amount however transfers were authorized between expenditure line items.

Actual revenues reported were more than budgeted amounts by \$598,844, due principally to a surplus in licenses, permits, and usage fees in the amount of \$194,186 as well as investment earnings above the budget by \$119,695.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

General Fund Budgetary Highlights (Continued)

Actual expenditures resulted in a favorable variance over the budget in the amount of \$618,367. The favorable amounts were in varying departments including \$56,620 relating to debt principal and \$225,491 related to public safety.

The total excess of expenditures and other financing sources over revenues and other financing uses on a budgetary basis was \$649,799 of which \$617,352 was encumbered and carried in fiscal year 2020.

Municipal budgeting is a process that includes forecasting revenue and expenses over one year in advance. While we can be reasonably assured of contractual expenses, debt service payments, and other planned expenditures, it is difficult to project all unexpected circumstances. Keeping a close watch on expenditures as the year progresses allows us to anticipate and prioritize other needs as they may arise. In addition to monitoring all financial transactions, a budget can be used as a management and planning tool.

The Town of Tiverton's Capital Assets

The Town's investment in capital assets for its governmental and business-type activities amounts to \$72,653,230 net of accumulated depreciation at June 30, 2019. Included are land, building and improvements, motor vehicles, furniture and equipment and infrastructure.

	Governmental Activities		Business-Type Activities		Total		\$ Change
	2019	2018	2019	2018	2019	2018	
Land	\$ 4,540,592	\$ 4,490,592	\$ 3,148,600	\$ 3,360,000	\$ 7,689,192	\$ 7,850,592	\$ (161,400)
Construction in progress	-	9,650,934	-	-	-	9,650,934	(9,650,934)
Infrastructure, net	3,085,483	3,722,338	-	-	3,085,483	3,722,338	(636,855)
Building & improvements, net	58,064,449	38,725,899	-	-	58,064,449	38,725,899	19,338,550
Vehicles, net	1,305,445	1,306,430	-	-	1,305,445	1,306,430	(985)
Equipment, net	2,297,261	2,177,862	-	-	2,297,261	2,177,862	119,399
Total	\$ 69,293,230	\$ 60,074,055	\$ 3,148,600	\$ 3,360,000	\$ 72,441,830	\$ 63,434,055	\$ 9,007,775

Additional information on the Town's capital assets is located in Note 7 of the notes to the financial statements.

The Town of Tiverton's Debt Administration

At the end of the current fiscal year, the Town's Governmental Activities had a total bonded debt of \$38,400,000 and bond premiums of \$3,742,308. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

	Debt Administration						
	Governmental Activities		Business-Type Activities		Total		\$ Change
	2019	2018	2019	2018	2019	2018	
General obligation bonds	\$42,142,308	\$45,215,548	\$ -	\$ -	\$42,142,308	\$45,215,548	\$(3,073,240)
Capital leases	971,123	1,043,839	-	-	971,123	1,043,839	(72,716)
Total	\$43,113,431	\$46,259,387	\$ -	\$ -	\$43,113,431	\$46,259,387	\$(3,145,956)

Additional information on the Town's long-term debt can be found in Note 8 of the notes to the financial statements.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2019

The Town of Tiverton's Debt Administration

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 Tiverton's limit is \$68,924,020 at year-end. The Town's outstanding general obligation debt is \$38,400,000 at year-end, which is \$30,524,020 under the State imposed limitation.

Economic Factors and Next Year's Budgets and Rates

Fiscal year 2019 results exceeded budgeted expectations on all fronts as far as revenue was concerned. First and foremost, casino gaming revenue, originally budgeted at \$768K, came in at \$1.5M – almost twice as what was predicted. Keep in mind Twin River Tiverton, was open for 9 full months – so the State of RI minimum guarantee of \$3M did not apply. Additionally, the Town decreased the percent of revenue sharing with the Open Space Fund resulting in an increase of over \$100K in stamp tax revenues. The Town sold another lot at the Industrial/Business Park and recognized \$185K in revenue and in accordance with the budget resolutions and a vote of the Town Council, 50% of that revenue will be reserved for Industrial/Business Park Infrastructure expenses. All proceeds from the sale of the Library were used to offset the library debt over the last two fiscal years, and no withdrawal from the general fund was necessary to meet our budgeted expenses.

The FY2019 expense budget, experienced several unexpected events in a few of our major departments. Unplanned IT network expenses in both Police & Fire, unbudgeted apparatus maintenance issues at the Fire department, and staffing in the Building office presented quite a challenge. However, the town experienced lower than expected insurance expenses, and together with the Town Council contingency fund and vacancies in the police and fire department, funds were available to cover all of these unexpected expenses. Having established a capital reserve carryover fund in FY2017, requests for capital items during the year were approved by the Town Council. These requests included a DPW truck, replacing carpeting at the Town Hall, and replacing the engines for the Harbormaster's boat.

The FY2020 budget process proved to be a challenging one – there was much discussion regarding capital spending and increases to the school budget. Counting on a full year of Casino operations, and all the revenue, property tax and related revenue that this will bring, there were significant increases in projected revenue. FY2020 expense budget of \$55,031,277 included municipal capital of \$1,157,569 and school capital of \$216,000. The FY20 school appropriation increased to \$31,890,000 which leaves a municipal expense budget of \$21,767,708, an increase of \$378,984 over FY2019. This resulted in a FY2020 tax rate of \$15.79 per thousand, down from \$16.39 the prior year.

The Landfill closure fund continues to grow, and we will see efforts to close the Landfill begin by FY2021. The Police Pension funding levels have remained as promised in the funding improvement plan, and the plan continues to grow in a positive direction. For the first time in recent history, this budget included an appropriation to fund the Town's growing OPEB liability. Further as a result of the Budget committee and Town Council resolutions, funds continue to be reserved for Paving, elections, Capital and revaluation expenses. All positive steps for our future.

Results of the current budget are on target and as expected, Casino gaming revenue remains steady, and Town officials and department managers are planning for the years ahead.

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 Denise G. Saurette, Town Treasurer, Treasurer's Office, Town of Tiverton, 343 Highland Road, Tiverton RI 02878.

Basic Financial Statements

TOWN OF TIVERTON, RHODE ISLAND

Statement of Net Position

June 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
<i>Current Assets:</i>			
Cash and cash equivalents	\$ 12,884,622	\$ 71,839	\$ 12,956,461
Investments	14,023,417	-	14,023,417
Receivables, net			
Personal property taxes	2,279,572	-	2,279,572
Intergovernmental	533,588	51,758	585,346
Departmental and other	(38,728)	-	(38,728)
Internal balances	(407,304)	407,300	(4)
Prepaid expenses	447,268	-	447,268
<i>Total Current Assets</i>	<i>29,722,435</i>	<i>530,897</i>	<i>30,253,332</i>
<i>Noncurrent Assets:</i>			
Net pension asset	3,562,142	-	3,562,142
Capital assets:			
Land	4,540,592	3,148,600	7,689,192
Infrastructure, net	3,085,483	-	3,085,483
Building and improvements, net	58,064,449	-	58,064,449
Automobiles and vessels, net	1,305,445	-	1,305,445
Machinery and equipment, net	2,297,261	-	2,297,261
<i>Total Noncurrent Assets</i>	<i>72,855,372</i>	<i>3,148,600</i>	<i>76,003,972</i>
Total Assets	102,577,807	3,679,497	106,257,304
<i>Deferred Outflows of Resources:</i>			
Deferred pension amounts	11,094,256	-	11,094,256
<i>Total assets and deferred outflows of resources</i>	<i>\$113,672,063</i>	<i>\$ 3,679,497</i>	<i>\$ 117,351,560</i>

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Statement of Net Position

June 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
<i>Current Liabilities:</i>			
Accounts payable and accrued expenses	\$ 2,342,691	\$ 27,456	\$ 2,370,147
Other liabilities	35,728	-	35,728
Accrued interest	351,593	-	351,593
Deposits held	111,855	-	111,855
Intra-Entity Payable	369,078	-	369,078
Capital leases due within one year	287,010	-	287,010
Long-term debt due within one year	3,175,000	-	3,175,000
Compensated absences payable	39,743	-	39,743
Total Current Liabilities	6,712,698	27,456	6,740,154
<i>Noncurrent Liabilities</i>			
Capital leases	684,113	-	684,113
Bonds and notes payable	38,967,308	-	38,967,308
Compensated absences	1,251,374	-	1,251,374
Net other post-employment benefit liability	24,826,508	-	24,826,508
Net pension liability	33,599,179	-	33,599,179
Landfill closure and postclosure costs	9,100,000	-	9,100,000
Total Noncurrent Liabilities	108,428,482	-	108,428,482
Total Liabilities	115,141,180	27,456	115,168,636
<i>Deferred Inflows of Resources</i>			
Deferred pension inflows	4,093,649	-	4,093,649
Gain on bond refunding	1,059,908	-	1,059,908
Total deferred inflows	5,153,557	-	5,153,557
Net Position			
Net investment in capital assets	24,768,298	3,148,600	27,916,898
Restricted for infrastructure	-	407,300	407,300
Restricted for educational purposes	748,635	-	748,635
Restricted for public safety programs	89,983	-	89,983
Restricted for public works programs	361,392	-	361,392
Restricted for health and human services programs	16,826	-	16,826
Unrestricted	(32,607,808)	96,141	(32,511,667)
Total Net Position	\$ (6,622,674)	\$ 3,652,041	\$ (2,970,633)
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 113,672,063	\$ 3,679,497	\$ 117,351,560

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Statement of Activities

For the Year Ended June 30, 2019

	<u>Net (Expense) Revenue and Changes in Net Position</u>						
	<u>Expenses</u>	<u>Program Revenues</u>			<u>Primary Government</u>		<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Governmental Activities							
General government	\$ 3,588,309	\$ 1,815,404	\$ 62,678	\$ -	\$ (1,710,227)	\$ -	\$ (1,710,227)
Public safety	6,663,882	861,015	301,861	-	(5,501,006)	-	(5,501,006)
Education	36,547,659	12,000	9,428,155	1,189	(27,106,315)	-	(27,106,315)
Public works	3,854,394	65,152	-	2,343,898	(1,445,344)	-	(1,445,344)
Health and human services	560,106	13,340	239,470	-	(307,296)	-	(307,296)
Parks and recreation	193,057	38,682	-	-	(154,375)	-	(154,375)
State contribution to teachers' pension plan	1,794,029	-	1,794,029	-	-	-	-
Interest on debt	1,677,287	-	-	-	(1,677,287)	-	(1,677,287)
Total governmental activities	<u>54,878,723</u>	<u>2,805,593</u>	<u>11,826,193</u>	<u>2,345,087</u>	<u>(37,901,850)</u>	<u>-</u>	<u>(37,901,850)</u>
Business-Type Activities							
Land acquisition fund	64,000	-	-	-	-	(64,000)	(64,000)
Cafeteria fund	647,185	366,003	251,385	-	-	(29,797)	(29,797)
Total business-type activities	<u>711,185</u>	<u>366,003</u>	<u>251,385</u>	<u>-</u>	<u>-</u>	<u>(93,797)</u>	<u>(93,797)</u>
Total Town of Tiverton	<u>\$ 55,589,908</u>	<u>\$ 3,171,596</u>	<u>\$ 12,077,578</u>	<u>\$ 2,345,087</u>	<u>\$ (37,901,850)</u>	<u>\$ (93,797)</u>	<u>\$ (37,995,647)</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Statement of Activities

For the Year Ended June 30, 2019

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Total Expenditure for the Town of Tiverton	\$ (37,901,850)	\$ (93,797)	\$(37,995,647)
General revenues			
Real estate and personal property, net of reserve for abatements	\$ 40,745,315	\$ -	\$ 40,745,315
Fines and interest payments	320,619	-	320,619
Meals and beverage tax	287,822	-	287,822
Public service corp tax	199,352	-	199,352
Earnings on investments	636,454	-	636,454
Gaming revenue	1,518,558	-	1,518,558
State aid to town	317,480	-	317,480
Medicaid reimbursement	1,472,935	-	1,472,935
Total general revenues	45,498,535	-	45,498,535
Other Financing Sources			
Sale of Town property	92,500	(92,500)	-
Total general revenues, special items, and transfers	45,591,035	(92,500)	45,498,535
Changes in net position	7,689,185	(186,297)	7,502,888
Net position - July 1, 2018 restated	(14,311,859)	3,838,338	(10,473,521)
Net position - June 30, 2019	\$ (6,622,674)	\$ 3,652,041	\$ (2,970,633)

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Governmental Funds
Balance Sheet

June 30, 2019

	<u>Major Fund</u>		<u>Non-Major</u>	<u>Total</u>
	<u>General Fund</u>	<u>School Unrestricted</u>	<u>Governmental Funds</u>	<u>Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 11,410,854	\$ 10,856	\$ 1,462,912	\$ 12,884,622
Investments	5,223,822	-	8,799,595	14,023,417
Receivables:				-
Property taxes, net	2,279,572	-	-	2,279,572
Intergovernmental	-	23,623	509,965	533,588
Other	(38,728)	-	-	(38,728)
Due from other funds	-	2,564,055	1,119,542	3,683,597
Prepaid expenses	447,268	-	-	447,268
Total assets	<u>19,322,788</u>	<u>2,598,534</u>	<u>11,892,014</u>	<u>33,813,336</u>
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	<u>19,322,788</u>	<u>2,598,534</u>	<u>11,892,014</u>	<u>33,813,336</u>
Liabilities				
Accounts payable and accrued expenses	1,126,649	1,216,043	2	2,342,694
Other liabilities	35,728	-	-	35,728
Deposits held	111,855	-	-	111,855
Due to other funds	4,275,064	32,071	152,840	4,459,975
Total liabilities	<u>5,549,296</u>	<u>1,248,114</u>	<u>152,842</u>	<u>6,950,252</u>
Deferred inflows of resources				
Deferred property tax	2,199,721	-	-	2,199,721
Unearned revenue	74,080	-	228,208	302,288
Property taxes paid in advance	6,954,847	-	-	6,954,847
Total deferred inflows of resources	<u>9,228,648</u>	<u>-</u>	<u>228,208</u>	<u>9,456,856</u>
Fund balances				
Nonspendable	447,268	-	-	447,268
Restricted	160,542	491,771	564,524	1,216,837
Committed	617,351	858,649	10,973,737	12,449,737
Unassigned	3,319,683	-	(27,297)	3,292,386
Total fund balances	<u>4,544,844</u>	<u>1,350,420</u>	<u>11,510,964</u>	<u>17,406,228</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 19,322,788</u>	<u>\$ 2,598,534</u>	<u>\$ 11,892,014</u>	<u>\$ 33,813,336</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Reconciliation of Governmental Funds Balance to the Statement of Net Position

June 30, 2019

Total governmental fund balances	\$ 17,406,228
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	
Net pension asset	3,562,142
Capital assets, net	69,293,230
Other pension related liabilities are not available to pay for current-period expenditures and, therefore, are deferred outflows of resources in the funds	7,000,607
Deferred property taxes and taxes paid in advance are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds	9,456,856
Long term liabilities relating to gain on refunding over the life of the bond	(1,059,908)
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due	(351,593)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds	
Bonds and notes payable	(42,142,308)
Capital leases	(971,123)
Compensated absences	(1,291,117)
Net other postemployment benefit liability	(24,826,508)
Net pension liability	(33,599,179)
Landfill closure and postclosure care costs	<u>(9,100,000)</u>
Net position of governmental activities	<u>\$ (6,622,674)</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2019

	<u>Major Fund</u>		<u>Non-Major</u>	<u>Total</u>
	<u>General Fund</u>	<u>School Unrestricted</u>	<u>Governmental Funds</u>	<u>Governmental Funds</u>
Revenues				
Real estate and personal property taxes	\$38,136,464	\$ -	\$ -	\$ 38,136,464
Fines and interest on late payments	320,619	-	-	320,619
Intergovernmental	2,638,480	8,251,053	1,217,258	12,106,791
Licenses, permits, and fees	2,725,839	-	-	2,725,839
Investment Income	209,695	-	426,759	636,454
State contribution to teachers' pension plan	-	1,611,180	-	1,611,180
School aid	953,664	-	-	953,664
Other Revenue	79,754	23,995	2,786,661	2,890,410
Total revenue	<u>45,064,515</u>	<u>9,886,228</u>	<u>4,430,678</u>	<u>59,381,421</u>
Expenditures				
General government	1,250,375	-	12,583	1,262,958
Finance administration	5,378,434	-	-	5,378,434
Public safety	5,781,836	-	297,179	6,079,015
Education	-	32,810,927	10,066,690	42,877,617
Public works	2,595,315	-	1,443,639	4,038,954
Health and human services	712,140	-	225,587	937,727
Parks and recreation	82,183	-	86,168	168,351
State contribution to teachers' pension plan	-	1,611,180	-	1,611,180
Capital outlay	490,449	-	-	490,449
Debt service				-
Principal	3,038,380	-	-	3,038,380
Interest	1,699,269	-	-	1,699,269
Total expenditures	<u>21,028,381</u>	<u>34,422,107</u>	<u>12,131,846</u>	<u>67,582,334</u>
Excess (deficiency) of revenues over expenditures	24,036,134	(24,535,879)	(7,701,168)	(8,200,913)
Other financing sources (uses)				
Transfers in	92,500	23,455,250	1,863,160	25,410,910
Transfers out	(23,478,835)	(1,839,575)	-	(25,318,410)
Other financing sources (uses)	<u>(23,386,335)</u>	<u>21,615,675</u>	<u>1,863,160</u>	<u>92,500</u>
Excess of revenue and other sources over expenditures and other uses	649,799	(2,920,204)	(5,838,008)	(8,108,413)
Fund balance, July 1, 2018	3,895,045	4,270,624	17,348,972	25,514,641
Fund balance, June 30, 2019	<u>\$ 4,544,844</u>	<u>\$ 1,350,420</u>	<u>\$ 11,510,964</u>	<u>\$ 17,406,228</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance

For the Year Ended June 30, 2019

Net change in fund balances - total governmental funds	\$(8,108,413)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	9,219,175
Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources	2,911,139
The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items	3,145,956
Gains as a result of bond refunding are amortized over the course of the payable but are not reported as an expenditure on governmental fund statements	106,864
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due	21,982
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds	(40,915)
The net other postemployment benefit liability expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	1,551,590
The net pension related expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	<u>(1,118,192)</u>
Change in net position of governmental activities	<u><u>\$ 7,689,185</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Proprietary Funds
Statement of Net Position

June 30, 2019

	Business-Type Activities		
	Land Acquisition Fund	Cafeteria Fund	Total Enterprise Funds
Assets			
Current assets			
Cash and cash equivalents	\$ -	\$ 71,839	\$ 71,839
Intergovernmental	-	51,758	51,758
Due from other funds	407,300	-	407,300
Total current assets	407,300	123,597	530,897
Non-current assets			
Land	3,148,600	-	3,148,600
Total non-current assets	3,148,600	-	3,148,600
Total assets	3,555,900	123,597	3,679,497
Deferred outflows of resources			
Deferred outflows	-	-	-
Total assets and deferred outflows of resources	3,555,900	123,597	3,679,497
Liabilities			
Accounts payable	-	27,456	27,456
Total current liabilities	-	27,456	27,456
Deferred inflows of resources			
Deferred inflows	-	-	-
Total deferred inflows of resources	-	-	-
Net position			
Net investment in capital assets	3,148,600	-	3,148,600
Restricted for infrastructure	407,300	-	407,300
Unrestricted	-	96,141	96,141
Total liabilities, deferred inflows of resources and net position	\$ 3,555,900	\$ 123,597	\$ 3,679,497

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended June 30, 2019

	Business-type Activities Enterprise Funds		
	Land Acquisition Fund	Cafeteria Fund	Total Enterprise Funds
Operating revenues			
Federal and state revenue	\$ -	\$ 251,385	\$ 251,385
Charges for services	-	366,003	366,003
Total operating revenues	-	617,388	617,388
Operating expenses			
General expenses	64,000	647,185	711,185
Total operating expenses	64,000	647,185	711,185
Operating income (loss) before transfers	(64,000)	(29,797)	(93,797)
Transfers			
Transfer out	(92,500)	-	(92,500)
Total transfers	(92,500)	-	(92,500)
Change in net position	(156,500)	(29,797)	(186,297)
Net position, July 1, 2018 restated	3,712,400	125,938	3,838,338
Net position, June 30, 2019	\$ 3,555,900	\$ 96,141	\$ 3,652,041

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Proprietary Funds
Statement of Cash Flows

For the Year Ended June 30, 2019

	Business-Type Activity	
	Cafeteria Fund	Land Acquisition Fund
Cash flows from operating activities		
Cash received from customers	\$ 254,718	\$ -
Cash received from government	366,003	-
Cash due from other sources	-	(28,500)
Payments to suppliers and employees	(659,048)	(64,000)
Net cash provided (used) by operating activities	(38,327)	(92,500)
Cash flows from capital and related financing activities		
Transfer to other funds	-	(92,500)
Cash flows from investing activities:		
Sale of land	-	185,000
Net increase in cash and cash equivalents	(38,327)	-
Cash balances-beginning of the year	110,166	-
Cash balances-end of the year	71,839	-
Displayed as:		
Cash and cash equivalents	\$ 71,839	\$ -
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (29,797)	\$ (64,000)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in receivables	3,333	-
(Increase) decrease in due from other funds	-	(28,500)
Increase (decrease) accounts payable and accrued expenses	(11,863)	-
Net cash provided (used) by operating activities	\$ (38,327)	\$ (92,500)

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2019

	Employee Benefit Trust Funds	Private Purpose Trust Funds	Agency Funds
Assets			
Cash and cash equivalents	\$ 400,648	\$ 454,656	\$ 244,327
Investments, at fair value			
Cash management investment fund	397,411	70,171	-
Equities	11,043,759	-	-
Fixed income	1,895,182	-	-
Due from	24,689	-	366,824
	<u>13,761,689</u>	<u>524,827</u>	<u>611,151</u>
Deferred outflows of resources			
Deferred outflows	-	-	-
Total assets and deferred outflows of resources	<u>13,761,689</u>	<u>524,827</u>	<u>611,151</u>
Liabilities			
Deposits held	-	-	611,151
Due to	-	22,435	-
Total liabilities	<u>-</u>	<u>22,435</u>	<u>611,151</u>
Deferred inflows of resources			
Deferred inflows	-	-	-
Net position			
Restricted for pension	13,182,526	-	-
Restricted for Town OPEB	181,752	-	-
Restricted for School OPEB	397,411	-	-
Restricted for lots / cemetery	-	502,392	-
	<u>13,761,689</u>	<u>502,392</u>	<u>-</u>
Total net position	<u>13,761,689</u>	<u>502,392</u>	<u>-</u>
Total liabilities and net position	<u>\$ 13,761,689</u>	<u>\$ 524,827</u>	<u>\$ 611,151</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Fiduciary Funds

Statement of Changes in Net Position

For the Year Ended June 30, 2019

	Employee Benefit Trust Funds	Private Purpose Trust Funds
Additions		
Employer contributions	\$ 1,758,624	\$ -
Plan member contributions	220,634	-
Investment income (net of related fees)	872,426	23,042
Other	-	23,125
	2,851,684	46,167
Deductions		
Benefits paid	1,883,381	-
Administrative costs	10,800	-
Per trust agreements	-	27,216
	1,894,181	27,216
Changes in fund equity held in trust for individuals, organizations, and other governments	957,503	18,951
Net position, July 1, 2018	12,804,186	483,441
Net position, June 30, 2019	\$ 13,761,689	\$ 502,392

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies:

The basic financial statements of the Town of Tiverton, Rhode Island (the "Town") have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental entities (U.S. GAAP). In certain instances, summaries of the Town's significant accounting policies have been presented throughout the notes to the basic financial statements in conjunction with other disclosures to which they relate.

A. *Financial Reporting Entity*

The Town of Tiverton was founded in Massachusetts in 1694 and in Rhode Island in 1746. The Town is governed largely under the Tiverton Home Rule Charter. The Town operates under an elected Town Council, School Committee, Budget Committee, Town Clerk, and Town Treasurer form of government. The Town Council operates with assistance from a Town Administrator while the School Committee has assistance from a Superintendent of Schools. Both the Town Clerk and Town Treasurer have appropriate support staffs. The Budget Committee operates from the start of January until the annual Town Financial Referendum is held in early May. The Town provides the following services: Public Safety (police, fire, traffic safety, inspections, zoning and building), Public Works (recreation, sanitation, highways and streets, engineering and building maintenance), Education, Social Services, and General Administrative Services.

This report includes all of the funds of the Town of Tiverton. The reporting entity for the town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting structure, the Town applied the criteria prescribed by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 61, "Determining Whether Certain Organizations Are Component Units." A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Town has no reportable component units.

B. *Government-Wide Financial Statements*

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

The government-wide statement of activities presents a comparison between expenses and program revenue 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 the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

C. Fund Financial Statements

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

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

All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Fund types used by the Town and a description of the funds comprising each are as follows:

1. Governmental Funds

Governmental funds are used to account for operations that supply basic government services. The Town uses the following governmental funds:

- a. **The General fund** is the primary operating fund of the Town and is always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in another fund.
- b. **Special Revenue funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.
- c. **Capital Projects funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays.
- d. **Debt Service funds** are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.
- e. **Permanent funds** are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs. The Town does not have any permanent funds.

2. Proprietary Funds

Proprietary funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Both of the Town's enterprise funds, Land Acquisition Fund and Cafeteria Fund, are major funds. The Land Acquisition Fund is used to account for the purchase of land for use by the town and fees and the expenses associated with maintaining the land for future use. The Cafeteria Fund is used to account for the school lunch program and expenses related to providing breakfast and lunch to Tiverton students. The Town has no internal service funds.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

C. Fund Financial Statements (Continued)

3. Fiduciary Funds

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

Agency Funds - are used to account for funds that are to be used for educational and welfare expenditures and for funds held in escrow for other parties.

Pension Trust Fund - is used to account for funds that are to be used for the payment of retirement benefits to former employees. The Pension Committee oversees this fund.

Private-Purpose Trust Funds - are used to account for funds that are held by the town under various trust arrangements for the benefit of certain individuals.

OPEB Trust Fund - is used to account for funds that are to be used for the payment of other post-employment benefits to former employees.

D. Measurement Focus and Basis of Accounting

1. Government-Wide Financial Statements

In the Government-Wide Financial Statements the Statement of Net Position and Statement of Activities, the governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expense, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between fiduciary fund types. These charges have been reclassified as other receivables or other liabilities.

Amounts reported as program revenues included 1) charges to customers or applicants for goods, services, fines, or privileges provided, 2) operating grants and contributions and 3) capital grants and operations. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

D. Measurement Focus and Basis of Accounting (Continued)

2. Fund Financial Statements

The accounting and financial reporting treatment applied to the *fund financial statements* is determined by its measurement focus. All Governmental Fund Types accounted for using a "current financial resources" measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds' present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All Proprietary Fund Types and Fiduciary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net position) is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statements present increases (i.e., revenues) and decreases (i.e. expenses) in net position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges for services. Operating expenses for enterprise funds include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

All Governmental Fund Types are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Licenses and permits, charges for services, fines, forfeits, and miscellaneous revenue are recorded as revenues when received in cash. Those revenues susceptible to accrual are property taxes and investment earnings. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations, which are recognized when paid.

Non-current portions of long-term receivables of Governmental Fund Types are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate however, that they should not be considered "available expendable resources" since they do not represent net current assets. Recognition of Governmental Fund Type revenues represented by non-current receivables is deferred until they become current receivables.

Because of their spending measurement focus, expenditure recognition for Governmental Fund Types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as Governmental Fund Type expenditures or fund liabilities. They are instead reported as Long-term Liabilities – Governmental Activities.

In applying the "susceptible to accrual" concept to intergovernmental revenues the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of such revenues. For one type, amounts must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

D. Measurement Focus and Basis of Accounting (Continued)

2. Fund Financial Statements (Continued)

For the other type, revenues are virtually unrestricted as to purpose of expenditure and revocable only for failure to comply with the prescribed requirements, such as a Community Development Block Grant. These resources are reflected as revenues at the time of receipt or earlier if they meet the "available" criteria.

All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

E. Financial Statement Amounts

1. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, time and demand deposits and short-term investments maturing within three months from the date of acquisition.

Under Rhode Island general laws, depository institutions must insure deposits of municipalities or pledge eligible collateral equal to 100% of deposits maturing in greater than 60 days. Any institution not meeting certain federally prescribed minimum capital standards must insure deposits or provide collateral regardless of date of maturity. The Town complied with these requirements.

2. Investments

Investments are government securities, commercial paper and various types of corporate stocks and bonds held in the Governmental and Fiduciary Fund types, which are recorded at fair value. Fair value is determined wherever possible, by use of published quoted amounts, where quotes are not available, formal valuations are obtained.

When discounts or premiums are present, the Town will capitalize and amortize the amount over the period of the related investment.

3. Receivables

Accounts receivable are recorded in the General, Special Revenue and Enterprise funds. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

4. Property Taxes

The town is permitted by state law to levy property taxes. Current tax collections for the Town were 98.7% of the total December 31, 2018 levy. The Town's fiscal 2019 property tax were levied in July 2018 on assessed valuation as of December 31, 2018.

Upon levy, taxes are billed quarterly and are due on July 1, October 1, January 1, and April 1. Assessed values are established by Tax Assessor's Office and are currently calculated at 100% of assessed value for real estate and 100% of market value for motor vehicles.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

E. Financial Statement Amounts (Continued)

5. Capital Assets

Capital assets in Governmental Fund type operations are accounted for using the "current financial resources" measurement focus. Capital assets, which include property, plant and equipment, and infrastructure (e.g. road, curbs and gutters, streets and sidewalks, and drainage systems), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The Town defines capital assets as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to January 1, 1979) is included as part of the governmental capital assets reported in the government-wide statements. Donated assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are recorded as expenditures as incurred.

The Town capitalizes certain interest costs in accordance with GASB Code Section 1400 as part of constructed assets. Interest is capitalized throughout the construction period in the Capital projects fund prior to the assets being transferred to the governmental fund and placed in service.

Property, plant and equipment for Proprietary Fund Types are valued at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred.

Property, plant and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Lives (years)</u>
Autos and information processing equipment	5
Trucks	8
Equipment	10
Heavy Equipment	25
Buildings, infrastructure, water lines and fire hydrants	40
Sewer mains and certain water assets	75-100

6. Vacation, Sick Leave, and Other Compensated Absences

Town employees are granted vacation and sick leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their current rates of pay. The amount recorded is that unused days earned at the current rate of pay. For governmental activities the general fund is used to satisfy this liability as it becomes due, while the enterprise fund accounts for all settlement of business-type liabilities for compensated absences.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

E. Financial Statement Amounts (Continued)

6. Vacation, Sick Leave, and Other Compensated Absences (Continued)

Town employees are entitled to vacation based on length of service. Up to two weeks of vacation days (10 days) are allowed to carry over to succeeding years only with written permission of the Department Head and the Town Administrator. Town employees are entitled to 18 sick days per year of service accruing at the rate of 1.5 days per month cumulative to two hundred (200) days. For all employees hired on or after January 1, 2009, Town employees are entitled to 15 sick days per year of service accruing at the rate of 1¼ day per month cumulative to one hundred fifty (150) days.

Police employees are entitled to vacation based on length of service. Vacation days must be used within the fiscal year. Police are entitled to sick leave at the rate of 17 working days per year. Sick days shall be accumulative to 145 overall working days.

Fire employees are entitled to vacation based on length of service. Vacations may be taken by the employee in accordance with his desires so that all personnel will be able to apply for their vacation days by the 15th of June of each year. Sick leave shall be earned at a rate of 1¾% working days for each full calendar month of service; provided, however, that sick leave shall not accrue in excess of 21 working days per calendar year, and further provided, however, that sick leave shall not accrue in excess of 145 working days.

Public Works employees are entitled to vacation based on length of service. Up to 25 days of vacation are allowed to carry over to succeeding years. Public Works employees are entitled to 1.25 sick days per month worked. Sick leave cumulative to 3 days.

7. Long-Term Liabilities

For long-term liabilities, only that portion, which is matured, is reported as a fund liability of a governmental fund. All long-term liabilities are reported in government-wide financial statement of net position.

8. Deferred Inflows of Resources

In the governmental fund financial statement, deferred inflows of resources represent funds received in advance of being owed or receivables which will be collected and included in revenues of future fiscal years.

In the General fund, deferred inflows of resources relate to revenue that is measurable, but not available.

In the Special Revenue funds, deferred inflows of revenues represent amounts received in advance of expenditures incurred for certain grants.

In the government-wide financial statements revenue is recorded when earned. Therefore, for these statements deferred inflows of resources represents only unearned revenues.

9. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for fund expenditures and/or expense are recorded in order to reserve portions of applicable appropriations, is employed in the governmental and business-type funds.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

E. Financial Statement Amounts (Continued)

10. Equity Classifications

A. Government-Wide Statements

Equity is classified as net position and displayed in three components:

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

B. Governmental Fund Financial Statements

Listed below are the fund balance categories and their definitions.

- **Non-spendable** - amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact
- **Restricted** - amounts that have been restricted to specific purposes either by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- **Committed** - amounts constrained to specific purposes by the Town, using its highest level of decision-making authority
- **Assigned** - amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed
- **Unassigned** - amounts available for any purpose; these amounts are reported only in the general fund.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

E. Financial Statement Amounts (Continued)

10. Equity Classifications (Continued)

B. Governmental Fund Financial Statements (Continued)

The Town has set classification policies and procedures for the above noted level of fund balance reporting.

- a) For committed fund balances: The Town Council is the highest level of decision-making authority and a meeting of the Town Council is required to establish, modify or rescind a fund balance commitment.
- b) For assigned fund balance: The Town Administrator and Treasurer are authorized to assign amounts to a purpose and with authorization given by the Town Council.
- c) 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 and considers committed amounts to have been spent when an expenditure is incurred for purposes for which amounts in any other unrestricted fund balance could be used.

11. Revenues, Expenditure and Expenses

Revenues for governmental funds are recorded when they are determined to be both measurable and available. Generally, tax revenues, fees and non-tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures for governmental funds are recorded when the related liability is incurred. Revenues and expenses of proprietary fund types are recognized using the full accrual basis of accounting. Revenue is recognized when earned and expenses as incurred.

12. Program Revenues and Expenses

In the statement of activities specific revenues are allocated to program expenses due to their direct relationships. Collections for licenses, fees, tickets and fines are among some of the revenue sources that are program revenues. Indirect expenses are not allocated to functions in the statement of activities.

13. Bond Premiums

In the Governmental Fund Financial Statements, bond premiums and debt issuance costs are treated as period costs in the year of issuance. Debt issuance costs are shown as an "expenditure" and bond premiums are reflected as an "other financing source".

In the Government-Wide Statements, bond premiums are deferred and amortized over the term of the related debt. Bond premiums are presented as an addition to the face amount of the bonds.

14. Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

E. Financial Statement Amounts (Continued)

15. Pensions

Employees' Retirement System Plan (ERS)

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

Municipal Employees' Retirement System (MERS)

For purposes of measuring the net pension liability (asset), 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 (MERS) of Rhode Island and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Teachers' Survivors Benefit Plan (TSB)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Survivors Benefit plan (TSB) and the additions to/deductions from TSB fiduciary net position have been determined on the same basis as they are reported by TSB. 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.

Police Pension Plan

(a) Basis of Accounting the Plan's financial statements are prepared using the accrual basis of accounting and in accordance with generally accepted accounting principles that apply to governmental accounting for defined benefit plans. Employer contributions are recognized when made, because there are no required due dates for contributions. Other additions are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan document. Plan expenses, other than benefits and refunds are recognized on the accrual basis in accordance with generally accepted accounting principles.

(b) Plan Expenses Certain expenses are paid from the assets of the Plan and are recorded as administrative expenses on the financial statements. These expenses include actuarial fees, auditing expenses, benefit payment processing fees, legal fees and other miscellaneous expenses.

Additionally, investment manager fees and investment consulting expenses are recorded as investment expenses.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

E. Financial Statement Amounts (Continued)

15. Pensions

Police Pension Plan (continued)

(c) **Fair Value of Investments** Plan investments are reported at fair value. The Plan's custodian provides pricing for all Plan investments. Plan investments in market-traded securities, including U.S. government and agency securities, municipal and corporate bonds and debentures, and common stock are reported at last quoted sales/bid prices provided by independent pricing vendors. These holdings are valued by investment managers in accordance with the authoritative guidance on fair value measurements and disclosures. Valuation policies and procedures are generally described in the investment managers' financial statements. Cash equivalents are valued at cost, which approximates fair value.

(d) **Income Taxes** Pursuant to a determination letter received from the Internal Revenue Service (IRS), the Plan is exempt from federal income taxes. Although the Plan has been subsequently amended, management of the Board is of the opinion that the Plan, as amended, meets the IRS requirements and, therefore, continues to be tax exempt.

16. Other Post-Employment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town's plan and additions to/deductions from Town's fiduciary net position have been determined on the same basis as they are reported by the Town. For this purpose, the Town recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

17. Use of Estimates

The preparation of basic 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 period. Actual results could differ from those estimates.

F. Implementation of New Accounting Principles

Effective for the fiscal year ended June 30, 2019, the Town adopted the provisions of GASB Statement 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements* is effective for periods beginning after June 15, 2018. The objective of this statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. This statement requires that additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit, assets pledged as collateral for the debt, and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences and significant subjective acceleration clauses. Tiverton has implemented this standard in FY2019 and expects an impact to the financial reporting framework related specifically to note disclosures.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 1. Summary of Significant Accounting Policies (Continued):

G. New Accounting Principles Not Yet Required to be Implemented (Continued):

Effective for the fiscal year ending June 30, 2021, the Town will be required to adopt the provisions of Statement No. 87 of the GASB, *Leases* ("GASB 87"). GASB 87 requires recognition of lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources based on the payment provisions of the contract. The Town is currently evaluating the effects of GASB 87 on its financial statements. The following GASB standards will also be evaluated by the Town: 1. GASB 83 – Certain Asset Retirement Obligations, 2. GASB 84 – Fiduciary Activities, 3. GASB 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period, and 4. GASB 90 Majority Equity Interests.

Note 2. Budgetary Data and Budgetary Compliance:

The Town adopts an annual budget for the General Fund at the annual Financial Town referendum based on recommendations from the Budget Committee. The Town Council with some restrictions can transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by the taxpayers by a vote at the Financial Town referendum. Only the Town Administrator can make budget transfers without Town Council approval up to \$2,500. There were no supplemental budgetary appropriations during the fiscal year. The School Unrestricted Fund is subject to an annual operating budget approved by the School Committee and adopted in total by the Town Council as part of General Fund budget. The annual operating budgets' appropriation amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The General Fund and Special Revenue - School Unrestricted Fund's annual operating budgets are prepared on the budgetary basis of accounting which is not in conformity with Generally Accepted Accounting Principles. The budget to actual presentation in required supplementary information is reflected on the budgetary basis. The only Special Revenue fund that has a legally enacted budget is the School Unrestricted Fund. Therefore, the budget and actual figures presented for Special Revenue Funds in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual only include this fund.

The Town does not budget for the combined Special Revenue Funds or the Capital Project Funds, since budgetary control is maintained on an individual basis. Since grant periods may differ from the Town's fiscal year, a comparison of budgetary information may not be meaningful and has not been presented in the accompanying financial statements.

Note 3. Stewardship, Compliance and Accountability:

Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$68,924,020 based on the December 31, 2018 assessment. As of June 30, 2019, the Town's debt is under the debt limit by \$30,524,020. In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of Tiverton can authorize bond issues pursuant to a special act of the RI General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt. See the statistical section for computation of the legal debt margin.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 4. Cash and Investments:

The Town maintains deposits in various financial institutions that are carried at cost except for those amounts which are carried as petty cash. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and Cash Equivalents". The Town policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

Deposits:

At June 30, 2019, the carrying amount of the Town's cash and cash equivalents was \$41,486,032 while the bank balance was \$42,551,010. Of the bank balance, \$7,602,722 was covered by federal and depository insurance, \$11,215,596 was collateralized by securities held by financial institution and/or third parties in the name of the Town, and \$8,587,422 was backed by Government securities. The remaining balance of \$15,145,270 was uninsured. Information on the Town's book balance of \$41,486,032 is provided below.

Cash and investment of the Town consist of the following at June 30, 2019:

<i>Cash and Cash Equivalents</i>	
Deposits with financial institutions	\$ 14,056,093
<i>Investments</i>	
Certificate of Deposits	\$ 1,590,871
Municipal Bonds	229,400
Corporate bonds	5,324,879
Equity	11,506,027
Fixed Index Annuities	1,161,527
Fixed Income	7,126,076
Real Estate	491,161
<i>Total Cash and Investments</i>	<u>\$ 41,486,032</u>

Cash and investments are classified in the financial statements as follows:

<i>Statement of Net Position</i>	
Cash and cash equivalents	\$ 12,956,461
Investments	14,023,417
<i>Fiduciary Funds</i>	
Cash and cash equivalents	1,099,631
Investments	13,406,523
<i>Total Cash and Investments</i>	<u>\$ 41,486,032</u>

Custodial Credit Risk:

Custodial credit risk for deposits 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.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 4. Cash and Investments (Continued):

Investments:

Investment of all idle funds is made through national banks or trust companies, providing that the financial conditions and integrity of these institution or institutions are verifiable and can be monitored. The investment of funds is in direct obligations of the United States Government and "money market instruments" rated "A" or better. Investments in any one institution cannot exceed five (5) percent of that institutions capital and surplus as set forth in the institutions most recent audited financial statements. All investments are made as would be done by prudent men of discretion and intelligence in such matters who are seeking a reasonable income and preservation of their capital. The Town follows the guidance of the fair value measurement and disclosures in accordance with GASB Statement No. 72, "Fair Value Measurement and Application". The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Unadjusted quoted priced in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Unobservable inputs for asset or liability (supported by little or no market activity). Level 3 inputs include management’s own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Town are open-ended mutual funds that are registered with the Securities and Exchange Commission.

Fixed income securities: Valued using market quotations or prices obtained from independent pricing sources which may employ various pricing methods to value the investments, including matrix pricing based on quoted prices for securities with similar coupons, ratings and maturities.

The following table summarizes the assets of the Town for which fair values are determined on a recurring basis as of June 30, 2019.

<u>Investments at Fair Value</u>	<u>June 30, 2019</u>	<u>Fair Value Measurements</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Municipal Bonds	\$ 229,400	\$ 229,400	\$ -	\$ -
Corporate Bonds	5,324,879	5,324,879	-	-
Equity	11,506,027	11,506,027	-	-
Fixed Index Annuity	1,161,527	1,161,527	-	-
Fixed Income	7,126,076	7,126,076	-	-
Real Estate	491,162	491,162	-	-
Certificate of Deposits	1,590,871	-	-	1,590,871
Total investments measured at fair value	<u>\$ 27,429,940</u>	<u>\$ 25,839,070</u>	<u>\$ -</u>	<u>\$ 1,590,871</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 4. Cash and Investments (Continued):

Interest Rate Risk:

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the town's debt type investments to this risk using the segment time distribution model is as follows:

Credit Risk:

The Town's investment policy allows for investments in obligations of the U.S. Government and its agencies, state and municipal obligations, corporate debt securities, preferred stock, corporate debt, preferred stocks convertible to equities, repurchase agreements and commercial paper. These allowed investments are subject to the following limitations; at the time of purchase all investments must have a rating of A or higher from Moody's or a comparable established rating agency, fixed income investments must be rated at least Baa2 or its equivalent by at least one recognized bond rating service and at least 80% of the fixed income portfolio must carry a rating of A, and commercial paper must be rated P-1 or A-1 by Standards & Poor's or Moody's, respectively.

Moody's Average Rating	Municipal Bonds and Corporate Bonds
A2	\$ 358,378
A3	505,611
Aa3	32,788
Ba1	622,724
Ba2	214,750
Baa1	376,287
Baa2	1,503,219
Baa3	1,940,523
	<u>\$ 5,554,279</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 5. Interfund Receivables and Payables

Inter-fund receivables represent loans to various funds for use in operations. These amounts are expected to be repaid at certain future dates. Below are balances at June 30, 2019.

	Due from Other Funds	Due to Other Funds
Major Governmental Funds		
General Fund	\$ -	\$ 4,275,064
School Unrestricted	2,564,055	32,071
Non-Major Governmental Funds		
Special Revenue Funds	1,073,293	71,156
Capital Projects	33,167	81,684
Debt Service Fund	13,082	
Proprietary Funds		
Land Acquisition Fund	407,300	-
Fiduciary Funds		
Employee Benefit Trust Fund	24,689	-
Private Purpose Trust Fund		22,435
Agency Funds	366,824	
Totals	\$ 4,482,410	\$ 4,482,410

Transfers are made to provide revenue for annual expenditures of various funds. Transfers are not expected to be repaid to the originating (source) fund. Listed below is the transfer activity for fiscal year ended June 30, 2019.

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	\$ 92,500	\$ 23,478,835
School Unrestricted	23,455,250	1,839,575
Non-Major Governmental Funds		
Special Revenue Funds	247,765	-
Capital Projects	1,615,395	-
Proprietary Funds		
Land acquisition fund	-	92,500
Totals	\$ 25,410,910	\$ 25,410,910

Note 6. Property Taxes

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

All property taxes for fund statement purposes are recognized in compliance with NCGA Interpretation-3 (Revenue Recognition - Property Taxes), which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period. The Town does not use an allowance method for bad debts. It directly writes off receivables as they become uncollectible as per state law.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 7. Capital Assets

The Town defines capital assets as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost (for certain assets acquired prior to 1960). The following schedule list prior year balances and current year activity for all Governmental Fund capital asset transactions.

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 4,490,592	\$ 50,000	\$ -	\$ 4,540,592
Construction in progress	9,650,934	-	9,650,934	-
Subtotal	14,141,526	50,000	9,650,934	4,540,592
Other Capital Assets:				
Buildings and improvements	57,817,747	20,641,813	-	78,459,560
Motor vehicles	6,326,404	318,116	-	6,644,520
Infrastructure	16,433,699	-	-	16,433,699
Machinery and equipment	4,832,144	500,016	-	5,332,160
Subtotal	85,409,994	21,459,945	-	106,869,939
Accumulated Depreciation:				
Buildings and improvements	19,091,848	1,303,263	-	20,395,111
Motor vehicles	5,019,974	319,101	-	5,339,075
Infrastructure,	12,711,361	636,855	-	13,348,216
Machinery and equipment	2,654,282	380,617	-	3,034,899
Subtotal	39,477,465	2,639,836	-	42,117,301
Net other capital assets	45,932,529	18,820,109	-	64,752,638
Net capital assets	\$ 60,074,055	\$ 18,870,109	\$ 9,650,934	\$ 69,293,230

Depreciation was charged to functions as follows:

General government	\$ 358,792
Public safety	281,100
Public works	745,242
Parks and recreation	24,706
Education	1,229,996
	\$ 2,639,836

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 8. Long-Term Debt

Governmental long-term liabilities do not appear in the fund financial statements but rather are a reconciling item in the presentation of the government-wide financial statements and are included in the statement of net position. Long-Term liabilities directly related to and intended to be paid from the Proprietary Fund Types are included in the accounts of such fund.

Long-term liability activity for the fiscal year ended June 30, 2019 was as follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due within one year
Governmental activities					
Bonds and notes payable					
Bonds payable	\$ 41,030,000	\$ 465,000	\$ 3,095,000	\$ 38,400,000	\$ 3,175,000
Bond premium	4,185,548	-	443,240	3,742,308	427,812
Total bonds payable	45,215,548	465,000	3,538,240	42,142,308	3,602,812
Capital leases	1,043,839	254,377	327,093	971,123	287,010
Other post-employment liability	26,378,098	-	1,551,590	24,826,508	-
Net pension liability - police	5,479,084	669,878	-	6,148,962	-
Net pension liability - ERS	22,404,844	537,490	-	22,942,334	-
Net pension liability - MERS	4,753,663	-	245,780	4,507,883	-
Landfill closure and postclosure care costs	9,100,000	-	-	9,100,000	-
Accrued compensated absences	1,250,202	40,915	-	1,291,117	39,743
Total long-term obligations	70,409,730	1,502,660	2,124,463	69,787,927	326,753
Total government-wide obligations	\$ 115,625,278	\$ 1,967,660	\$ 5,662,703	\$ 111,930,235	\$ 3,929,565

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 8. Long-Term Debt (Continued):

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 3,175,000	\$ 1,598,965	\$ 4,773,965
2021	3,260,000	1,493,379	4,753,379
2022	3,340,000	1,397,262	4,737,262
2023	2,750,000	1,280,588	4,030,588
2024	2,850,000	1,149,988	3,999,988
2025-2029	13,315,000	3,670,613	16,985,613
2030-2034	5,635,000	1,555,144	7,190,144
2035-2038	4,075,000	484,450	4,559,450
	<u>\$ 38,400,000</u>	<u>\$ 12,630,389</u>	<u>\$ 51,030,389</u>

The Town and school have entered into capital leases for various equipment. The following is a schedule of the minimum future payments as of June 30, 2019:

<u>Year End</u>	<u>Town & School Lease Payments</u>
2020	287,010
2021	208,715
2022	155,689
2023	103,163
2024	51,929
Thereafter	<u>164,617</u>
Future minimum rental payments	971,123
Interest portion of payments	<u>120,569</u>
Obligation under capital leases	<u>\$ 1,091,692</u>

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TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 9. Landfill Closure and Post-Closure Care Costs

The Town accounts for its closure and post-closure care costs under GASB Statement No. 18. This Statement is based on the October 9, 1991, U.S. Environmental Protection Agency (EPA) rule, "Solid Waste Disposal Facility Criteria", which establishes closure requirements for all municipal solid waste landfills (MSWLF's) that receive solid waste after October 9, 1991. The EPA rule also establishes thirty-year post-closure care requirements for MSWLF's that accept solid waste after October 9, 1993. The effect of this EPA rule and similar state laws or regulations is to obligate MSWLF owners and operators to perform certain closing functions and post-closure monitoring and maintenance functions as a condition for the right to operate the MSWLF in the current period.

State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after its closure.

The landfill is scheduled to close in November of 2020. PARE's opinion of probable construction cost to cap the landfill, in 2014 dollars, is approximately \$9.1M. This cost accounts for construction materials and labor, engineering fees, permitting, inspection, certification, and storm water management. However, it should be noted that this is an approximate cost, and the actual cost to close the landfill will be based on the availability of materials and economic climate at the time of closure. The cost of many of the materials used in landfill capping, specifically the petroleum-based products like the plastic capping material, are tied to highly volatile commodities markets, and therefore, are very difficult to predict prior to the actual landfill closure.

To fund the landfill closure costs, the Town has restricted all net funds received from the pay-as-you-throw trash bag program. For fiscal years 2018 and 2019, the Town has set aside \$429,234 and \$444,725 respectively. As of June 30, 2019, the Town has accumulated \$8,520,811 in the Landfill Closure Capital Project Fund.

Note 10. Other Post Retirement Benefits

Plan Description

In addition to the pension benefits described below, the Town provides post-employment health care benefits in accordance with Town union contracts. These benefits are for continued full family or individual health care for the employee groups as described below.

Plan Types

Medical: Blue Cross Classic/Blue Cross Blue Shield RI or Health Mate Coast to Coast
Dental: Comprehensive Dental Insurance

Eligibility - Medical, Dental, Life (Life is available to School Retirees Only)

Police employees: For all officers hired after July 1, 2012, retirement eligibility requires 25 years of service or attainment of age 55, whichever comes first.
School employees: Age 60 with 20 years of service
Town Employees: Age 58 with 10 years, (those hired after July 1, 1993 shall not receive retiree medical coverage). Members covered by the Teamsters contract shall receive retiree medical insurance upon attainment of age 58 with 25 years of service, which shall end upon attainment of age 65 (those hired after July 1, 1994 shall not receive retiree medical coverage)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 10. Other Post Retirement Benefits (Continued)

- Police Employees: Family and Individual plans employee pays \$900.00 per year. For those officers who retire after July 1, 2015, each member contributes 1% of their pension toward the health plan. *
- Fire Employees: Individual Plan employee pays \$520 per year; Family Plan employee pays \$1,040 per year. *
- Town Employees: Members of Teamsters Union, no cost sharing, all others pay a fixed deductible amount. *
- School Employees: Individual Plan, 25% to 50% based on age & service, Family Plan 25% to 50% based on age and service. *

* Co pays may differ depending upon the contract the employee retires under and date of retirement. This co pay could increase to \$1,000 for single employees and \$2,000 for families.

Benefit/Cost Sharing - Dental

- Police Employees: None
- Fire Employees: None
- Town Employees: None
- School Employees: Individual Plan, 25% to 50% based on age & service, Family Plan 25% to 50% based on age and service.

Eligibility - Life Insurance

- Town Employees: The Town does not provide life insurance in retirement.
- School employees: Age 55 with 20 years of service until the age of 65.

Town Membership

Description	Active Employees	Inactive or Beneficiaries Receiving Benefits	Total
Number	57	87	144

School Membership

Description	Active Employees	Inactive or Beneficiaries Receiving Benefits	Total
Number	232	14	246

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended through Town ordinances. For the 2019 fiscal year, total Town premium plus implicit costs for the retiree medical program are \$733,882 and the total School premium plus implicit costs for retiree medical programs are \$291,169. The Town contribution to an OPEB Trust for fiscal year 2019 was \$767,455. The School made a total contribution for the 2018 fiscal year of \$291,169.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 10. Other Post Retirement Benefits (Continued)

Town Annual OPEB Funded Status

<u>Actuarial Valuation Date</u>	<u>Fiduciary Net Position</u>	<u>Total OPEB Liability</u>	<u>Net OPEB Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>NOL as a % of Covered Payroll</u>
6/30/2019	181,752	18,308,292	\$ 18,126,540	0.99%	\$ 3,342,577	542.29%
6/30/2018	137,970	19,131,312	18,993,342	0.73%	7,025,422	270.35%

School Annual OPEB Funded Status

<u>Actuarial Valuation Date</u>	<u>Fiduciary Net Position</u>	<u>Total OPEB Liability</u>	<u>Net OPEB Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>NOL as a % of Covered Payroll</u>
6/30/2019	397,411	7,097,379	\$ 6,699,968	5.60%	\$ 16,415,487	40.81%
6/30/2018	292,088	7,676,844	7,384,756	3.80%	18,929,281	39.01%

Investment Policy

The Town and School's policy in regard to the allocation of invested assets is established and may be amended by the committee by a majority vote of its members. It is the policy of the Town and School to pursue an investment strategy that reduced risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Town and School's adopted asset allocation policy as of June 30, 2018:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity - Large Cap	37.10%
Domestic Equity - Small/Mid Cap	0.00%
International Equity - Developed Market	15.90%
International Equity - Emerging Market	0.00%
Domestic Fixed Income	39.00%
International Fixed Income	0.00%
Alternatives	0.00%
Real Estate	8.00%
Cash	0.00%
Total	<u>100.00%</u>

Concentrations

There were no concentrations noted as of June 30, 2019.

Rate of return

For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 6.08% for the Town and School. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 10. Other Post Retirement Benefits (Continued)

Net OPEB Liability of the Town

The components of the net OPEB liability of the Town at June 30, 2019 were as follows:

Total OPEB liability	\$ 18,308,292
Plans fiduciary net position	<u>181,752</u>
Town's net OPEB liability	<u>\$ 18,126,540</u>
Plan net position as a percentage of the total OPEB liability	0.99%

Net OPEB Liability of the School

Total OPEB liability	\$ 7,097,379
Plans fiduciary net position	<u>397,411</u>
Town's net OPEB liability	<u>\$ 6,699,968</u>
Plan net position as a percentage of the total OPEB liability	5.60%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing benefit cost between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Below are the actuarial assumptions used to project future cost of the plan.

Description	Assumption
Single Equivalent Discount Rate	4.25%, net of OPEB plan investment expense, including inflation.
Inflation	2.50% as of June 30, 2019 and for future periods
Investment rate of return	6.08%, net of OPEB plan investment expense, including inflation.
Salary increases	3.00% annually as of June 30, 2019 and for future periods

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2019 are summarized in the following table:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 10. Other Post Retirement Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Asset Class	Long-term Expected Real Rate of Return
Domestic Equity - Large Cap	4.80%
Domestic Equity - Small/Mid Cap	5.29%
International Equity - Developed Market	5.45%
International Equity - Emerging Market	6.42%
Domestic Fixed Income	2.05%
International Fixed Income	3.00%
Alternatives	6.50%
Real Estate	6.25%
Cash	0.00%
I. Real Rate of Return	3.95%
II. Inflation Assumption	2.50%
III. Total Nominal Return [I. + II.]	6.45%
IV. Investment Expense	0.37%
V. Net Investment Return (III.-IV.)	6.08%

Discount rate

The discount rate used to measure the total OPEB liability was 4.0 percent. The projection of cash flows used to determine the discount rate assumed that Town and School contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentagepoint lower (3.0 percent) or 1-percentage-point higher (5.0 percent) than the current discount rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease (3.00%)	Current discount rate (4.00%)	1% Increase (5.00%)
Total OPEB liability	20,753,487	18,308,292	16,308,286

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 10. Other Post Retirement Benefits (Continued)

The following presents the net OPEB liability of the School, as well as what the School's net OPEB liability would be if it were calculated using a discount rate that is 1-percentagepoint lower (3.0 percent) or 1-percentage-point higher (5.0 percent) than the current discount rate:

	<u>Impact of 1% Change in Discount Rate</u>		
	1% Decrease (3.00%)	Current discount rate (4.00%)	1% Increase (5.00%)
Total OPEB liability	8,045,281	7,097,379	6,322,058

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost 79 trend rates that are 1-percentage-point lower (4.0 percent) or 1-percentage-point higher (6.0 percent) than the current healthcare cost trend rates:

	<u>Impact of 1% Change in Healthcare Trend Rate</u>		
	1% Decrease (4.00%)	Current trend rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	16,049,147	18,308,292	21,106,158

The following presents the net OPEB liability of the School, as well as what the School's net OPEB liability would be if it were calculated using healthcare cost 79 trend rates that are 1-percentage-point lower (4.0 percent) or 1-percentage-point higher (6.0 percent) than the current healthcare cost trend rates:

	<u>Impact of 1% Change in Healthcare Trend Rate</u>		
	1% Decrease (4.00%)	Current trend rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	6,221,601	7,097,379	8,181,998

Aggregate Other Post-Employment Benefit (OPEB) Amounts Reported in the Financial Statements:

As required by GASB No. 75, Accounting and Financial Reporting for Other Post-Employment Benefits Other Than Pension the table below presents the aggregate amount of Other Post-Employment Benefits (OPEB) expense, OPEB liabilities (assets), and deferred inflows and outflows for the OPEB plans of the Town of Tiverton, Rhode Island.

	<u>Town Plan</u>	<u>School Plan</u>	<u>Total</u>
Net OPEB Liability	\$ 18,126,540	\$ 6,699,968	\$ 24,826,508
OPEB Expense	767,455	291,169	1,058,624
Total	<u>\$ 18,893,995</u>	<u>\$ 6,991,137</u>	<u>\$ 25,885,132</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Effective July 1, 2012, the State administered retirement system which covers local teachers and certain municipal employees was modified to include both defined benefit and defined contribution plan components.

Employees' Retirement Defined Benefit Pension Plan (ERS)

General Information about the Pension Plan

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

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

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

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

Cost of living adjustments are provided but are currently suspended until the collective plans administered by ERSRI reach employees and teachers reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments is provided at four-year intervals commencing with the plan year ending June 30, 2016.

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

Contributions - The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2019, Town teachers were required to contribute 3.75% of their annual covered salary except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the Town are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by Town; the rates were 10.06% and 13.45% of annual covered payroll for the fiscal year ended June 30, 2019 for the state and Town, respectively. The Town contributed \$1,917,405, \$1,725,592 and \$1,637,866 for the fiscal years ended June 30, 2019, 2018, and 2017, respectively, equal to 100% of the required contributions for each year.

The State's share of contribution for fiscal 2019 was \$1,794,029 and is reported as on-behalf payments and included in both revenue and expenditures on the financial statements.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Employees' Retirement Defined Benefit Pension Plan (ERS) (continued)

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

At June 30, 2019, the Town reported a liability of \$22,942,334 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Town were as follows:

Town proportionate share of net pension liability	\$ 22,942,334
State's proportionate share of the net pension liability associated with the Town	<u>17,113,333</u>
Total net pension liability	<u>\$ 40,055,667</u>

The net pension liability was measured as of June 30, 2018, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018. The Town proportion of the net pension liability was based on a projection of the Towns long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2018, the Town proportion was 0.72208190%.

For the year ended June 30, 2019 the Town recognized gross pension expense of \$3,970,423 and revenue of \$1,794,029 for support provided by the State. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Employees' Retirement Defined Benefit Pension Plan (ERS) (continued)

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 335,567	\$ 437,582
Changes of assumptions	1,666,496	269,983
Net difference between projected and actual earnings on pension plan investments	274,037	-
Changes in proportion and differences between System contributions and proportionate share contributions	1,829,108	1,810,394
Contributions subsequent to the measurement date	1,917,405	-
	\$ 6,022,613	\$ 2,517,959
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ 1,587,249

\$1,917,405 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2019 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 752,056
2021	472,036
2022	72,575
2023	154,090
2024	40,608
Thereafter	95,883
	\$ 1,587,249

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Employees' Retirement Defined Benefit Pension Plan (ERS) (continued)

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

Inflation	2.50%
Salary increases	3.00% to 13.50%
Investment rate of return	7.00%

Mortality – variants of the RP-2014 mortality tables – for the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

The actuarial assumptions used in the June 30, 2017 valuation rolled forward to June 30, 2018 and the calculation of the total pension liability at June 30, 2018 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

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 34 sources. The June 30, 2018 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Asset class	Target Asset Allocation	Long-Term Expected Real Rate of Return
GROWTH		
Global equity:		
U.S. Equity	20.80%	6.43%
International Developed Equity	14.40%	6.72%
Emerging Markets Equity	4.80%	8.90%
Private Growth		
Private Equity	11.30%	9.08%
Non-Core Real Estate	2.20%	5.03%
Opportunistic Private Credit	1.50%	9.08%
INCOME		
High Yield Infrastructure	1.00%	3.81%
REITS	1.00%	5.03%
Liquid Credit	2.80%	3.81%
Private Credit	3.20%	3.81%
STABILITY		
Crisis Protection Class		
Treasury Duration	4.00%	0.61%
Systematic Trend	4.00%	4.00%
Inflation Protection		
Core Real Estate	3.60%	5.03%
Private Infrastructure	2.40%	5.61%
TIPs	1.00%	1.75%
Natural Resources	1.00%	3.81%
Volatility Protection		
IG Fixed Income	11.50%	2.14%
Absolute Return	6.50%	4.00%
Cash	3.00%	0.61%
	100.00%	

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Employees' Retirement Defined Benefit Pension Plan (ERS) (continued)

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 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability (asset) to changes in the discount rate - the following presents the net pension liability (asset) calculated using the discount rate of 7.0 percent as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ 28,865,386	\$ 22,942,334	\$ 18,530,708

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

Defined Contribution Pension Plan

Defined Contribution Plan Description:

Employees participating in the defined benefit plan with less than 20 years of service as of June 30, 2012, as described above, also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. Employees contribute 5% of their annual covered salary and employers contribute between 1% and 1.5% of annual covered salary depending on the employee's total years of service as of June 30, 2012. 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 Tiverton and the Tiverton School Department recognized pension expense of \$25,822 and \$354,683 for the fiscal year ended June 30, 2019, respectively.

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

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS)

General Information about the Pension Plan

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

MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the ERSRI website at www.ersri.org

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.

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.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

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 in (a) above. 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 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.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

Police and Fire employees (continued)

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.

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 in (a) and (b) 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 every fourth-year provision described in (i) 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.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

At the June 30, 2017 valuation date, the following employees were covered by the benefit terms:

	General Employees	Local 2670A	Fire Department
Retirees and Beneficiaries	49	17	27
Inactive, Non-retired Members	41	11	9
Active Members	92	26	29
Total	182	54	65

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%. Public safety employees are required to contribute 9% of their salaries. The Town 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 contributed \$87,200 to their general employee MERS plan in the year ended June 30, 2019 which was 2.5% of annual covered payroll, \$29,756 to their Local 2670A MERS plan in the year ended which was 1.6% of annual covered payroll and contributed \$407,090 to their Fire employee MERS plan which was 15.4% of annual covered payroll.

Net Pension Liability (Asset) - The total pension liability was determined by actuarial valuations performed as of June 30, 2017 and rolled forward to June 30, 2018, 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, 2018 measurement date (June 30, 2017 valuation rolled forward to June 30, 2018)	
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	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.50%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5%
Mortality	Mortality – variants of the RP-2014 mortality tables – for the improvement scale, update to the ultimate rates of the MP-2016 projection scale
Cost of Living Adjustments	A 2% COLA is assumed after January 1, 2014.

The actuarial assumptions used in the June 30, 2017 valuation rolled forward to June 30, 2018 and the calculation of the total pension liability at June 30, 2018 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 34 sources. The June 30, 2018 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Asset class	Target Asset Allocation	Long-Term Expected Real Rate of Return
GROWTH		
Global equity:		
U.S. Equity	20.80%	6.43%
International Developed Equity	14.40%	6.72%
Emerging Markets Equity	4.80%	8.90%
Private Growth		
Private Equity	11.30%	9.08%
Non-Core Real Estate	2.20%	5.03%
Opportunistic Private Credit	1.50%	9.08%
INCOME		
High Yield Infrastructure	1.00%	3.81%
REITS	1.00%	5.03%
Liquid Credit	2.80%	3.81%
Private Credit	3.20%	3.81%
STABILITY		
Crisis Protection Class		
Treasury Duration	4.00%	0.61%
Systematic Trend	4.00%	4.00%
Inflation Protection		
Core Real Estate	3.60%	5.03%
Private Infrastructure	2.40%	5.61%
TIPs	1.00%	1.75%
Natural Resources	1.00%	3.81%
Volatility Protection		
IG Fixed Income	11.50%	2.14%
Absolute Return	6.50%	4.00%
Cash	3.00%	0.61%
	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.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

Discount rate - The discount rate used to measure the total pension liability of the plans was 7.0 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.

Changes in the Net Pension Liability (Asset) - General Employees

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2017	\$ 12,688,610	\$ 13,627,808	\$ (939,198)
Changes for the year:			
Service cost	312,060	-	312,060
Interest on total pension liability	875,587	-	875,587
Differences between expected and actual experience of the total pension liability	(126,818)	-	(126,818)
Changes in assumptions	-	-	-
Contributions - employer	-	45,660	(45,660)
Contributions - employee	-	89,582	(89,582)
Net investment income	-	1,058,628	(1,058,628)
Benefit payments, including employee refunds	(672,518)	(672,518)	-
Administrative expense	-	(14,093)	14,093
Other changes	-	12,419	(12,419)
Net changes	388,311	519,678	(131,367)
Balance as of June 30, 2018	\$ 13,076,921	\$ 14,147,486	\$ (1,070,564)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

Changes in the Net Pension Liability (Asset) - Local 2670A Employees

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2017	\$ 4,658,760	\$ 4,059,728	\$ 599,032
Changes for the year:			
Service cost	91,347	-	91,347
Interest on total pension liability	319,239	-	319,239
Differences between expected and actual experience of the total pension liability	(115,211)	-	(115,211)
Changes in assumptions	-	-	-
Contributions - employer	-	86,673	(86,673)
Contributions - employee	-	26,652	(26,652)
Net investment income	-	313,907	(313,907)
Benefit payments, including employee refunds	(287,740)	(287,740)	-
Administrative expense	-	(4,179)	4,179
Other changes	-	-	-
Net changes	7,635	135,313	(127,678)
Balance as of June 30, 2018	\$ 4,666,395	\$ 4,195,041	\$ 471,354

Changes in the Net Pension Liability (Asset) - Fire Department Employees

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2017	\$ 14,098,194	\$ 9,943,563	\$ 4,154,631
Changes for the year:			
Service cost	392,154	-	392,154
Interest on total pension liability	976,187	-	976,187
Differences between expected and actual experience of the total pension liability	(234,646)	-	(234,646)
Changes in assumptions	-	-	-
Contributions - employer	-	287,696	(287,696)
Contributions - employee	-	189,024	(189,024)
Net investment income	-	785,535	(785,535)
Benefit payments, including employee refunds	(697,489)	(697,489)	-
Administrative expense	-	(10,457)	10,457
Other changes	-	(1)	1
Net changes	436,206	554,308	(118,102)
Balance as of June 30, 2018	\$ 14,534,400	\$ 10,497,871	\$ 4,036,529

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

Sensitivity of the Net Pension Liability to changes in the discount rate - The following presents the net pension liability (asset) of the employers calculated using the discount rate of 7.0 percent, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

General Employees		
Current		
1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
\$ 443,024	\$ (1,070,564)	\$ (2,197,687)

Local 2670A Plan		
Current		
1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
\$ 1,017,014	\$ 471,354	\$ 64,967

Fire Department Plan		
Current		
1% Decrease 6%	Discount Rate 7%	1% Increase 8%
\$ 5,713,133	\$ 4,036,529	\$ 2,788,057

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

General Employees Plan

For the year ended June 30, 2019 the employer recognized pension expense of \$282,198. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

General Employees

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 373,054	\$ -
Difference between expected and actual experience	188,319	192,905
Net difference between projected and actual earnings on pension plan investments	106,942	-
Contributions subsequent to the measurement date	46,256	-
	\$ 714,571	\$ 192,905
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ 475,410

\$46,256 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2019 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 292,487
2021	168,000
2022	8,652
2023	6,689
2024	(418)
	\$ 475,410

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

Local 2670A Employees Plan

For the year ended June 30, 2019 the employer recognized pension expense of \$134,564. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 154,692	\$ -
Difference between expected and actual experience	47,905	238,294
Net difference between projected and actual earnings on pension plan investments	34,645	-
Contributions subsequent to the measurement date	87,200	-
	<u>\$ 324,442</u>	<u>\$ 238,294</u>
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		<u>\$ (1,052)</u>

\$87,200 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2018 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 75,848
2021	1,251
2022	(49,175)
2023	(16,905)
2024	(12,071)
	<u>\$ (1,052)</u>

Fire Department Employees Plan

For the year ended June 30, 2019 the employer recognized pension expense of \$728,747. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS) (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 529,640	\$ 38,002
Difference between expected and actual experience	642,576	316,796
Net difference between projected and actual earnings on pension plan investments	83,932	-
Contributions subsequent to the measurement date	407,090	-
	\$ 1,663,238	\$ 354,798
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ 901,350

\$407,090 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2019 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2020	\$ 357,000
2021	258,230
2022	111,567
2023	216,019
2024	(38,636)
Thereafter	(2,830)
	\$ 901,350

Teachers' Survivor Defined Benefit Pension Plan (TSB)

Plan description - Certain employees of the Town of Tiverton, Rhode Island (Town) participate in a cost-sharing multiple-employer defined benefit pension plan - the Teachers' Survivors Benefit plan - administered by the Employees' Retirement System of the State of Rhode Island (System). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides a survivor benefit to public school teachers in lieu of

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Teachers' Survivor Defined Benefit Pension Plan (TSB) (continued)

Social Security since not all school districts participate in Social Security.

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

Eligibility and plan benefits - the plan provides a survivor benefit to public school teachers in lieu of Social Security since not all school districts participate in the plan. Specific eligibility criteria and the amount of the benefit is subject to the provisions of Chapter 16-16 of the Rhode Island General Laws which are subject to amendment by the General Assembly. Spouse, parents, family and children's benefits are payable following the death of a member. A spouse shall be entitled to benefits upon attaining the age of sixty (60) years. Children's benefits are payable to the child, including a stepchild or adopted child of a deceased member if the child is unmarried and under the age of eighteen (18) years or twenty-three (23) years and a full-time student, and was dependent upon the member at the time of the member's death. Family benefits are provided if at the time of the member's death the surviving spouse has in his or her care a child of the deceased member entitled to child benefits. Parents benefits are payable to the parent or parents of a deceased member if the member did not leave a widow, widower, or child who could ever qualify for monthly benefits on the member's wages and the parent has reached the age of 60 years, has not remarried, and received support from the member.

In January, a yearly cost-of-living adjustment for spouse's benefits is paid and based on the annual social security adjustment. Survivors are eligible for benefits if the member has made contributions for at least six months prior to death or retirement.

The TSB plan provides benefits based on the highest salary at the time of retirement of the teacher. Benefits are payable in accordance with the following table:

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouses' Benefit</u>
\$17,000 or less	\$825
\$17,001 to \$25,000	\$963
\$25,001 to \$33,000	\$1,100
\$33,001 to \$40,000	\$1,238
\$40,001 and over	\$1,375

Benefits payable to children and families are equal to the spousal benefit multiplied by the percentage below:

Parent and 1 Child	Parent and 2 or more Children	One Child Alone	Two Children Alone	Three or more Childre n Alone	Dependent Parent
150%	175%	75%	150%	175%	100%

Contributions - The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the plan are two percent (2%) of the member's annual salary up to but not exceeding an annual salary of \$11,500; one-half (1/2) of the cost is contributed by the member by deductions

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Teachers' Survivor Defined Benefit Pension Plan (TSB) (Continued)

from his or her salary, and the other half (1/2) is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits. The Town contributed \$21,065, \$20,776 and \$16,564 for the fiscal years ended June 30, 2019, 2018 and 2017, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2019, the Town reported an asset of \$2,491,578 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2018, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2018. The Town proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2017 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2018, the Town proportion was 2.79233223%.

For the year ended June 30, 2019 the Town recognized pension expense of \$(27,452) – an increase in the net pension asset. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 424,520	\$ 418,106
Changes of assumptions	328,288	-
Net difference between projected and actual earnings on pension plan investments	56,545	-
Changes in proportion and differences between System contributions and proportionate share contributions	163,603	-
Contributions subsequent to the measurement date	21,065	-
	<u>\$ 994,021</u>	<u>\$ 418,106</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		<u>\$ 554,850</u>

\$21,065 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2019 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Teachers' Survivor Defined Benefit Pension Plan (TSB) (Continued)

Year ended June 30:		
2020	\$	210,525
2021		127,716
2022		5,892
2023		73,373
2024		90,240
Thereafter		47,104
	\$	<u>554,850</u>

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

Inflation	2.50%
Salary increases	3.00% to 13.0%
Investment rate of return	7.00%

Mortality – variants of the RP-2014 mortality tables - for the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

Cost of living adjustment – eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment – for valuation purposes, a 2.75% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2017 valuation and the calculation of the total pension liability at June 30, 2018 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

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 34 sources. The June 30, 2018 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Teachers' Survivor Defined Benefit Pension Plan (TSB) (Continued)

Asset class	Target Asset Allocation	Long-Term Expected Real Rate of Return
GROWTH		
Global equity:		
U.S. Equity	20.80%	6.43%
International Developed Equity	14.40%	6.72%
Emerging Markets Equity	4.80%	8.90%
Private Growth		
Private Equity	11.30%	9.08%
Non-Core Real Estate	2.20%	5.03%
Opportunistic Private Credit	1.50%	9.08%
INCOME		
High Yield Infrastructure	1.00%	3.81%
REITS	1.00%	5.03%
Liquid Credit	2.80%	3.81%
Private Credit	3.20%	3.81%
STABILITY		
Crisis Protection Class		
Treasury Duration	4.00%	0.61%
Systematic Trend	4.00%	4.00%
Inflation Protection		
Core Real Estate	3.60%	5.03%
Private Infrastructure	2.40%	5.61%
TIPs	1.00%	1.75%
Natural Resources	1.00%	3.81%
Volatility Protection		
IG Fixed Income	11.50%	2.14%
Absolute Return	6.50%	4.00%
Cash	3.00%	0.61%
	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 was 7.0 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.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Teachers' Survivor Defined Benefit Pension Plan (TSB) (Continued)

Sensitivity of the net pension liability (asset) to changes in the discount rate - the following presents the net pension liability (asset) calculated using the discount rate of 7.0 percent as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ (1,729,027)	\$ (2,491,578)	\$ (3,059,307)

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

Police Pension Plan

(1) Plan Description

(a) Plan Administration

The Policemen's Pension Plan of the Town of Tiverton (the Plan) is a contributory, single employer, defined benefit plan. Washington Trust Wealth Management is the trustee of the Plan's investment funds.

All funds remain in custody of Washington Trust Wealth Management which is also responsible for maintenance of primary accounting records.

Administration of the Plan is the responsibility of the Town Administrator. Accordingly, he reviews the records of the Plan, prepares and accumulates the actuarial data, and prepares periodic reports for submission to the Town Council. The costs of administering the Plan are paid by the Plan. All members of the Police Department of the Town of Tiverton are covered by this Plan.

Article 15 of the Regulations of the State grants the authority to establish and amend the benefit terms to the Police Pension Board of Trustees (PPB).

The Board of the Police Pension Plan consists of five members - Town Administrator, Police Chief, Town Treasurer, Town Council Member, and the President of the Police Union. The Town Council Member is the only member of the Board who is appointed by the Town Council.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Police Pension Plan (Continued)

(b) Plan Membership

At June 30, 2019, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	31
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>31</u>
Subtotal	<u>62</u>

(c) Benefits Provided

The Plan provides retirement as well as death and disability benefits. Participants in the Plan are eligible for retirement on the earlier of their 55th birthday or upon completion of 20 or more years of service. The normal retirement benefit is equal to 2.5% of average compensation multiplies by the years of credited service for the first 20 years plus an additional 2% for years in excess of 20 years, subject to a maximum of 75% of average compensation. Those personnel hired after 7/1/2012 are eligible for retirement at the earlier of 55th birthday or upon 25 years of service.

Participants are eligible for disability benefits after 7 years of service or immediately if the disability results from performance of duties. The benefit is 66.67% of average compensation or 50% if disability is due to non-occupational causes.

Death benefits will be paid to the beneficiary in the amount of \$400 for each year of service, subject to a minimum of \$2,000 and a maximum of \$8,000. After retirement, this benefit will be reduced by 25% per year but not less than \$2,000.

(d) Contributions

The Town establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2019, the active member contribution rate was 10 percent of annual pay, and the Town's contribution rate was 35.3 percent of annual payroll. The contributions made to the plan for the fiscal year ended June 30, 2019 were \$898,051 which consists of employer contributions of \$700,000 and employee contributions of \$198,051.

(2) Investments

(a) Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board (PPB) by a majority vote of its members. It is the policy of the PPB to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2019:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Police Pension Plan (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	80.0%
Fixed income	17.0%
Cash and cash equivalents	<u>3.0%</u>
Total	<u>100.0%</u>

(b) Concentrations

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in diversified mutual funds, external investment pools, and other pooled investments are excluded. As of June 30, 2019, the Plan had no investments in any one organization that represented 5% or more of the Plan's net position restricted for pension.

(c) Money-Weighted Rate of Return

For the year ended June 30, 2019 the annual money-weighted rate of return on Plan investments, net of investment expense, was 6.80%. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the end of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

(d) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Plan will not be able to recover its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan, and are held by either the counterparty or the counterparty's trust department or agent but not in the Plan's name.

At June 30, 2019, there were no deposits subject to custodial credit risk.

(e) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. At June 30, 2019, there were no deposits subject to custodial interest rate risk.

(f) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. As of June 30, 2019, the Plan has no single issuer that exceeds 5% of total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in diversified mutual funds, external investment pools, and other pooled investments are excluded.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Police Pension Plan (Continued)

(g) Credit Risk

Credit risk is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations to the Plan. There are no Plan-wide policy limitations for credit risk exposures within the portfolio. Each portfolio is managed in accordance with an investment contract that is specific as to permissible credit quality ranges, the average credit quality of the overall portfolios, and issuer concentration.

(h) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment or a deposit. At June 30, 2019, there were no deposits subject to foreign currency risk.

(i) Derivatives

Derivatives are financial instruments whose values depend upon, or are derived from, the value of something else, such as one or more underlying investments, indexes or currencies. Derivatives may be used both for hedging and to enhance returns. Derivatives may be traded on organized exchanges, or individually negotiated transactions with other parties, known as over-the-counter derivatives. Derivatives involve special risks and costs and may result in losses to the Plan. The successful use of derivatives requires sophisticated management, and, to the extent that derivatives are used, the Plan will depend on the investment managers and their advisors to analyze and manage derivatives transactions.

Certain commingled funds held by the Plan at the year-end were permitted through their individual investment guidelines to use derivative instruments, including forwards, futures, swaps, and options. Disclosures about derivative holdings of the commingled fund managers can be found in their respective audited financial statements. The plan did not directly own any derivatives as of June 30, 2018.

(3) Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2018, were as follows:

Total pension liability	\$ 19,331,488
Plan fiduciary net position	<u>(13,182,526)</u>
Town's net pension liability	<u>\$ 6,148,962</u>
Plan fiduciary net position as a percentage of the total pension liability	68.19%

(a) Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	N/A
Salary increases	3.50 percent, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Police Pension Plan (Continued)

(3) Net Pension Liability of the Town (Continued)

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period ended June 30, 2019.

(b) Discount rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of 7/1/2018	\$ 17,853,211	\$ 12,374,127	\$ 5,479,084
Changes for the year:			
Service cost	334,284	-	334,284
Interest on total pension liability	1,328,812	-	1,328,812
Differences between expected and actual experience	135,852	-	135,852
Contributions - employer	-	700,000	(700,000)
Contributions - employee	-	198,051	(198,051)
Net investment income	-	862,217	(862,217)
Changes in assumptions	620,398	-	620,398
Benefit payments	(941,069)	(941,069)	-
Administrative expense	-	(10,800)	10,800
Net changes	<u>1,478,277</u>	<u>808,399</u>	<u>669,878</u>
Balance as of 6/30/2019	<u>\$ 19,331,488</u>	<u>\$ 13,182,526</u>	<u>\$ 6,148,962</u>

(c) Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the Town, calculated using the discount rate of 7.50 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Plan's Net Pension Liability	\$ 8,512,161	\$ 6,148,962	\$ 4,195,247

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 11. Pension Plans

Police Pension Plan (Continued)

(d) Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2019 the Town recognized pension expense of \$853,928.

At June 30, 2019 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 540,688	\$ 2,559
Changes in assumptions	834,683	60,257
Difference between projected and actual earnings on plan investments	-	308,771
Total deferred outflows / (inflows)	<u>\$ 1,375,371</u>	<u>\$ 371,587</u>

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

Year ended June 30:

2020	\$ 328,527
2021	110,863
2022	170,108
2023	175,063
2024	157,396
Thereafter	61,827
	<u>\$ 1,003,784</u>

Aggregate Pension Amounts Reported in the Financial Statements:

As required by GASB Statement No. 68, Accounting and Financial Reporting for Pensions and amendment of GASB Statement No. 34 the table below presents the aggregate amount of pension expense, pension liabilities (assets), and deferred inflows and outflows for the define benefit plans of the Town of Tiverton, Rhode Island.

	ERS	MERS General	MERS Local 2670A	MERS Fire	TSB	Town Plan Police	Total
Deferred Outflows of Resources - Pension	\$ 6,022,613	\$ 714,571	\$ 324,442	\$ 1,663,238	\$ 994,021	\$ 1,375,371	\$ 11,094,256
Deferred Inflows of Resources - Pension	2,517,959	192,905	238,294	354,798	418,106	371,587	4,093,649
Net Pension Asset	-	1,070,564	-	-	2,491,578	-	3,562,142
Net Pension Liability	22,942,334	-	471,354	4,036,529	-	6,148,962	33,599,179
Pension Expense	2,176,394	282,198	134,564	728,747	(27,452)	853,928	4,148,379
Total	<u>\$ 33,659,300</u>	<u>\$ 2,260,238</u>	<u>\$ 1,168,654</u>	<u>\$ 6,783,312</u>	<u>\$ 3,876,253</u>	<u>\$ 8,749,848</u>	<u>\$ 56,497,605</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 12. Commitments and Contingencies

a. Commitments:

1. Old Stone Bridge Project

The Town has entered into an agreement with Rhode Island Department of Transportation for the Old Stone Bridge Beautification Project. The State has agreed to reimburse the Town up to but not exceeding Two Million Six Hundred Fifty-Nine Thousand Dollars (\$2,659,000) for the cost of the Project. In fiscal year 2019, the Town of Tiverton incurred approximately \$1,062,960 worth of expenditures. To date all fund expended for this project have been reimbursed by the State.

b. Contingencies

1. Faulkner v. Tiverton, pending in Newport County Superior Court

This case concerns the wrongful termination/whistle blower. Plaintiff turned in his supervisor to authorities and was terminated as a result. However, Plaintiff was correct in advising the Town that his supervisor was committing wrongful acts. Liability is clearly against the Town; however, damages are undetermined at this time.

2. Bay Street Contamination

This case concerns the contamination, by coal gasification waste fill, of approximately 100 residential properties and Town streets and a Town playground in a several block area of the Town abutting Fall River. The Town was named a Potentially Responsible Party by RIDEM, due to its ownership of the streets and playground.

In 2005, over 100 residents sued the Fall River Gas Company in four different lawsuits in federal court in Rhode Island and Massachusetts and in Rhode Island Superior Court. These cases were consolidated in the United States District Court for the District of Rhode Island as CORVELLO et. al. v NEW ENGLAND GAS COMPANY, and are case numbers: 05-221T, 05-274T, 05-370T, and 05-522T. The Town of Tiverton was brought in as a Third-Party Defendant by Southern Union. In September 2009, the parties settled the Federal Court case.

The Town of Tiverton received \$550,000 to be used to remediate roadways and right of ways with contamination levels exceeding industrial standards. RIDEM is requiring this remediation be completed within five years as part of a sewer system installation. The Town used some of the funds to clean up the mercury contamination, and the EPA has now certified that the cleanup as to the mercury is complete. The case is still open and reported because some final items need to be completed. It is, however, anticipated that any other future remediation that may be necessary will be covered by the remaining settlement funds.

Note 13. Restatement

The Town report the following restatement in the Business Type Activities funds financial statements:

	<u>Business Type Activities</u>
Beginning balance, July 1, 2018	\$ 3,738,800
To restate sale of Town lot	<u>(26,400)</u>
Beginning balance, July 1, 2018, restated	<u>\$ 3,712,400</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2019

Note 14. Fund Balance Classifications

	<u>Major Funds</u>		<u>Non-Major Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>School Department</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service Fund</u>	
Fund Balances						
Nonspendable						
Prepaid	\$ 447,268	\$ -	\$ -	\$ -	\$ -	\$ 447,268
Restricted for						
Public safety programs	-	-	89,983	-	-	89,983
Educational purposes	-	491,771	96,322	-	-	588,093
Health and human services programs	-	-	16,826	-	-	16,826
Public works programs	160,542	-	361,392	-	-	521,934
Committed to						
General government purposes	51,809	-	113,547	-	-	165,356
Finance administration purposes	217,710	-	-	-	-	217,710
Public safety programs	-	-	17,518	-	-	17,518
Health and human services programs	-	-	18,741	-	-	18,741
Public works programs	26,043	-	46,370	8,725,908	-	8,798,321
Parks and recreation	-	-	689,571	-	-	689,571
Capital projects	24,399	858,649	-	-	-	883,048
Paving and capital	297,390	-	-	-	-	297,390
Debt service bonds	-	-	-	809,273	552,809	1,362,082
Unassigned	<u>3,319,683</u>	<u>-</u>	<u>(60,464)</u>	<u>33,167</u>	<u>-</u>	<u>3,292,386</u>
	<u>\$4,544,844</u>	<u>\$1,350,420</u>	<u>\$1,389,807</u>	<u>\$9,568,348</u>	<u>\$ 552,809</u>	<u>\$17,406,228</u>

Note 15. Fund Deficit

The following funds had deficits at year end:

NCPC	\$ (19,157)
Tiverton PC	(16,928)
State Response	(15,549)
Local Task Force	(19,307)
Wastewater Management	<u>(214)</u>
Total Deficit	\$ (71,155)

All fund deficits, except Wastewater Management are related to Newport County Prevention Coalition and are fully reimbursable grants and have been collected.

Note 16. Subsequent Events

For purposes of determining the effects of subsequent events on these financial statements, management has evaluated events that have occurred subsequent to June 30, 2019 and through December 30, 2019, the date of which the financial statements were issued.

Required Supplementary Information

TOWN OF TIVERTON, RHODE ISLAND
 Required Supplementary Information
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2019

	<u>Original Budget</u>			Total Available	Actual	Appropriations Carried To FY 20	Favorable (Unfavorable)	to Paving and Capital
	Carried to FY 19	Original Budget	Transfers					
Revenues								
General property taxes	\$ -	\$ 38,178,996	\$ -	\$ 38,178,996	\$ 38,136,464	\$ -	\$ (42,532)	\$ -
Intergovernmental	-	3,306,587	-	3,306,587	3,592,144	-	285,557	-
Licenses, permits, and usage fees	-	2,531,653	-	2,531,653	2,725,839	-	194,186	-
Fines and interest on late payments	-	300,000	-	300,000	320,619	-	20,619	-
Interest on investment	-	90,000	-	90,000	209,695	-	119,695	-
Other revenue	-	58,435	-	58,435	79,754	-	21,319	-
Total revenues	-	44,465,671	-	44,465,671	45,064,515	-	598,844	-
Expenditures								
General government	44,872	1,260,939	58,489	1,364,300	1,250,375	51,809	62,116	31,058
Finance administration	172,710	5,753,768	(139,433)	5,787,045	5,378,434	217,710	190,901	95,451
Public safety	-	5,937,020	70,307	6,007,327	5,781,836	-	225,491	112,746
Health and human services	-	715,136	62	715,198	712,140	-	3,058	1,529
Public works	243,509	2,388,125	4,575	2,636,209	2,595,315	26,043	14,851	7,426
Parks and recreation	-	94,700	-	94,700	82,183	-	12,517	6,258
Capital outlay	116,894	444,767	6,000	567,661	514,034	24,399	29,228	14,614
Debt service - principal	-	3,095,000	-	3,095,000	3,038,380	-	56,620	28,310
Debt service - interest	-	1,699,269	-	1,699,269	1,699,269	-	-	-
Total expenditures	577,985	21,388,724	-	21,966,709	21,051,966	319,961	594,782	297,391
Excess (deficiency) of revenues over expenditures	(577,985)	23,076,947	-	22,498,962	24,012,549	(319,961)	4,062	(297,391)

*See notes to the required supplementary information
 See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND
 Required Supplementary Information
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2019

	<u>Original Budget</u>			Total Available	Actual	Encumbrances / Appropriations Carried To FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers					
Other financing sources and (uses)								
Transfer to other funds	-	(23,363,246)	-	(23,363,246)	(23,455,250)	-	(92,004)	-
Transfer from other funds	-	202,083	-	202,083	-	-	(202,083)	-
Use of fund balance	-	84,216	-	84,216	-	-	(84,216)	-
Sale of Town property	-	-	-	-	92,500	-	92,500	-
	-	(23,076,947)	-	(23,076,947)	(23,362,750)	-	(285,803)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	<u>\$ (577,985)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (577,985)</u>	649,799	<u>\$ (319,961)</u>	<u>\$ (281,741)</u>	<u>\$ (297,391)</u>
Adjustment of budgetary basis to U.S. GAAP					-			
Excess of revenue and other financing sources over expenditures and other uses, U.S. GAAP basis					649,799			
Fund balance, July 1, 2018					3,895,045			
Fund balance, June 30, 2019					<u>\$ 4,544,844</u>			

* The Town Council made a resolution to carry forward 50% of favorable variances per line item for purposes of paving and capital in fiscal year 2019.

*See notes to the required supplementary information
 See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Notes to Required Supplementary Information

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2019

Budgetary - GAAP Reporting Reconciliation - General Fund

In accordance with the Town's Charter, the Town has formally established budgetary accounting control for its General Fund. The General Fund is subject to annual operating budget legally adopted by the Town Council. The annual operating budget's appropriation amounts are supported by revenue estimates and take into account the elimination of an accumulated deficits and the reappropriation of accumulated surpluses to the extent necessary. The General Fund operating budget is in conformity with the legally enacted budgetary basis, which is not in conformity with accounting principles generally accepted in the United States of America ("US GAAP").

The accompanying Statement of Revenues, Expenditures Budget to Actual (Non-GAAP Budgetary Basis) – General Funds is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and the Generally Accepted Accounting Principles ("GAAP") basis are normally that:

- a) Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis);
- b) Expenditures are recorded when paid in cash (budgetary basis) as opposed to when liabilities are incurred (GAAP basis);
- c) Encumbrances are reported as a use of fund (budgetary basis) as opposed to a reservation of fund balance (GAAP basis).

For the year ended June 30, 2019 there were no significant timing perspectives or differences in the excess (deficiency) of revenues and other sources of financial resources and expenditures and other uses, therefore, there were no differences when presenting the budgetary and GAAP basis presentation.

Appropriations in addition to those contained in the annual operating budget require Town Council approval. Amendments to the operating budget that do not result in additional appropriations may be made within departments through transfers. Transfers made within and outside the departmental level require Town Council approval. The level at which the General Fund budgeted expenditures may not legally exceed appropriations is at the departmental level.

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Budgetary Comparison Schedule – Unrestricted School Fund

For the Year Ended June 30, 2019

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Federal and State governments	\$ 6,870,122	\$ 6,870,122	\$ 6,778,118	\$ (92,004)
Medicaid Reimbursement	-	-	1,472,935	1,472,935
Other revenues	-	-	23,994	23,994
Total revenues	<u>6,870,122</u>	<u>6,870,122</u>	<u>8,275,047</u>	<u>1,404,925</u>
Expenditures				
Salaries	17,260,963	17,260,963	18,556,653	(1,295,690)
Employee benefits	6,608,064	6,608,064	6,854,066	(246,003)
Purchased services	5,210,580	5,210,580	5,866,694	(656,114)
Supplies and materials	1,102,761	1,102,761	1,075,263	27,498
Capital outlay	51,000	51,000	383,304	(332,304)
Other operating expenditures	-	-	74,946	(74,946)
Total expenditures	<u>30,233,368</u>	<u>30,233,368</u>	<u>32,810,927</u>	<u>(2,577,559)</u>
Excess of expenditures over revenues, budgetary basis	<u>(23,363,246)</u>	<u>(23,363,246)</u>	<u>(24,535,880)</u>	<u>(1,172,634)</u>
Other financing sources (uses)				
Transfer from Town of Tiverton	23,363,246	23,363,246	23,455,250	92,004
Transfer to capital project fund	-	-	(1,839,575)	(1,839,575)
Total other financing sources (uses)	<u>23,363,246</u>	<u>23,363,246</u>	<u>21,615,675</u>	<u>(1,747,571)</u>
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>(2,920,204)</u>	<u>\$ (2,920,205)</u>
Adjustment of budgetary basis to U.S. GAAP basis			-	
Excess of revenues and other financing sources over expenditures and other financing uses, US GAAP basis			<u>(2,920,204)</u>	
Fund balance, July 1, 2018			<u>4,270,624</u>	
Total fund balance June 30, 2019			<u>\$ 1,350,420</u>	

Expenditures in excess of appropriations for the school department totaled \$2,920,204 for the year ended June 30, 2019.

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Notes to Required Supplementary Information

Budgetary Comparison Schedule – Unrestricted School Fund

For the Year Ended June 30, 2019

Budgetary – GAAP reporting Reconciliation – Unrestricted School Fund

The accompanying Statement of Revenues, Expenditures Budget to Actual (Non-GAAP Budgetary Basis) – School Unrestricted is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budgetary basis and the Generally Accepted Accounting Principles (“GAAP”) basis are that:

- a) Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis);
- b) Expenditures are recorded when paid in cash (budgetary basis) as opposed to when liabilities are incurred (GAAP basis);
- c) Encumbrances are reported as a use of fund (budgetary basis) as opposed to a reservation of fund balance (GAAP basis).

Therefore, timing perspective, and entity differences in the excess (deficiency) of revenues and other sources of financial resources and expenditures and other uses for the year ended June 30, 2019 are as follows:

	<u>School Unrestricted</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis) (Non-GAAP Budgetary Basis)	\$ (2,920,204)
State contribution to teachers' pension plan revenue on behalf	1,611,180
State contribution to teacher's pension plan expense on behalf	<u>(1,611,180)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ (2,920,204)</u>

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Contributions – Town

For the Year Ended June 30, 2019

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Actuarial determined contribution	\$ 1,404,414	\$ 1,594,417	\$ 1,486,663
Contributions in relation to the actuarially determined contribution	<u>767,455</u>	<u>679,087</u>	<u>729,965</u>
Contribution deficiency (excess)	<u>\$ 636,959</u>	<u>\$ 915,330</u>	<u>\$ 756,698</u>
Covered-employee payroll	\$ 3,342,577	\$ 7,025,422	\$ 6,622,134
Contributions as a percentage of covered-employee payroll	22.96%	9.67%	11.02%

* Third year of implementation of GASB 74, therefore only three years of the ten required data is available.

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Changes in the Net OPEB Liability and Related Ratios - Town

For the Year Ended June 30, 2019

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability			
Service cost	\$ 407,294	\$ 466,061	\$ 442,043
Interest on net OPEB liability and service cost	774,142	763,900	700,377
Differences between actual and expected experience	(1,301,510)	-	-
Changes of assumptions	30,936	(1,843,107)	-
Benefit payments, including refunds	<u>(733,882)</u>	<u>(644,951)</u>	<u>(638,156)</u>
 Net change in total OPEB liability	 (823,020)	 (1,258,097)	 504,264
 Total OPEB liability - beginning	 <u>19,131,312</u>	 <u>20,389,409</u>	 <u>19,885,145</u>
Total OPEB liability - ending	<u><u>18,308,292</u></u>	<u><u>19,131,312</u></u>	<u><u>20,389,409</u></u>
 OPEB fiduciary net position			
Benefit payments, including refunds	(733,882)	(644,951)	(638,156)
Trust administrative expenses	-	-	-
Contributions - employer	767,455	679,087	729,965
Contribution - Active employees	-	-	-
Net investment income	<u>10,209</u>	<u>6,461</u>	<u>5,564</u>
 Net change in plan fiduciary net position	 43,782	 40,597	 97,373
 Plan fiduciary net position - beginning	 <u>137,970</u>	 <u>97,373</u>	 <u>-</u>
Plan fiduciary net position - ending	<u><u>181,752</u></u>	<u><u>137,970</u></u>	<u><u>97,373</u></u>
 Plan's net pension liability - ending	 <u><u>\$ 18,126,540</u></u>	 <u><u>\$ 18,993,342</u></u>	 <u><u>\$ 20,292,036</u></u>
 Plan fiduciary net position as % of total OPEB liability	 0.99%	 0.72%	 0.48%
 Covered employee payroll	 \$ 3,342,577	 \$ 7,025,422	 \$ 6,622,134
 Plan NOL as % of covered employee payroll	 542.29%	 270.35%	 306.43%

* Third year of implementation of GASB 74, therefore only three years of the ten required data is available.

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Investment Returns and Notes

For the Year Ended June 30, 2019

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual money-weighted rate of return, net of investment expense	6.08%	5.66%	12.49%

* Third year of implementation of GASB 74, therefore only three years of the ten required data is available.

Notes to Required Supplementary Information:

Valuation Date: Actuarially Determined Contribution was calculated as of June 30, 2018.
Actuarial Cost Method: Individual Entry Age Normal
Asset-Valuation Method: Market Value of Assets as of the Measurement Date, June 30, 2018.

Actuarial Assumptions:

Investment Rate of Return: 6.08%, net of OPEB plan investment expense
Single Equivalent Discount Rate: 4.25%, net of OPEB plan investment expense, including inflation
Inflation: 2.50% as of June 30, 2019 and for future periods
Salary Increases: 3.00% annually as of June 30, 2019 and for future periods
Pre-Retirement Mortality: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females
Post-Retirement Mortality: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females
Disabled Mortality: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females set forward 1 year
Changes in Assumptions: Effective June 30, 2019
Discount rate is 4.25% previously 4.00%
Mortality table has been updated from the RP-200 Employees Mortality Table projected generationally with scale BB and bay year 2009 to the RP2014 Mortality Table projected generationally with scale MP-2016 for males and females
Expected long-term medical trend has been updated to 4.50%
Assumption for morbidity or age-related costs of medical care have been updated

*See notes to the required supplementary information
See independent auditor's report*

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Contributions – School

For the Year Ended June 30, 2019

	June 30, 2019	June 30, 2018	June 30, 2017
Actuarial determined contribution	\$ 686,574	\$ 778,349	\$ 741,396
Contributions in relation to the actuarially determined contribution	291,169	377,487	594,483
Contribution deficiency (excess)	<u>\$ 395,405</u>	<u>\$ 400,862</u>	<u>\$ 146,913</u>
Covered-employee payroll	\$ 16,415,487	\$ 18,929,281	\$ 17,842,663
Contributions as a percentage of covered-employee payroll	1.77%	1.99%	3.33%

* Three years of implementation of GASB 74, therefore only three years of the ten required data is available.

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Changes in the Net OPEB Liability and Related Ratios - School

For the Year Ended June 30, 2019

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability			
Service cost	\$ 264,398	\$ 371,356	\$ 357,050
Interest on net OPEB liability and service cost	306,390	306,758	263,514
Differences between actual and expected experience	(961,486)	-	-
Changes in assumptions	19,662	(212,300)	-
Benefit payments, including refunds	<u>(208,429)</u>	<u>(377,487)</u>	<u>(404,269)</u>
Net change in total OPEB liability	(579,465)	88,327	216,295
Total OPEB liability - beginning	<u>7,676,844</u>	<u>7,588,517</u>	<u>7,372,222</u>
Total OPEB liability - ending	<u><u>7,097,379</u></u>	<u><u>7,676,844</u></u>	<u><u>7,588,517</u></u>
OPEB fiduciary net position			
Benefit payments, including refunds	(208,429)	(377,487)	(404,269)
Trust administrative expenses	-	-	-
Contributions - employer	291,169	377,487	594,483
Contribution - Active employees	-	-	23,157
Net investment income	<u>22,583</u>	<u>22,811</u>	<u>-</u>
Net change in plan fiduciary net position	105,323	22,811	213,371
Plan fiduciary net position - beginning	<u>292,088</u>	<u>269,277</u>	<u>55,906</u>
Plan fiduciary net position - ending	<u><u>397,411</u></u>	<u><u>292,088</u></u>	<u><u>269,277</u></u>
Plan's net pension liability - ending	<u>\$ 6,699,968</u>	<u>\$ 7,384,756</u>	<u>\$ 7,319,240</u>
Plan fiduciary net position as % of total OPEB liability	5.60%	3.80%	3.55%
Covered employee payroll	\$ 16,415,487	\$ 18,929,281	\$ 17,842,663
Plan NOL as % of covered employee payroll	40.81%	39.01%	41.02%

* Third year of implementation of GASB 74, therefore only three years of the ten required data is available.

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Investment Returns and Notes

For the Year Ended June 30, 2019

Schedule of Investment Returns and Notes - School

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual money-weighted rate of return, net of investment expense	6.39%	8.47%	15.69%

* Third year of implementation of GASB 74, therefore only three years of the ten required data is available.

Notes to Required Supplementary Information:

Valuation Date: Actuarially Determined Contribution was calculated as of June 30, 2018.

Actuarial Cost Method: Individual Entry Age Normal

Asset-Valuation Method: Market Value of Assets as of the Measurement Date, June 30, 2018.

Actuarial Assumptions:

Investment Rate of Return: 6.08%, net of OPEB plan investment expense

Single Equivalent Discount Rate: 4.25%, net of OPEB plan investment expense, including inflation

Inflation: 2.50% as of June 30, 2019 and for future periods

Salary Increases: 3.00% annually as of June 30, 2019 and for future periods

Pre-Retirement Mortality: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females

Post-Retirement Mortality: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females

Disabled Mortality: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females set forward 1 year

Changes in Assumptions: Effective June 30, 2019

Discount rate is 4.25% previously 4.00%

Mortality table has been updated from the RP-200 Employees Mortality

Table projected generationally with scale BB and bay year 2009 to the

RP2014 Mortality Table projected generationally with scale MP-2016 for males and females

Expected long-term medical trend has been updated to 4.50%

Assumption for morbidity or age-related costs of medical care have been updated

*See notes to the required supplementary information
See independent auditor's report*

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Employees' Retirement System (ERS)

Schedule of Changes to the Net Pension Liability and Related Ratios

For the Year Ended June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.72208190%	0.71034337%	0.79949274%	0.78949625%	0.67955856%
Employer's proportionate share of the net pension liability	\$22,942,334	\$22,404,844	\$23,853,486	\$21,734,853	\$16,540,458
State's proportionate share of the net pension liability associated with the school district	<u>17,113,333</u>	<u>16,932,679</u>	<u>16,336,135</u>	<u>14,848,569</u>	<u>11,342,554</u>
Total	<u>\$40,055,667</u>	<u>\$39,337,523</u>	<u>\$40,189,621</u>	<u>\$36,583,422</u>	<u>\$27,883,012</u>
Employer's covered employee payroll	\$16,015,703	\$15,065,257	\$14,724,220	\$15,064,982	\$14,797,140
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	250.10%	261.11%	272.95%	242.84%	188.44%
Plan fiduciary net position as a percentage of the total pension liability	54.30%	54.00%	54.06%	57.55%	61.40%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Employees' Retirement System (ERS)

Schedule of Contribution - Town

For the Year Ended June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,917,405	\$ 1,725,592	\$ 1,660,985	\$ 1,803,412	\$ 1,720,334
Contributions in relation to the actuarially determined contribution	<u>1,917,405</u>	<u>1,725,592</u>	<u>1,660,985</u>	<u>1,803,412</u>	<u>1,720,334</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Covered-employee payroll	\$16,015,703	\$15,065,257	\$14,724,220	\$15,064,982	\$14,797,140
Contributions as a percentage of covered- employee payroll	11.97%	11.45%	11.28%	11.97%	11.63%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System

Schedule of Changes in Net Pension Liability and Related Ratios

Fire Department

For the Year Ended June 30, 2019

	<u>Year Ended June 30, 2018</u>	<u>Year Ended June 30, 2017</u>	<u>Year Ended June 30, 2016</u>	<u>Year Ended June 30, 2015</u>	<u>Year Ended June 30, 2014</u>
Total pension liability					
1. Service Cost	\$ 392,154	\$ 339,547	\$ 300,210	\$ 299,037	\$ 273,939
2. Interest on the Total Pension Liability	976,187	878,990	866,241	795,965	771,046
3. Changes of benefit terms	-	-	-	490,060	-
4. Difference between expected and actual experience of the Total Pension Liability	(234,646)	952,160	(229,980)	23,126	-
5. Changes of assumptions	-	794,952	-	-	(95,297)
6. Benefit payments, including refunds of employee contributions	<u>(697,489)</u>	<u>(835,087)</u>	<u>(737,239)</u>	<u>(606,263)</u>	<u>(653,720)</u>
7. Net change in total pension liability	436,206	2,130,562	199,232	1,001,925	295,968
8. Total pension liability – beginning	<u>14,098,194</u>	<u>11,967,632</u>	<u>11,768,400</u>	<u>10,766,475</u>	<u>10,470,507</u>
9. Total pension liability – ending (a)	<u>14,534,400</u>	<u>14,098,194</u>	<u>11,967,632</u>	<u>11,768,400</u>	<u>10,766,475</u>
Plan fiduciary net position					
1. Contributions – employer	287,696	298,773	230,385	266,991	164,296
2. Contributions – employee	189,024	180,418	161,761	139,329	133,465
3. Net investment income	785,535	1,055,972	(3,232)	228,566	1,297,206
4. Benefit payments, including refunds of employee contributions	(697,489)	(835,087)	(737,239)	(606,263)	(653,720)
5. Pension Plan Administrative Expense	(10,457)	(9,976)	(8,695)	(9,174)	(8,123)
6. Other	<u>(1)</u>	<u>(58,604)</u>	<u>(84,036)</u>	<u>(5,927)</u>	<u>(154)</u>
7. Net change in plan fiduciary net position	554,308	631,496	(441,056)	13,522	932,970
8. Plan fiduciary net position – beginning	<u>9,943,563</u>	<u>9,312,067</u>	<u>9,753,123</u>	<u>9,739,601</u>	<u>8,806,631</u>
9. Plan fiduciary net position – ending (b)	<u>10,497,871</u>	<u>9,943,563</u>	<u>9,312,067</u>	<u>9,753,123</u>	<u>9,739,601</u>
Net pension liability - ending (a) - (b)	<u>\$ 4,036,529</u>	<u>\$ 4,154,631</u>	<u>\$ 2,655,565</u>	<u>\$ 2,015,277</u>	<u>\$ 1,026,874</u>
Plan fiduciary net position as a percentage of the total pension liability	72.23%	70.53%	77.81%	82.88%	90.46%
Covered employee payroll	\$ 1,891,722	\$ 1,804,183	\$ 1,626,271	\$ 1,741,627	\$ 1,668,325
Net pension liability as a percentage of covered payroll	213.38%	230.28%	163.29%	115.71%	61.55%

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System

Schedule of Contribution

Fire Department

For the Year Ended June 30, 2019

	Fiscal 2019	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015
Actuarially determined contribution	\$ 407,090	\$ 287,696	\$ 298,773	\$ 230,385	\$ 266,991
Contributions in relation to the actuarially determined contribution	407,090	287,696	298,773	230,385	266,991
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 1,891,722	\$ 1,862,819	\$ 1,804,183	\$ 1,626,271	\$ 1,741,627
Contributions as a percentage of covered-employee payroll	21.52%	15.44%	16.56%	14.17%	15.33%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System

Schedule of Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System

General Town Employees

For the Year Ended June 30, 2019

	<u>Year Ended June 30, 2018</u>	<u>Year Ended June 30, 2017</u>	<u>Year Ended June 30, 2016</u>	<u>Year Ended June 30, 2015</u>	<u>Year Ended June 30, 2014</u>
Total pension liability					
1. Service Cost	\$ 312,060	\$ 296,923	\$ 305,777	\$ 300,404	\$ 320,597
2. Interest on the Total Pension Liability	875,587	833,794	800,893	763,644	725,531
3. Changes of benefit terms	-	-	-	175,946	-
4. Difference between expected and actual experience of the Total Pension Liability	(126,818)	301,023	(84,123)	(178,453)	-
5. Changes of assumptions	-	584,745	-	-	22,056
6. Benefit payments, including refunds of employee contributions	<u>(672,518)</u>	<u>(593,324)</u>	<u>(565,572)</u>	<u>(569,582)</u>	<u>(530,246)</u>
7. Net change in total pension liability	388,311	1,423,161	456,975	491,959	537,938
8. Total pension liability – beginning	<u>12,688,610</u>	<u>11,265,449</u>	<u>10,808,474</u>	<u>10,316,515</u>	<u>9,778,577</u>
9. Total pension liability – ending (a)	<u>13,076,921</u>	<u>12,688,610</u>	<u>11,265,449</u>	<u>10,808,474</u>	<u>10,316,515</u>
Plan fiduciary net position					
1. Contributions – employer	45,660	95,346	120,565	144,299	129,321
2. Contributions – employee	89,582	99,370	107,803	65,589	67,392
3. Net investment income	1,058,628	1,447,226	842	304,312	1,732,208
4. Benefit payments, including refunds of employee contributions	(672,518)	(593,324)	(565,572)	(569,582)	(530,246)
5. Pension Plan Administrative Expense	(14,093)	(13,673)	(17,026)	(12,548)	(10,847)
6. Other	<u>12,419</u>	<u>(42,619)</u>	<u>3,563</u>	<u>47,586</u>	<u>24,573</u>
7. Net change in plan fiduciary net position	519,678	992,326	(349,825)	(20,344)	1,412,401
8. Plan fiduciary net position – beginning	<u>13,627,808</u>	<u>12,635,482</u>	<u>12,985,307</u>	<u>13,005,651</u>	<u>11,593,250</u>
9. Plan fiduciary net position – ending (b)	<u>14,147,486</u>	<u>13,627,808</u>	<u>12,635,482</u>	<u>12,985,307</u>	<u>13,005,651</u>
Net pension liability - ending (a) - (b)	<u>\$ (1,070,564)</u>	<u>\$ (939,197)</u>	<u>\$ (1,370,033)</u>	<u>\$ (2,176,833)</u>	<u>\$ (2,689,136)</u>
Plan fiduciary net position as a percentage of the total pension liability	108.19%	107.40%	112.16%	120.14%	126.07%
Covered employee payroll	\$ 3,369,975	\$ 3,389,532	\$ 3,386,235	\$ 3,279,520	\$ 3,301,722
Net pension liability as a percentage of covered payroll	-31.77%	-27.71%	-40.46%	-66.38%	-81.45%

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System

Schedule of Contributions

General Town Employees

For the Year Ended June 30, 2019

	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 46,256	\$ 45,660	\$ 95,346	\$ 120,565	\$ 144,299
Contributions in relation to the actuarially determined contribution	<u>46,256</u>	<u>45,660</u>	<u>95,346</u>	<u>120,565</u>	<u>144,299</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Covered-employee payroll	<u>\$ 3,369,975</u>	<u>\$ 3,499,692</u>	<u>\$ 3,389,532</u>	<u>\$ 3,386,235</u>	<u>\$ 3,279,520</u>
Contributions as a percentage of covered-employee payroll	1.37%	1.30%	2.81%	3.56%	4.40%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System

Schedule of Changes in Net Pension Liability and Related Ratios

Local 2670A Employees

For the Year Ended June 30, 2019

	<u>Year Ended June 30, 2018</u>	<u>Year Ended June 30, 2017</u>	<u>Year Ended June 30, 2016</u>	<u>Year Ended June 30, 2015</u>	<u>Year Ended June 30, 2014</u>
A. Total pension liability					
1. Service Cost	\$ 91,347	\$ 85,971	\$ 88,291	\$ 89,239	\$ 94,889
2. Interest on the Total Pension Liability	319,239	320,010	322,762	289,484	277,106
3. Changes of benefit terms	-	-	-	95,897	-
4. Difference between expected and actual experience of the Total Pension Liability	(115,211)	(87,199)	(192,656)	210,697	-
5. Changes of assumptions	-	244,574	-	-	14,773
6. Benefit payments, including refunds of employee contributions	<u>(287,740)</u>	<u>(256,830)</u>	<u>(251,012)</u>	<u>(231,277)</u>	<u>(206,525)</u>
7. Net change in total pension liability	7,635	306,526	(32,615)	454,040	180,243
8. Total pension liability – beginning	<u>4,658,760</u>	<u>4,352,234</u>	<u>4,384,849</u>	<u>3,930,809</u>	<u>3,750,566</u>
9. Total pension liability – ending (a)	<u><u>4,666,395</u></u>	<u><u>4,658,760</u></u>	<u><u>4,352,234</u></u>	<u><u>4,384,849</u></u>	<u><u>3,930,809</u></u>
B. Plan fiduciary net position					
1. Contributions – employer	86,673	100,786	87,977	103,515	89,438
2. Contributions – employee	26,652	26,601	29,253	20,064	18,161
3. Net investment income	313,907	431,129	(1,306)	92,015	525,526
4. Benefit payments, including refunds of employee contributions	(287,740)	(256,830)	(251,012)	(231,277)	(206,525)
5. Pension Plan Administrative Expense	(4,179)	(4,073)	(3,513)	(3,693)	(3,291)
6. Other	-	(9)	(25,641)	18	-
7. Net change in plan fiduciary net position	135,313	297,604	(164,242)	(19,358)	423,309
8. Plan fiduciary net position – beginning	<u>4,059,728</u>	<u>3,762,124</u>	<u>3,926,366</u>	<u>3,945,724</u>	<u>3,522,415</u>
9. Plan fiduciary net position – ending (b)	<u><u>4,195,041</u></u>	<u><u>4,059,728</u></u>	<u><u>3,762,124</u></u>	<u><u>3,926,366</u></u>	<u><u>3,945,724</u></u>
C. Net pension liability - ending (a) - (b)	<u><u>\$ 471,354</u></u>	<u><u>\$ 599,032</u></u>	<u><u>\$ 590,110</u></u>	<u><u>\$ 458,483</u></u>	<u><u>\$ (14,915)</u></u>
D. Plan fiduciary net position as a percentage of the total pension liability	89.90%	87.14%	86.44%	89.54%	100.38%
E. Covered employee payroll	\$ 1,062,175	\$ 1,043,343	\$ 1,027,839	\$ 1,002,691	\$ 985,345
F. Net pension liability as a percentage of covered payroll	44.38%	57.41%	57.41%	45.73%	-1.51%

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System

Schedule of Contribution

Local 2670A Employees

For the Year Ended June 30, 2019

	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 87,200	\$ 86,673	\$ 100,786	\$ 87,977	\$ 103,515
Contributions in relation to the actuarially determined contribution	<u>87,200</u>	<u>86,673</u>	<u>100,786</u>	<u>87,977</u>	<u>103,515</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Covered-employee payroll	<u>\$ 1,062,175</u>	<u>\$ 1,077,252</u>	<u>\$ 1,043,343</u>	<u>\$ 1,027,839</u>	<u>\$ 1,002,691</u>
Contributions as a percentage of covered-employee payroll	8.21%	8.05%	9.66%	8.56%	10.32%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Teachers' Survivor Benefit Plan

Schedule of Changes in the Net Pension Liabilities and Related Ratios

For the Year Ended June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension asset	2.79233223%	2.80797174%	2.92391721%	2.97993976%	2.98594898%
Employer's proportionate share of the net pension asset	\$ 2,491,578	\$ 2,322,934	\$ 2,911,399	\$ 2,781,941	\$ 3,712,154
Employer's covered employee payroll	\$ 16,015,703	\$ 15,065,257	\$ 14,724,220	\$ 15,064,982	\$ 14,797,140
Employer's proportionate share of the net pension asset as a percentage of its covered employee payroll	15.56%	15.42%	19.77%	18.47%	25.09%
Plan fiduciary net position as a percentage of the total pension liability	137.4%	136.1%	153.3%	146.6%	173.3%

Notes:

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

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

3.) *Employers participating in the Teachers' Survivors Benefit Plan contribute at a rate established by RI General Laws, Section 16-16-35.*

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Teachers' Survivors Benefit Plan

Schedule of Contribution

For the Year Ended June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily determined contribution	\$ 21,065	\$ 20,776	\$ 16,564	\$ 18,780	\$ 18,364
Contributions in relation to the statutorily determined contribution	<u>21,065</u>	<u>20,776</u>	<u>16,564</u>	<u>18,780</u>	<u>18,364</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Cover's employee payroll	\$ 16,015,703	\$ 15,065,257	\$ 14,724,220	\$ 15,064,982	\$ 14,797,140
Contributions as a percentage of covered-employee payroll	0.13%	0.14%	0.11%	0.12%	0.12%

Notes:

- 1.) The amounts presented for each fiscal year were determined as of 6/30 measurement date prior to the fiscal year-end.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.
- 3.) Employers participating in the Teachers' Survivors Benefit Plan contribute at a rate established by RI General Laws, Section 16-16-35.

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Notes to Required Supplementary Information

ERS (Teacher), MERS, and TSB Plans

For the Year Ended June 30, 2019

The 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 show information for 10 years – additional years will be displayed as they become available.

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

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

Employers participating in the Teachers' Survivors Benefit Plan contribute at a rate established by RI General Laws, Section 16-16-35.

June 30, 2017 measurement date –

As part of the 2017 Actuarial Experience Investigation Study for the six-year period ending June 30, 2016 as approved by the System Board on May 15, 2017, certain assumptions were modified and reflected in the determination of the net pension liability (asset) at the June 30, 2017 measurement date. The following summarizes the more significant changes in assumptions:

- Decreased the general inflation assumption from 2.75% to 2.50%;
- Decreased the nominal investment return assumption from 7.50% to 7.00%;
- Decreased the general wage growth assumption from 3.25% to 3.00%;
- Decreased salary increase assumptions; and
- Updated the post-retirement mortality tables to variants of the RP-2014 table. For the improvement scale, update to the ultimate rates of the MP-2016 projection scale.

June 30, 2016 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2016 measurement date compared to the June 30, 2015 measurement date.

June 30, 2015 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2015 measurement date compared to the June 30, 2014 measurement date

The June 30, 2015 measurement date determination of the net pension liability for the ERS and MERS plans reflects changes in benefit changes resulting from the settlement of litigation challenging the various pension reform measures enacted in previous years by the General Assembly. 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, are summarized below:

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Notes to Required Supplementary Information

ERS (Teacher), MERS, and TSB Plans

For the Year Ended June 30, 2019

provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.

- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision)
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5-year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Police Pension Plan

For the Year Ended June 30, 2019

Last 10 Fiscal Years*

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Total pension liability						
Service cost	\$ 334,284	\$ 289,431	\$ 302,324	\$ 322,696	\$ 315,103	\$ 285,815
Interest	1,328,812	1,257,599	1,138,411	1,091,027	1,733,891	1,461,475
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	135,852	374,031	333,268	10,225	(699,268)	(595,528)
Changes of assumptions	620,398	(83,567)	677,967	-	-	-
Benefit payments, including refunds of participant contributions	(941,069)	(922,840)	(779,901)	(761,797)	(748,242)	(765,309)
Net change in total pension liability	<u>1,478,277</u>	<u>914,654</u>	<u>1,672,069</u>	<u>662,151</u>	<u>601,484</u>	<u>386,453</u>
Total pension liability - beginning	<u>17,853,211</u>	<u>16,938,557</u>	<u>15,266,488</u>	<u>14,604,337</u>	<u>14,002,853</u>	<u>13,616,400</u>
Total pension liability - ending	<u><u>19,331,488</u></u>	<u><u>17,853,211</u></u>	<u><u>16,938,557</u></u>	<u><u>15,266,488</u></u>	<u><u>14,604,337</u></u>	<u><u>14,002,853</u></u>
Pension fiduciary net position						
Contributions - employer	700,000	700,000	650,000	700,000	800,000	825,000
Contributions - employee	198,051	195,936	186,677	172,701	179,257	166,440
Net investment income	862,217	1,363,736	1,471,204	(332,601)	698,683	1,157,063
Benefit payments, including refunds of participant contributions	(941,069)	(922,840)	(779,901)	(761,797)	(748,242)	(765,309)
Administrative expense	(10,800)	(13,735)	(33,519)	-	-	-
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>808,399</u>	<u>1,323,097</u>	<u>1,494,461</u>	<u>(221,697)</u>	<u>929,698</u>	<u>1,383,194</u>
Plan fiduciary net position - beginning	<u>12,374,127</u>	<u>11,051,030</u>	<u>9,556,569</u>	<u>9,778,266</u>	<u>8,848,568</u>	<u>7,465,374</u>
Plan fiduciary net position - ending	<u><u>13,182,526</u></u>	<u><u>12,374,127</u></u>	<u><u>11,051,030</u></u>	<u><u>9,556,569</u></u>	<u><u>9,778,266</u></u>	<u><u>8,848,568</u></u>
Plan's net pension liability - ending	<u><u>\$ 6,148,962</u></u>	<u><u>\$ 5,479,084</u></u>	<u><u>\$ 5,887,527</u></u>	<u><u>\$ 5,709,919</u></u>	<u><u>\$ 4,826,071</u></u>	<u><u>\$ 5,154,285</u></u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Police Pension Plan

For the Year Ended June 30, 2019

*Last 10 Fiscal Years**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Total pension liability	\$ 19,331,488	\$ 17,853,211	\$ 16,938,557	\$ 15,266,488	\$ 14,604,337	\$ 14,002,853
Plan fiduciary net position	13,182,526	12,374,127	11,051,030	9,556,569	9,778,266	8,848,568
Town's net pension liability	<u>\$ 6,148,962</u>	<u>\$ 5,479,084</u>	<u>\$ 5,887,527</u>	<u>\$ 5,709,919</u>	<u>\$ 4,826,071</u>	<u>\$ 5,154,285</u>
 Plan fiduciary net position as a percentage of the total pension liability	68.19%	69.31%	65.24%	62.60%	66.95%	63.19%
 Covered-employee payroll	\$ 1,982,955	\$ 1,888,893	\$ 1,700,026	\$ 1,686,288	\$ 1,716,424	\$ 1,454,719
 Net pension liability as a percentage of covered-employee payroll	310.09%	290.07%	346.32%	338.61%	281.17%	354.31%

*Only six years available of the ten years required.

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Contributions

Police Pension Plan

For the Year Ended June 30, 2019

Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 583,132	\$ 575,463	\$ 559,740	\$ 503,576	\$ 536,634	\$ 544,334
Contributions in relation to the actuarially determined contribution	<u>700,000</u>	<u>700,000</u>	<u>650,000</u>	<u>700,000</u>	<u>800,000</u>	<u>825,000</u>
Contribution deficiency (excess)	<u>\$ (116,868)</u>	<u>\$ (124,537)</u>	<u>\$ (90,260)</u>	<u>\$ (196,424)</u>	<u>\$ (263,366)</u>	<u>\$ (280,666)</u>
Covered-employee payroll	\$ 1,982,955	\$ 1,888,893	\$ 1,700,026	\$ 1,686,288	\$ 1,716,424	\$ 1,454,719
Contributions as a percentage of covered-employee payroll	35.30%	37.06%	38.23%	41.51%	46.61%	56.71%

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Investment Returns – Police Pension Plan

For the Year Ended June 30, 2019

*Last 10 Fiscal Years**

	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Annual money-weighted rate of return, net of investment expense	6.80%	12.00%	14.90%	0.04%	0.28%	15.30%

*Only six years available of the ten years required.

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Notes to Police Pension Plan Required Supplementary Information

For the Year Ended June 30, 2019

Valuation Date:

Actuarially determined contribution rates are calculated as of June 30, 2018.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percent-of-payroll
Asset valuation method	Market plus receivables
Inflation	Contribution as a percentage of payroll
Salary increases	3.50%
Investment rate of return	7.50%, net of administrative expenses paid by the Trust
Retirement age	The rate is 50% at first eligibility, then the rate is 10% per year thereafter, with 100% at age 55 (or first eligible if later)
Mortality	RP-2014 base Blue Collar mortality rates for employees (m/f), retirees (m/f) and disabled retirees (m/f) adjusted back to 2006 with generational projections using the most recent projection scale (MP-2017 this year, MP-2016 last year).
Disability	Annual rates of disability increase males from age 25 to .03% to age 60 at .90% and in females from age 25 at .05% to age 60 at 1.21%
Turnover	None assumed
Cost of living adjustments	1.3% increase each year

See independent auditor's report

Supplementary Information

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Revenues – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget Revenues	Transfers	Total Budget Available	Actual	Variance Favorable (Unfavorable)
General property taxes					
Real estate and personal property tax	\$ 38,178,996	\$ -	\$ 38,178,996	\$ 38,136,464	\$ (42,532)
Total general property taxes	<u>38,178,996</u>	<u>-</u>	<u>38,178,996</u>	<u>38,136,464</u>	<u>(42,532)</u>
Intergovernmental					
State of Rhode Island	3,306,587	-	3,306,587	3,592,144	285,557
Total intergovernmental	<u>3,306,587</u>	<u>-</u>	<u>3,306,587</u>	<u>3,592,144</u>	<u>285,557</u>
Licenses, permits, and usage fees					
Business fees	693,895	-	693,895	874,723	180,828
Usage fees	1,837,758	-	1,837,758	1,851,116	13,358
Total licenses, permits, and usage fees	<u>2,531,653</u>	<u>-</u>	<u>2,531,653</u>	<u>2,725,839</u>	<u>194,186</u>
Fines and interest on late payments	300,000	-	300,000	320,619	20,619
Interest on investments	90,000	-	90,000	209,695	119,695
Other revenues	58,435	-	58,435	79,754	21,319
Total revenues	<u>44,465,671</u>	<u>-</u>	<u>44,465,671</u>	<u>45,064,515</u>	<u>598,844</u>
Other financing sources					
Use of fund balance	84,216	-	84,216	-	(84,216)
Sale of Town Property	-	-	-	92,500	92,500
Transfers from other funds	202,083	-	202,083	-	(202,083)
Total other financing sources	<u>286,299</u>	<u>-</u>	<u>286,299</u>	<u>92,500</u>	<u>(193,799)</u>
Total revenue and other financing sources	<u>\$ 44,751,970</u>	<u>\$ -</u>	<u>\$ 44,751,970</u>	<u>\$ 45,157,015</u>	<u>\$ 405,045</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget			Total Available	Actual	Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers					
<i>General government</i>								
<i>Town clerk's office</i>								
Dept management salary	\$ -	\$ 64,765	\$ -	\$ 64,765	\$ 64,765	\$ -	\$ -	\$ -
Staff salaries - AFSCME	-	135,965	4,000	139,965	137,248	-	2,717	1,359
Overtime	-	6,070	2,000	8,070	8,059	-	11	6
Longevity	-	5,555	-	5,555	5,555	-	-	-
Temp/Seasonal Staff	-	-	7,500	7,500	7,257	-	243	122
Photocopier lease	-	4,500	(1,800)	2,700	2,405	-	295	148
Recording Expenses	-	20,000	(28)	19,972	19,901	-	71	36
Recodify Town Code	-	10,000	-	10,000	10,000	-	-	-
Supplies and misc.	-	9,000	697	9,697	9,697	-	-	-
<i>Total town clerk's office</i>	-	255,855	12,369	268,224	264,887	-	3,337	1,669
<i>Town council</i>								
Town council stipends	-	17,300	-	17,300	17,300	-	-	-
Contingency fund	-	100,000	(58,800)	41,200	19,953	-	21,247	10,624
Advertising/ ordinances	-	20,000	14,000	34,000	33,312	-	688	344
Adv/ ord - Comp Plan	-	10,000	(10,000)	-	-	-	-	-
Supplies and misc.	-	2,000	-	2,000	1,689	-	311	156
<i>Total town council</i>	-	149,300	(54,800)	94,500	72,254	-	22,246	11,123
<i>Board of canvassers</i>								
Board of canvas stipends	-	3,600	(1,000)	2,600	2,475	-	125	63
Elections	44,872	45,000	-	89,872	38,063	51,809	-	-
Supplies and misc.	-	3,500	(336)	3,164	3,076	-	88	44
Computer service	-	1,000	(937)	63	63	-	-	-
<i>Total board of canvassers</i>	44,872	53,100	(2,273)	95,699	43,677	51,809	213	107
<i>Town hall</i>								
Heat	-	3,800	476	4,276	4,276	-	-	-
Electric	-	9,800	1,367	11,167	11,167	-	-	-
Water and supplies	-	700	267	967	967	-	-	-
Telephone	-	2,800	-	2,800	2,629	-	171	86
Building maintenance	-	9,000	(2,110)	6,890	6,694	-	196	98
<i>Total town hall</i>	-	26,100	-	26,100	25,733	-	367	184
<i>Legal Services</i>								
Town solicitor	-	98,000	1,486	99,486	99,486	-	-	-
Litigation	-	60,000	(18,506)	41,494	38,040	-	3,454	1,727
Prosecutions	-	18,000	-	18,000	12,250	-	5,750	2,875
Legal zoning issues	-	28,000	-	28,000	27,396	-	604	302
Labor counsel	-	60,000	33,020	93,020	91,841	-	1,179	590
Zoning Code Rewrite	-	30,000	-	30,000	18,973	-	11,027	5,514
<i>Total legal services</i>	\$ -	\$ 294,000	\$ 16,000	\$ 310,000	\$ 287,986	\$ -	\$ 22,014	\$ 11,007

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget					Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers	Total Available	Actual			
<i>Building / zoning inspector</i>								
Dept mgmt salary - Planner	\$ -	\$ 75,000	\$ (11,925)	\$ 63,075	\$ 58,500	\$ -	\$ 4,575	\$ 2,288
Salary - Building Official	-	68,340	77,765	146,105	146,105	-	-	-
Staff salaries - AFSCME	-	73,687	2,023	75,710	75,710	-	-	-
Longevity	-	2,405	37	2,442	2,442	-	-	-
Vacation coverage	-	1,000	(860)	140	-	-	140	70
Zoning Official - PT	-	32,000	2,378	34,378	34,378	-	-	-
Copy Services	-	675	(62)	613	596	-	17	9
Postage	-	1,500	-	1,500	704	-	796	398
Automobile expenses	-	3,000	(1,500)	1,500	1,075	-	425	213
Education seminars	-	1,500	-	1,500	452	-	1,048	524
Telephone	-	2,000	(855)	1,145	1,145	-	-	-
Boarding of Buildings	-	2,000	(1,941)	59	59	-	-	-
Professional/Technical Services	-	3,000	2,050	5,050	3,900	-	1,150	575
Supplies and misc.	-	2,500	4,256	6,756	6,688	-	68	34
Software maintenance	-	2,000	8,123	10,123	9,865	-	258	129
<i>Total building / zoning inspector</i>	-	270,607	79,489	350,096	341,619	-	8,477	4,239
<i>Planning board</i>								
Subdivision Regs Amendment Advertising	-	1,000	-	1,000	-	-	1,000	500
<i>Total planning board</i>	-	1,000	-	1,000	-	-	1,000	500
<i>Zoning board of review</i>								
Public stenographer	-	4,300	750	5,050	5,014	-	36	18
<i>Total zoning board of review</i>	-	4,300	750	5,050	5,014	-	36	18
<i>Town sergeant</i>								
Town sergeant stipend	-	1,500	-	1,500	1,500	-	-	-
<i>Total town sergeant</i>	-	1,500	-	1,500	1,500	-	-	-
<i>Financial town referendum</i>								
Financial town referendum	-	11,500	-	11,500	10,023	-	1,477	739
<i>Total financial town referendum</i>	\$ -	\$ 11,500	\$ -	\$ 11,500	\$ 10,023	\$ -	\$ 1,477	\$ 739

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget				Actual	Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers	Total Available				
<i>Town administrator</i>								
Dept mgmt salary	\$ -	\$ 93,000	\$ -	\$ 93,000	\$ 92,377	\$ -	\$ 623	\$ 312
Personnel svcs	-	44,500	-	44,500	44,435	-	65	33
Automobile expenses	-	400	-	400	141	-	259	130
Town wide internet svcs	-	2,900	-	2,900	2,800	-	100	50
Website	-	2,400	-	2,400	2,400	-	-	-
League of cities & towns	-	9,377	-	9,377	9,377	-	-	-
Supplies and misc.	-	2,000	-	2,000	1,613	-	387	194
Computer services	-	8,400	8,050	16,450	15,319	-	1,131	566
Expense account	-	1,200	-	1,200	976	-	224	112
<i>Total town administrator</i>	-	164,177	8,050	172,227	169,438	-	2,789	1,395
<i>Municipal court</i>								
Municipal court judge	-	12,500	-	12,500	12,500	-	-	-
Computer Software Maint	-	6,000	-	6,000	5,938	-	62	31
<i>Total municipal court</i>	-	18,500	-	18,500	18,438	-	62	31
<i>Probate account</i>								
Probate court judge	-	8,500	2	8,502	8,502	-	-	-
Recording expenses	-	1,000	(1,000)	-	-	-	-	-
Supplies and misc	-	1,200	(98)	1,102	1,009	-	93	47
Program software	-	300	-	300	295	-	5	3
<i>Total probate account</i>	-	11,000	(1,096)	9,904	9,806	-	98	49
<i>Total general government</i>	\$ 44,872	\$ 1,260,939	\$ 58,489	\$ 1,364,300	\$ 1,250,375	\$ 51,809	\$ 62,116	\$ 31,058

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget				Actual	Encumbrances to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Carried to FY 19	Original Budget	Transfers	Total Available				
<i>Finance and administration</i>								
<i>Tax assessor's</i>								
Dept mgmt salary	\$ -	\$ 74,430	\$ 3	\$ 74,433	\$ 74,433	\$ -	\$ -	\$ -
Staff salaries - AFSCME	-	60,156	-	60,156	60,155	-	1	1
Longevity	-	3,966	(3)	3,963	3,609	-	354	177
Printing	-	2,200	445	2,645	2,639	-	6	3
GIS web hosting	-	2,500	500	3,000	3,000	-	-	-
GIS update / data layers	-	2,500	(330)	2,170	2,125	-	45	23
Mileage	-	800	-	800	676	-	124	62
Education / seminars	-	900	(350)	550	545	-	5	3
Telephone	-	1,200	(75)	1,125	997	-	128	64
Professional / tech svcs	-	1,200	-	1,200	1,056	-	144	72
Publications	-	150	(90)	60	52	-	8	4
Supplies and misc.	-	3,500	(100)	3,400	2,873	-	527	264
Software maint	-	5,000	-	5,000	4,901	-	99	50
Total tax assessor's	-	158,502	-	158,502	157,061	-	1,441	721
<i>Revaluation acct</i>								
Revaluation - consulting	172,710	45,000	-	217,710	-	217,710	-	-
Total revaluation acct	172,710	45,000	-	217,710	-	217,710	-	-
<i>Treasurer's office</i>								
Dept mgmt salary	-	70,253	-	70,253	70,253	-	-	-
Staff salaries - AFSCME	-	77,980	-	77,980	75,931	-	2,049	1,025
Longevity	-	-	-	-	-	-	-	-
Office equip	-	650	-	650	396	-	254	127
Education / seminars	-	500	-	500	278	-	222	111
Telephone	-	950	-	950	774	-	176	88
Computerized payroll	-	18,000	-	18,000	17,886	-	114	57
ACA Reporting	-	3,000	645	3,645	3,645	-	-	-
Consultant - GASB 45	-	5,000	-	5,000	5,000	-	-	-
Consulting services	-	3,500	(645)	2,855	2,380	-	475	238
Supplies and misc.	-	3,500	(1,086)	2,414	2,156	-	258	129
Software maint	-	3,000	1,086	4,086	4,086	-	-	-
Total treasurer's office	-	186,333	-	186,333	182,785	-	3,548	1,774
<i>Tax collector</i>								
Dept mgmt salary	-	33,059	-	33,059	33,059	-	-	-
Staff salaries - AFSCME	-	60,156	-	60,156	60,156	-	-	-
Longevity	-	3,966	-	3,966	3,609	-	357	179
Tax Bills - Print & Mail	-	15,950	-	15,950	15,950	-	-	-
Postage	-	2,300	-	2,300	2,275	-	25	13
Telephone	-	650	-	650	565	-	85	43
Consulting svcs	-	5,000	453	5,453	5,453	-	-	-
Supplies and misc.	-	2,800	(78)	2,722	2,711	-	11	6
Software maint	-	4,590	778	5,368	5,368	-	-	-
Total tax collector	\$ -	\$ 128,471	\$ 1,153	\$ 129,624	\$ 129,146	\$ -	\$ 478	\$ 239

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget				Actual	Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers	Total Available				
Tax sale								
Tax sale	\$ -	\$ 3,000	\$ (1,153)	\$ 1,847	\$ (1,685)	\$ -	\$ 3,532	\$ 1,766
Total tax sale	-	3,000	(1,153)	1,847	(1,685)	-	3,532	1,766
Insurance								
ER - health savings contribution	-	187,000	3,000	190,000	190,000	-	-	-
Group health ins. - active	-	1,553,055	(67,898)	1,485,157	1,474,993	-	10,164	5,082
Group health ins - retired	-	930,436	(59,207)	871,229	835,314	-	35,915	17,958
Dental ins - active	-	83,525	(880)	82,645	68,429	-	14,216	7,108
Dental ins - retired	-	27,367	-	27,367	22,204	-	5,163	2,582
Life ins - active	-	35,000	(538)	34,462	33,590	-	872	436
Town bldgs / pers prop	-	286,000	(6,475)	279,525	257,111	-	22,414	11,207
Workmens comp insurance	-	119,900	(5,364)	114,536	98,645	-	15,891	7,946
Total insurance	-	3,222,283	(137,362)	3,084,921	2,980,286	-	104,635	52,318
Audit of town accounts								
Audit services	-	22,000	-	22,000	18,400	-	3,600	1,800
Total audit of town accounts	-	22,000	-	22,000	18,400	-	3,600	1,800
Pension plans								
Special retirement	-	16,500	-	16,500	16,500	-	-	-
Fire pension - 1534	-	445,354	(16,435)	428,919	407,090	-	21,829	10,915
Pension plan - police	-	700,000	-	700,000	700,000	-	-	-
ERSRI - pension 1532	-	38,435	(3,502)	34,933	29,756	-	5,177	2,589
TIAA CREF - 1532	-	13,035	1,295	14,330	14,330	-	-	-
ERSRI - pension 1538	-	97,502	-	97,502	87,199	-	10,303	5,152
TIAA CREF - 1538	-	12,172	-	12,172	11,492	-	680	340
Total pension plans	-	1,322,998	(18,642)	1,304,356	1,266,367	-	37,989	18,995
Social security								
Social security and medicare	-	555,181	(5,228)	549,953	514,284	-	35,669	17,835
Total social security	-	555,181	(5,228)	549,953	514,284	-	35,669	17,835
Unemployment security								
Unemployment security	-	10,000	5,364	15,364	15,355	-	9	5
Total unemployment security	-	10,000	5,364	15,364	15,355	-	9	5
Unfunded liability								
Unfunded liability	-	100,000	16,435	116,435	116,435	-	-	-
Total unfunded liability	-	100,000	16,435	116,435	116,435	-	-	-
Total finance administration	\$ 172,710	\$ 5,753,768	\$ (139,433)	\$ 5,787,045	\$ 5,378,434	\$ 217,710	\$ 190,901	\$ 95,451

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget					Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers	Total Available	Actual			
<i>Public safety</i>								
<i>Fire department</i>								
Dept mgmt salary	\$ -	\$ 87,702	\$ (42,683)	\$ 45,019	\$ 42,646	\$ -	\$ 2,373	\$ 1,187
Personnel svcs	-	1,629,865	(47,381)	1,582,484	1,542,973	-	39,511	19,756
Staff salaries	-	66,516	(1,499)	65,017	63,158	-	1,859	930
Overtime	-	125,000	51,419	176,419	176,419	-	-	-
Shift differential	-	7,600	-	7,600	7,362	-	238	119
Holiday pay	-	86,637	(12,198)	74,439	74,439	-	-	-
Longevity	-	77,996	(14,021)	63,975	63,975	-	-	-
Education allowance	-	6,750	-	6,750	6,070	-	680	340
EMS incentive	-	82,420	(13,304)	69,116	68,800	-	316	158
Fire marshall inspections	-	66,176	183	66,359	66,359	-	-	-
Clothing allowance	-	38,800	1,600	40,400	40,047	-	353	177
Recruiting process	-	3,000	1,133	4,133	4,133	-	-	-
Equipment svcs contract	-	33,954	(2,900)	31,054	30,909	-	145	73
Radio maintenance	-	10,500	(6,400)	4,100	3,854	-	246	123
Minor equip replacements	-	14,000	(5,363)	8,637	8,585	-	52	26
Hazardous equipment	-	2,000	(515)	1,485	1,320	-	165	83
Heat	-	15,000	1,600	16,600	16,344	-	256	128
Sewer fee	-	1,000	(491)	509	509	-	-	-
Electric	-	11,000	3,174	14,174	14,174	-	-	-
Water and supplies	-	1,800	-	1,800	1,595	-	205	103
Seminars for Chief	-	2,000	(1,575)	425	425	-	-	-
Firefighter training	-	10,000	(2,100)	7,900	7,899	-	1	1
Operational technologies	-	5,500	1,898	7,398	7,395	-	3	2
Telephone	-	23,000	313	23,313	23,299	-	14	7
Medical Director - EMS	-	8,000	-	8,000	8,000	-	-	-
Medical physicals	-	1,200	(323)	877	876	-	1	1
Medical supplies	-	35,000	3,225	38,225	38,225	-	-	-
Personal and protective gear	-	20,000	1,500	21,500	21,289	-	211	106
Supplies and misc.	-	6,000	-	6,000	5,896	-	104	52
Software maint	-	6,000	7,508	13,508	13,506	-	2	1
Fuel oil and tires	-	60,000	(10,000)	50,000	49,203	-	797	399
Apparatus maintenance	-	45,000	102,000	147,000	146,432	-	568	284
Station maintenance	-	30,000	(12,900)	17,100	16,749	-	351	176
<i>Total fire department</i>	<u>\$ -</u>	<u>\$ 2,619,416</u>	<u>\$ 1,900</u>	<u>\$ 2,621,316</u>	<u>\$ 2,572,865</u>	<u>\$ -</u>	<u>\$ 48,451</u>	<u>\$ 24,226</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget				Actual	Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers	Total Available				
Police department								
Dept mgmt salary	\$ -	\$ 91,655	\$ -	\$ 91,655	\$ 88,729	\$ -	\$ 2,926	\$ 1,463
Personnel svcs	-	1,749,132	(30,000)	1,719,132	1,667,149	-	51,983	25,992
Staff salaries - AFSCME	-	554,957	-	554,957	510,632	-	44,325	22,163
Overtime	-	160,000	30,000	190,000	176,694	-	13,306	6,653
Shift differential	-	16,347	-	16,347	15,300	-	1,047	524
Out of rank	-	2,657	-	2,657	1,173	-	1,484	742
Holiday pay	-	158,112	-	158,112	120,802	-	37,310	18,655
Longevity	-	100,650	(8,626)	92,024	87,287	-	4,737	2,369
Education incentive	-	52,757	-	52,757	45,794	-	6,963	3,482
Sick leave buy back	-	30,000	-	30,000	29,208	-	792	396
Clothing allowance	-	60,000	-	60,000	59,037	-	963	482
In-service training	-	15,000	2,151	17,151	17,151	-	-	-
Uniform equip replacement	-	6,000	-	6,000	5,672	-	328	164
Animal shelter	-	27,300	-	27,300	27,287	-	13	7
Animal controls expenses	-	500	-	500	235	-	265	133
Tires, parts, and maintenance	-	18,500	-	18,500	17,864	-	636	318
Operations, ammo & photo supp	-	17,000	16,920	33,920	33,920	-	-	-
Chief's misc expenses	-	1,600	-	1,600	1,542	-	58	29
Software	-	20,000	1,638	21,638	21,566	-	72	36
State qualifications	-	2,000	-	2,000	1,445	-	555	278
Heat	-	11,000	(2,345)	8,655	8,228	-	427	214
Electric	-	21,000	4,323	25,323	25,323	-	-	-
Water and supplies	-	1,000	444	1,444	1,444	-	-	-
Prisoner meals	-	600	-	600	230	-	370	185
Education / seminars	-	65,000	(22,253)	42,747	42,747	-	-	-
Radio, communications	-	12,000	(296)	11,704	11,584	-	120	60
Telephone	-	17,000	698	17,698	17,698	-	-	-
Medical supplies	-	1,500	-	1,500	1,482	-	18	9
Code Red System	-	5,000	(1,855)	3,145	2,500	-	645	323
Physiological testing	-	2,500	-	2,500	1,311	-	1,189	595
Supplies and misc	-	12,000	1,898	13,898	13,898	-	-	-
Fued, oil, tires	-	60,700	4,303	65,003	65,003	-	-	-
Station maintenance	-	9,500	3,000	12,500	12,444	-	56	28
Resource officer - school	-	(61,073)	-	(61,073)	(61,073)	-	-	-
Total police department	-	3,241,894	-	3,241,894	3,071,306	-	170,588	85,294
Harbor commission								
DEM Water Quality Cert	-	300	-	300	-	-	300	150
Water Quality Testing	-	1,800	-	1,800	1,490	-	310	155
Total harbor commission	\$ -	\$ 2,100	\$ -	\$ 2,100	\$ 1,490	\$ -	\$ 610	\$ 305
Harbor master								
Harbormaster stipend	-	6,250	-	6,250	6,250	-	-	-
Assistant Harbormaster	-	2,000	-	2,000	2,000	-	-	-
Uniforms / clothing	-	300	-	300	-	-	300	150
Misc operating supplies	-	15,760	-	15,760	13,709	-	2,051	1,026
Mandated Educ & Training	-	250	-	250	-	-	250	125
Radio communications	-	750	-	750	233	-	517	259
Supplies and misc	-	2,800	-	2,800	76	-	2,724	1,362
Total harbor master	-	28,110	-	28,110	22,268	-	5,842	2,921
Street lighting								
Lighting expense	-	44,000	68,407	112,407	112,407	-	-	-
Total street lighting	-	44,000	68,407	112,407	112,407	-	-	-
Hydrant service								
North Tiverton & Stone Bridge	-	1,500	-	1,500	1,500	-	-	-
Total hydrant service	-	1,500	-	1,500	1,500	-	-	-
Total public safety	\$ -	\$ 5,937,020	\$ 70,307	\$ 6,007,327	\$ 5,781,836	\$ -	\$ 225,491	\$ 112,746

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget			Total Available	Actual	Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers					
Health and human services								
<i>Senior citizens service</i>								
Dept mgmt salary	\$ -	\$ 56,100	\$ -	\$ 56,100	\$ 56,100	\$ -	\$ -	\$ -
Staff salaries AFSCME	-	17,561	-	17,561	17,295	-	266	133
Bus service	-	16,500	(1,188)	15,312	15,312	-	-	-
Heat	-	3,200	-	3,200	2,995	-	205	103
Electric	-	6,250	(2,235)	4,015	3,958	-	57	29
Water and supplies	-	300	-	300	273	-	27	14
Repairs, Maint&Gas Vehicles	-	600	500	1,100	989	-	111	56
Telephone	-	700	-	700	499	-	201	101
Agency dues and devel.	-	975	-	975	957	-	18	9
Supplies and misc.	-	11,300	2,688	13,988	13,905	-	83	42
My senior center	-	1,200	-	1,200	1,200	-	-	-
Building maintenance	-	7,000	235	7,235	7,235	-	-	-
<i>Total senior citizens service</i>	-	121,686	-	121,686	120,718	-	968	484
<i>Economic devel. comm.</i>								
Website	-	500	62	562	562	-	-	-
Supplies and misc.	-	300	-	300	300	-	-	-
<i>Total economic devel. comm.</i>	-	800	62	862	862	-	-	-
<i>Boards and commissions</i>								
Historical cemetery comm	-	3,000	-	3,000	2,998	-	2	1
Arts council	-	500	-	500	419	-	81	41
Open space commission	-	3,400	(53)	3,347	3,313	-	34	17
Conservation commission	-	1,000	-	1,000	96	-	904	452
Fort barton park	-	3,200	53	3,253	3,253	-	-	-
Tree commission	-	500	-	500	-	-	500	250
Recycling commission	-	150	-	150	-	-	150	75
Personnel Board	-	500	-	500	194	-	306	153
Budget Committee	-	1,250	-	1,250	1,150	-	100	50
<i>Total boards & commissions</i>	\$ -	\$ 13,500	\$ -	\$ 13,500	\$ 11,423	\$ -	\$ 2,077	\$ 1,039
<i>Civic appropriations</i>								
Newport cnty visiting nurse	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -
East bay com action plan	-	5,500	-	5,500	5,500	-	-	-
East RI conservation district	-	1,000	-	1,000	1,000	-	-	-
Tiverton historical society	-	250	-	250	250	-	-	-
Garden club	-	500	-	500	500	-	-	-
Pocasset cemetery-vets plot	-	150	-	150	150	-	-	-
Fire - community training	-	1,250	-	1,250	1,237	-	13	7
Parents as Teachers	-	500	-	500	500	-	-	-
<i>Total civic appropriations</i>	-	14,150	-	14,150	14,137	-	13	7
<i>Library Services</i>								
Approp - operating exp's	-	565,000	-	565,000	565,000	-	-	-
<i>Total library services</i>	-	565,000	-	565,000	565,000	-	-	-
Total health & human svcs	\$ -	\$ 715,136	\$ 62	\$ 715,198	\$ 712,140	\$ -	\$ 3,058	\$ 1,529

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget					Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers	Total Available	Actual			
Public works								
<i>Town maintenance</i>								
Staff salaries - AFSCME	\$ -	\$ 95,306	\$ -	\$ 95,306	\$ 95,306	\$ -	\$ -	\$ -
Longevity	-	-	1,300	1,300	1,237	-	63	32
Uniform rental	-	600	-	600	600	-	-	-
Tool replacement	-	1,000	100	1,100	1,091	-	9	5
Misc operating supplies	-	1,000	(100)	900	897	-	3	2
Fuel, Oil, Tires	-	3,400	-	3,400	3,193	-	207	104
<i>Total town maintenance</i>	-	101,306	1,300	102,606	102,324	-	282	141
<i>Rubbish / recycling collection</i>								
Contracted services	-	724,900	-	724,900	722,400	-	2,500	1,250
<i>Total rubbish / recycling collection</i>	-	724,900	-	724,900	722,400	-	2,500	1,250
<i>Landfill</i>								
Personnel svcs	-	98,052	(2,909)	95,143	95,129	-	14	7
Overtime	-	100	-	100	-	-	100	50
Longevity	-	4,903	(406)	4,497	4,228	-	269	135
Sick leave buy back	-	4,800	(2,100)	2,700	2,510	-	190	95
Clothing allowance	-	300	-	300	300	-	-	-
Uniform rental	-	600	100	700	613	-	87	44
Landfill equip rent / cover	-	40,000	(13,316)	26,684	26,684	-	-	-
Electric	-	400	-	400	246	-	154	77
Engineering testing permits	-	50,000	14,400	64,400	64,288	-	112	56
Fuel, oil, and tires	-	9,500	2,300	11,800	11,798	-	2	1
Bulldozer repairs	-	10,000	15,575	25,575	25,575	-	-	-
On-site wastewater mgmt	-	30,000	-	30,000	29,480	-	520	260
<i>Total landfill</i>	-	248,655	13,644	262,299	260,851	-	1,448	724
<i>Public works operations</i>								
Dept mgmt salary	-	86,700	(9,800)	76,900	76,894	-	6	3
Personnel services	-	419,817	(4,200)	415,617	411,131	-	4,486	2,243
Staff salaries - AFSCME	-	38,922	23,500	62,422	59,943	-	2,479	1,240
Overtime	-	50,000	10,400	60,400	59,948	-	452	226
Longevity	-	13,675	(4,600)	9,075	8,061	-	1,014	507
Sick leave buy back	-	15,000	(3,500)	11,500	9,806	-	1,694	847
Clothing allowance	-	1,500	-	1,500	1,010	-	490	245
Uniform rental	-	3,300	600	3,900	3,867	33	-	-
Snow removal	-	75,000	(68,500)	6,500	6,128	372	-	-
Construction supplies	-	8,000	-	8,000	4,573	3,427	-	-
Tree removal	-	5,000	-	5,000	4,950	50	-	-
Minor equip replacements	-	80,000	24,406	104,406	104,406	-	-	-
Shop tools	-	1,000	-	1,000	983	17	-	-
Sand, salt, gravel, and pipe	-	90,000	6,700	96,700	96,681	19	-	-
Paving account	243,509	335,000	-	578,509	571,510	6,999	-	-
Guard rails	-	5,000	(3,850)	1,150	-	1,150	-	-
Stormwater mgmt	-	7,000	-	7,000	6,625	375	-	-
Heat	-	8,000	600	8,600	8,515	85	-	-
Electric	-	6,400	-	6,400	5,075	1,325	-	-
Water / sewer	-	850	-	850	790	60	-	-
Continuing Education/Licenses	-	2,500	-	2,500	1,663	837	-	-
Radio communications	-	6,200	-	6,200	5,198	1,002	-	-
Telephone	-	1,400	375	1,775	1,775	-	-	-
High way signs	-	4,000	-	4,000	2,155	1,845	-	-
Supplies and misc.	-	5,000	3,500	8,500	8,472	28	-	-
Fuel, oil, and tires	-	44,000	14,000	58,000	49,581	8,419	-	-
<i>Total public works operations</i>	243,509	1,313,264	(10,369)	1,546,404	1,509,740	26,043	10,621	5,311
Total public works	\$ 243,509	\$ 2,388,125	\$ 4,575	\$ 2,636,209	\$ 2,595,315	\$ 26,043	\$ 14,851	\$ 7,426

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Detailed Budgetary Comparison Schedule - General Fund
Schedule of Expenditures – Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2019

	Original Budget			Total Available	Actual	Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 19	Original Budget	Transfers					
Parks and recreation								
<i>Town beaches</i>								
Seasonal employees	\$ -	\$ 23,000	\$ (1,521)	\$ 21,479	\$ 11,924	\$ -	\$ 9,555	\$ 4,778
Misc operating supplies	-	2,500	2,346	4,846	4,845	-	1	1
<i>Total town beaches</i>	-	25,500	825	26,325	16,769	-	9,556	4,778
<i>Recreation commission</i>								
Recreation director	-	15,000	-	15,000	14,654	-	346	173
Seasonal employees	-	8,000	(235)	7,765	6,734	-	1,031	516
Transportation, fees and equip	-	2,000	(825)	1,175	673	-	502	251
Winter Recreation	-	2,500	-	2,500	1,579	-	921	461
Supplies and misc	-	1,500	235	1,735	1,714	-	21	11
<i>Total recreation commission</i>	-	29,000	(825)	28,175	25,354	-	2,821	1,411
<i>Maint, supplies, and mowing</i>								
Mowing services	-	28,700	-	28,700	28,700	-	-	-
Field rehabilitation	-	4,000	-	4,000	3,942	-	58	29
Preventive maintenance	-	7,500	-	7,500	7,419	-	81	41
<i>Total maint, supplies, and mowing</i>	-	40,200	-	40,200	40,061	-	139	70
Total parks and recreation	\$ -	\$ 94,700	\$ -	\$ 94,700	\$ 82,184	\$ -	\$ 12,516	\$ 6,258
Capital outlay								
<i>Non-recurring exps</i>								
DPW - Street Sweeper	-	23,585	-	23,585	23,585	-	-	-
DPW - Maintenance Vehicle	-	10,750	-	10,750	10,750	-	-	-
DPW - Backhoe	-	15,867	-	15,867	15,867	-	-	-
DPW - 10 Wheel Dump Body	-	28,000	-	28,000	-	-	28,000	14,000
DPW - 2nd Truck Body	-	15,000	-	15,000	14,239	-	761	381
DPW - 2 Ford Plow Trucks	-	49,000	6,000	55,000	54,533	-	467	234
DPW - 6 wheel #2	-	41,233	-	41,233	41,233	-	-	-
FD - engine 1	-	57,652	-	57,652	57,652	-	-	-
FD - pumper	-	61,218	-	61,218	61,218	-	-	-
FD - rescue 1	-	59,008	-	59,008	59,008	-	-	-
Streetlight Purchase & conversion	-	57,954	-	57,954	57,954	-	-	-
FD - Airpacks & Air Bottles	-	25,500	-	25,500	25,500	-	-	-
Capital reserve - restricted	116,894	-	-	116,894	92,495	24,399	-	-
<i>Total non-recurring exps</i>	116,894	444,767	6,000	567,661	514,034	24,399	29,228	14,614
Total capital outlay	\$ 116,894	\$ 444,767	\$ 6,000	\$ 567,661	\$ 514,034	\$ 24,399	\$ 29,228	\$ 14,614
Debt service								
Principal	-	3,095,000	-	3,095,000	3,038,380	-	56,620	28,310
Interest	-	1,699,269	-	1,699,269	1,699,269	-	-	-
Total debt service	\$ -	\$ 4,794,269	\$ -	\$ 4,794,269	\$ 4,737,649	\$ -	\$ 56,620	\$ 28,310
Total expenditures	\$ 577,985	\$ 21,388,724	\$ -	\$ 21,966,709	\$ 21,051,967	\$ 319,961	\$ 594,781	\$ 297,391
Other financing uses								
Transfers to school	-	23,363,246	-	23,363,246	23,455,250	-	(92,004)	-
Total expenditures & other financing uses	\$ 577,985	\$ 44,751,970	\$ -	\$ 45,329,955	\$ 44,507,217	\$ 319,961	\$ 502,777	\$ 297,391

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Combining Governmental Non-Major Balance Sheet

June 30, 2019

	Town Special Revenue	School Special Revenue	Capital Projects	Debt Service Fund	Total Non-Major Governmental Funds
Assets					
Cash and cash equivalents	\$ 17,727	\$ 43,253	\$ 862,205	\$ 539,727	\$ 1,462,912
Investments	273,619	-	8,525,976	-	8,799,595
Due from other governments	228,211	53,070	228,684	-	509,965
Due from other funds	1,073,293	-	33,167	13,082	1,119,542
Total assets	<u>1,592,850</u>	<u>96,323</u>	<u>9,650,032</u>	<u>552,809</u>	<u>11,892,014</u>
Deferred outflows of resources					
Deferred outflows	-	-	-	-	-
Total assets and deferred outflows of resources	<u>1,592,850</u>	<u>96,323</u>	<u>9,650,032</u>	<u>552,809</u>	<u>11,892,014</u>
Liabilities					
Accounts payable and accrued expenses	-	-	2	-	2
Due to other funds	71,154	-	81,682	-	152,836
Total liabilities	<u>71,154</u>	<u>-</u>	<u>81,684</u>	<u>-</u>	<u>152,838</u>
Deferred inflows of resources					
Unearned revenue	228,212	-	-	-	228,212
Total deferred inflows of resources	<u>228,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,212</u>
Fund balance					
Nonspendable	-	-	-	-	-
Restricted	468,201	96,323	-	-	564,524
Committed	885,747	-	9,535,181	552,809	10,973,737
Unassigned	(60,464)	-	33,167	-	(27,297)
Total fund balance	<u>1,293,484</u>	<u>96,323</u>	<u>9,568,348</u>	<u>552,809</u>	<u>11,510,964</u>
Town liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,592,850</u>	<u>\$ 96,323</u>	<u>\$ 9,650,032</u>	<u>\$ 552,809</u>	<u>\$ 11,892,014</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2019

	Town Special Revenue	School Special Revenue	Capital Projects	Debt Service Fund	Total Non-Major Governmental Funds
Revenues					
Federal and state grant income	\$ 189,989	\$ 1,027,269	\$ -	\$ -	\$ 1,217,258
Other revenue	410,460	31,115	2,345,086	-	2,786,661
Investment income	-	-	415,646	11,113	426,759
Total revenue	<u>600,449</u>	<u>1,058,384</u>	<u>2,760,732</u>	<u>11,113</u>	<u>4,430,678</u>
Expenditures					
General government	12,583	-	-	-	12,583
Public safety	297,179	-	-	-	297,179
Public works	-	-	1,443,639	-	1,443,639
Education	-	1,324,224	8,742,466	-	10,066,690
Health and human services	225,587	-	-	-	225,587
Parks and recreation	86,168	-	-	-	86,168
Total Expenditures	<u>621,517</u>	<u>1,324,224</u>	<u>10,186,105</u>	<u>-</u>	<u>12,131,846</u>
Excess (deficiency) of revenues over expenditures	(21,068)	(265,840)	(7,425,373)	11,113	(7,701,168)
Other financing sources (uses)					
Transfers in	-	247,765	1,615,395	-	1,863,160
Total other financing sources (uses)	<u>-</u>	<u>247,765</u>	<u>1,615,395</u>	<u>-</u>	<u>1,863,160</u>
Excess of revenue and other sources over expenditures and other uses	(21,068)	(18,075)	(5,809,978)	11,113	(5,838,008)
Fund balance, July 1, 2018	<u>1,314,552</u>	<u>114,398</u>	<u>15,378,326</u>	<u>541,696</u>	<u>17,348,972</u>
Fund balance, June 30, 2019	<u>\$ 1,293,484</u>	<u>\$ 96,323</u>	<u>\$ 9,568,348</u>	<u>\$ 552,809</u>	<u>\$ 11,510,964</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2019

	200 Fire Detection Fund	202 Meds Grant	204 EMA Grant	206 RIEMA Grant	210 Substance Abuse
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	6,901	15,084	-	-	53,138
Total assets	<u>6,901</u>	<u>15,084</u>	<u>-</u>	<u>-</u>	<u>53,138</u>
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	<u>6,901</u>	<u>15,084</u>	<u>-</u>	<u>-</u>	<u>53,138</u>
Liabilities					
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
None	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	-	-	-	-	53,138
Committed	6,901	15,084	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>6,901</u>	<u>15,084</u>	<u>-</u>	<u>-</u>	<u>53,138</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 6,901</u>	<u>\$ 15,084</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,138</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - Town - Combining Balance Sheet
 June 30, 2019

	212 PD Crime Prevention	213 State and Local Drug Forfeiture	214 Federal Drug Forfeiture	215 Police Leg Grant	216 Byrne Stimulus
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	4,439	-	-	1,832	30,574
Total assets	4,439	-	-	1,832	30,574
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	4,439	-	-	1,832	30,574
Liabilities					
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred Inflows of Resources					
None	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances					
Restricted	4,439	-	-	1,832	30,574
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	4,439	-	-	1,832	30,574
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 4,439	\$ -	\$ -	\$ 1,832	\$ 30,574

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2019

	218 Police Equipment	220 CDBG	222 MISC Revenue	223 NCPC Grant	224 PFS Grant	225 Tiverton PC
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-	-
Due from other governments	-	228,211	-	-	-	-
Due from other funds	-	14,436	-	6,254	-	10,691
Total assets	-	242,647	-	6,254	-	10,691
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	-	242,647	-	6,254	-	10,691
Liabilities						
Due to other funds	-	-	19,157	-	16,928	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	19,157	-	16,928	-
Deferred Inflows of Resources						
Unearned revenue	-	228,211	-	-	-	-
Total deferred inflows of resources	-	228,211	-	-	-	-
Fund Balances						
Restricted	-	14,436	-	-	-	-
Committed	-	-	-	6,254	-	-
Unassigned	-	-	(19,157)	-	(16,928)	10,691
Total fund balances (deficits)	-	14,436	(19,157)	6,254	(16,928)	10,691
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ 242,647	\$ -	\$ 6,254	\$ -	\$ 10,691

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2019

	226	227	228	230	232	234
	State	NPC SOR	Local Task	Senior	Senior Center	Senior Center
	Response	Grant	Force	Center	Waite Account	Roof Repair
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	2,670	2,062	1,595	2,390
Total assets	-	-	2,670	2,062	1,595	2,390
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	-	-	2,670	2,062	1,595	2,390
Liabilities						
Due to other funds	15,549	19,307	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	15,549	19,307	-	-	-	-
Deferred Inflows of Resources						
None	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances						
Restricted	-	-	-	-	-	2,390
Committed	-	-	2,670	2,062	1,595	-
Unassigned	(15,549)	(19,307)	-	-	-	-
Total fund balances (deficits)	(15,549)	(19,307)	2,670	2,062	1,595	2,390
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ -	\$ 2,670	\$ 2,062	\$ 1,595	\$ 2,390

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - Town - Combining Balance Sheet
 June 30, 2019

	250 North Tiverton Contam. Award	252 Bulgarmarsh Park	255 Recycling	260 Historical Records	262 Land Evidence
Assets					
Cash and cash equivalents	\$ 17,727	\$ -	\$ -	\$ -	\$ -
Investments	273,619	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	70,046	121	46,249	27,083	86,464
Total assets	<u>361,392</u>	<u>121</u>	<u>46,249</u>	<u>27,083</u>	<u>86,464</u>
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	<u>361,392</u>	<u>121</u>	<u>46,249</u>	<u>27,083</u>	<u>86,464</u>
Liabilities					
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
None	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	361,392	-	-	-	-
Committed	-	121	46,249	27,083	86,464
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>361,392</u>	<u>121</u>	<u>46,249</u>	<u>27,083</u>	<u>86,464</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 361,392</u>	<u>\$ 121</u>	<u>\$ 46,249</u>	<u>\$ 27,083</u>	<u>\$ 86,464</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2019

	264	266	268	270	272	280
	Open Space	Vicious Dog	Open Space	Pocasset	Pocasset Ridge	Wastewater
	Acquisition		Stewardship	Stewardship	Conservation	Management
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	627,407	49,436	4,668	6,263	497	-
Total assets	627,407	49,436	4,668	6,263	497	-
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	627,407	49,436	4,668	6,263	497	-
Liabilities						
Due to other funds	-	-	-	-	-	214
Unearned revenue	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	214
Deferred Inflows of Resources						
None	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances						
Restricted	-	-	-	-	-	-
Committed	627,407	49,436	4,668	6,263	497	-
Unassigned	-	-	-	-	-	(214)
Total fund balances (deficits)	627,407	49,436	4,668	6,263	497	(214)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 627,407	\$ 49,436	\$ 4,668	\$ 6,263	\$ 497	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet

June 30, 2019

	285 Bike Tiverton	295 Tiverton Dog Park	415 Casino Fire Detail	420 Casino Police Detail	425 Fire Detail	Total
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,727
Investment	-	-	-	-	-	273,619
Due from other governments	-	-	-	-	-	228,211
Due from other funds	1,693	1,000	-	-	300	1,073,293
Total assets	<u>1,693</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>1,592,850</u>
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	<u>1,693</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>1,592,850</u>
Liabilities						
Due to other funds	-	-	-	-	-	71,154
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,154</u>
Deferred Inflows of Resources						
None	-	-	-	-	-	228,212
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,212</u>
Fund Balances						
Restricted	-	-	-	-	-	468,201
Committed	1,693	1,000	-	-	300	885,747
Unassigned	-	-	-	-	-	(60,464)
Total fund balances (deficits)	<u>1,693</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>1,293,484</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 1,693</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 1,592,850</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	200	202	204	206	210
	Fire Detection	Meds Grant	EMA Grant	RIEMA	Substance
	Fund			Grant	Abuse
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	9,770	-	13,080	41,000	-
Total revenues	9,770	-	13,080	41,000	-
Expenditures					
General government	7,387	-	-	-	-
Public safety	-	-	-	-	(3,100)
Public works	-	-	-	-	-
Health and human Services	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Capital	-	-	-	-	-
Total expenditures	7,387	-	-	-	(3,100)
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	2,383	-	13,080	41,000	3,100
Other financing sources (uses)					
Transfers (to) other funds	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	2,383	-	13,080	41,000	3,100
Fund Balance, July 1, 2018	4,518	15,084	(13,080)	(41,000)	50,038
Fund Balance, June 30, 2019	\$ 6,901	\$ 15,084	\$ -	\$ -	\$ 53,138

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	212	213	214	215	216
	PD Crime	State and Local	Federal Drug	Police	Byrne
	Prevention	Drug Forfeiture	Forfeiture	Leg Grant	Stimulus
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	6,667	-	-	-	-
Total revenues	<u>6,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
General government	-	-	-	-	-
Public safety	2,638	10,884	11,864	-	-
Public works	-	-	-	-	-
Health and human Services	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Capital					
Total expenditures	<u>2,638</u>	<u>10,884</u>	<u>11,864</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	4,029	(10,884)	(11,864)	-	-
Other financing sources (uses)					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	4,029	(10,884)	(11,864)	-	-
Fund Balance, July 1, 2018	<u>410</u>	<u>10,884</u>	<u>11,864</u>	<u>1,832</u>	<u>30,574</u>
Fund Balance, June 30, 2019	<u>\$ 4,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,832</u>	<u>\$ 30,574</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds – Town

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	218 Police Equipment	220 CDBG	222 NCPC	223 NCPC Grant	224 PFS Grant	225 Tiverton PC
Revenues						
Intergovernmental revenue	\$ -	\$ 189,989	\$ -	\$ -	\$ -	\$ -
Other revenue	-	-	131,935	28,681	-	12,584
Total revenues	-	189,989	131,935	28,681	-	12,584
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	-	136,396	-	16,928	28
Public works	-	-	-	-	-	-
Health and human Services	-	190,145	-	-	-	-
Parks and recreation	-	-	-	25,669	-	-
Capital	-	-	-	-	-	-
Total expenditures	-	190,145	136,396	25,669	16,928	28
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	-	(156)	(4,461)	3,012	(16,928)	12,556
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	(156)	(4,461)	3,012	(16,928)	12,556
Fund Balance, July 1, 2018	-	14,592	(14,696)	3,242	-	(1,865)
Fund Balance, June 30, 2019	\$ -	\$ 14,436	\$ (19,157)	\$ 6,254	\$ (16,928)	\$ 10,691

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds – Town
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	226 State Response	227 NPC SOR Grant	228 Local Task Force	230 Senior Center	232 Senior Center Waite Account	234 Senior Center Roof Repair
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 19,843	\$ -	\$ -
Other revenue	58,176	4,860	16,750	-	-	-
Total revenues	<u>58,176</u>	<u>4,860</u>	<u>16,750</u>	<u>19,843</u>	<u>-</u>	<u>-</u>
Expenditures						
General government	-	-	-	-	-	-
Public safety	70,800	24,167	17,111	-	-	-
Public works	-	-	-	-	-	-
Health and human Services	-	-	-	19,831	392	-
Parks and recreation	875	-	-	-	-	-
Capital						
Total expenditures	<u>71,675</u>	<u>24,167</u>	<u>17,111</u>	<u>19,831</u>	<u>392</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(13,499)	(19,307)	(361)	12	(392)	-
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(13,499)	(19,307)	(361)	12	(392)	-
Fund Balance, July 1, 2018	<u>(2,050)</u>	<u>-</u>	<u>3,031</u>	<u>2,050</u>	<u>1,987</u>	<u>2,390</u>
Fund Balance, June 30, 2019	<u>\$ (15,549)</u>	<u>\$ (19,307)</u>	<u>\$ 2,670</u>	<u>\$ 2,062</u>	<u>\$ 1,595</u>	<u>\$ 2,390</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Fund - Town- Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	250	252	255	260	262
	North Tiverton	Bulgarmarsh		Historical	
	Contamination Award	Park	Recycling	Records	Land Evidence
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	5,319	-	-	2,775	16,102
Total revenues	<u>5,319</u>	<u>-</u>	<u>-</u>	<u>2,775</u>	<u>16,102</u>
Expenditures					
General government	-	-	-	-	5,194
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and human Services	15,218	-	-	-	-
Parks and recreation	-	-	-	-	-
Capital					
Total expenditures	<u>15,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,194</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(9,899)	-	-	2,775	10,908
Other financing sources (uses)					
Transfers from (to) other funds	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(9,899)	-	-	2,775	10,908
Fund Balance, July 1, 2018	<u>371,291</u>	<u>121</u>	<u>46,249</u>	<u>24,308</u>	<u>75,556</u>
Fund Balance, June 30, 2019	<u>\$ 361,392</u>	<u>\$ 121</u>	<u>\$ 46,249</u>	<u>\$ 27,083</u>	<u>\$ 86,464</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Fund - Town- Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	264	266	268	270	272	280
	Open Space	Vicious Dog	Open Space	Pocassetlands	Pocasset Ridge	Wastewater
	Acquisition		Stewardship	Stewardship	Conservation	Management
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	25,171	-	3,250	3,164	500	-
Total revenues	<u>25,171</u>	<u>-</u>	<u>3,250</u>	<u>3,164</u>	<u>500</u>	<u>-</u>
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	(70)
Health and human Services	-	-	-	-	-	-
Parks and recreation	53,149	-	4,512	640	365	-
Capital	-					
Total expenditures	<u>53,149</u>	<u>-</u>	<u>4,512</u>	<u>640</u>	<u>365</u>	<u>(70)</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(27,978)	-	(1,262)	2,524	135	70
Other financing sources (uses)						
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(27,978)	-	(1,262)	2,524	135	70
Fund Balance, July 1, 2018	<u>655,385</u>	<u>49,436</u>	<u>5,930</u>	<u>3,739</u>	<u>362</u>	<u>(284)</u>
Fund Balance, June 30, 2019	<u>\$ 627,407</u>	<u>\$ 49,436</u>	<u>\$ 4,668</u>	<u>\$ 6,263</u>	<u>\$ 497</u>	<u>\$ (214)</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Fund - Town- Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	285 Bike Tiverton	295 Tiverton Dog Park	415 Casino Fire Detail	420 Casino Police Detail	425 Fire Detail	Total
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 209,832
Other revenue	-	1,000	7,515	2,018	300	390,617
Total revenues	-	1,000	7,515	2,018	300	600,449
Expenditures						
General government	-	-	-	-	-	12,583
Public safety	-	-	7,515	2,018	-	297,249
Public works	-	-	-	-	-	(70)
Health and human Services	-	-	-	-	-	225,587
Parks and recreation	957	-	-	-	-	86,168
Capital						
Total expenditures	957	-	7,515	2,018	-	621,517
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(957)	1,000	-	-	300	(21,068)
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(957)	1,000	-	-	300	(21,068)
Fund Balance, July 1, 2018	2,650	-	-	-	-	1,314,552
Fund Balance, June 30, 2019	\$ 1,693	\$ 1,000	\$ -	\$ -	\$ 300	\$ 1,293,484

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet

June 30, 2019

	SPED IDEA Part B	SPED IDEA Preschool	Title I Part A Disadvantaged Youth	Title II Part A Teacher Quality	Math and Science
Assets					
Cash	\$ -	\$ -	\$ -	\$ (52,236)	\$ -
Due from state or federal government	-	-	-	53,070	-
Total assets	-	-	-	834	-
Deferred Outflows of Resources					
None	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	-	-	-	834	-
Liabilities					
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources					
None	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
Fund balances, restricted	-	-	-	834	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ -	\$ -	\$ 834	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet

June 30, 2019

	<u>Title IV</u>	<u>Perkins Vocational Edu</u>	<u>Equipment Assistance</u>	<u>Safe and Drug Free Schools</u>	<u>SAMHSA Substance Abuse</u>
Assets					
Cash	\$ -	\$ 6,731	\$ -	\$ -	\$ -
Due from state or federal government	-	-	-	-	-
Total assets	-	6,731	-	-	-
Deferred Outflows of Resources					
None	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	-	6,731	-	-	-
Liabilities					
Due to school unrestricted	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources					
None	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
Fund balances, restricted	-	6,731	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ 6,731	\$ -	\$ -	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Balance Sheet

June 30, 2019

	Healthier US Comm Challenge	GA TMS Mock Trial	Pocasset GA Math	RISCA	Ranger Elem Arts	Pocasset Elem Arts
Assets						
Cash	\$ 525	\$ -	\$ 28	\$ 1,444	\$ 248	\$ 545
Due from state or federal government	-	-	-	-	-	-
Total assets	525	-	28	1,444	248	545
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	525	-	28	1,444	248	545
Liabilities						
Due to school unrestricted	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources						
None	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-
Fund balances, restricted	525		28	1,444	248	545
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 525	\$ -	\$ 28	\$ 1,444	\$ 248	\$ 545

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet

June 30, 2019

	Ft Barton Elem Arts	CTE Categorical	English Learning Categorical	RI Learning Championship	RI Fndtn Faith in Prevention
Assets					
Cash	\$ 303	\$ 55,592	\$ -	\$ -	\$ 9,807
Due from state or federal government	-	-	-	-	-
Total assets	303	55,592	-	-	9,807
Deferred Outflows of Resources					
None	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	303	55,592	-	-	9,807
Liabilities					
Due to school unrestricted	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources					
None	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
Fund balances, restricted	303	55,592	-	-	9,807
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 303	\$ 55,592	\$ -	\$ -	\$ 9,807

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet

June 30, 2019

	<u>Van Beuren Awards</u>	<u>Van Beuren PEP Grant</u>	<u>Pocasset Memorial</u>	<u>School Housing Aid</u>	<u>Total</u>
Assets					
Cash	\$ 322	\$ 19,819	\$ 125	\$ -	\$ 43,253
Due from state or federal government	-	-	-	-	53,070
Total assets	<u>322</u>	<u>19,819</u>	<u>125</u>	<u>-</u>	<u>96,323</u>
Deferred Outflows of Resources					
None	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u><u>322</u></u>	<u><u>19,819</u></u>	<u><u>125</u></u>	<u><u>-</u></u>	<u><u>96,323</u></u>
Liabilities					
Due to school unrestricted	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources					
None	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, restricted	<u>322</u>	<u>19,819</u>	<u>125</u>	<u>-</u>	<u>96,323</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u><u>\$ 322</u></u>	<u><u>\$ 19,819</u></u>	<u><u>\$ 125</u></u>	<u><u>\$ -</u></u>	<u><u>96,323</u></u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	SPED IDEA Part B	SPED IDEA Preschool	Title I Part A Disadvantaged Youth	Title II Part A Teacher Quality	Math and Science
Revenues					
Federal and state grant income	\$ 422,778	\$ 13,477	\$ 184,450	\$ 52,236	\$ 84,171
Other grant income	-	-	-	-	-
Total revenues	<u>422,778</u>	<u>13,477</u>	<u>184,450</u>	<u>52,236</u>	<u>84,171</u>
Expenditures					
Education	<u>422,778</u>	<u>13,477</u>	<u>184,450</u>	<u>52,236</u>	<u>84,171</u>
Excess (deficiency) of revenue over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>-</u>
Fund Balance, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ -</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	<u>Title IV</u>	<u>Perkins Vocational Edu</u>	<u>Equipment Assistance</u>	<u>Safe and Drug Free Schools</u>	<u>SAMHSA Substance Abuse</u>
Revenues					
Federal and state grant income	\$ 19,963	\$ 18,801	\$ -	\$ 59,581	\$ 132,538
Other grant income	-	-	-	-	-
Total revenues	<u>19,963</u>	<u>18,801</u>	<u>-</u>	<u>59,581</u>	<u>132,538</u>
Expenditures					
Education	<u>19,963</u>	<u>18,801</u>	<u>-</u>	<u>59,581</u>	<u>132,538</u>
Excess (deficiency) of revenue over expenditures	-	-	-	-	-
Other financing sources (uses)					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund Balance, July 1, 2018	<u>-</u>	<u>6,731</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30, 2019	<u><u>\$ -</u></u>	<u><u>\$ 6,731</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	Healthier US Comm Challenge	GA TMS Mock Trial	Pocasset GA Math	RISCA	Ranger Elem Arts	Pocasset Elem Arts
Revenues						
Federal and state grant income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other grant income	-	500	1,045	400	350	350
Total revenues	-	500	1,045	400	350	350
Expenditures						
Education	-	610	1,017	196	294	274
Excess (deficiency) of revenue over expenditures	-	(110)	28	204	56	76
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(110)	28	204	56	76
Fund Balance, July 1, 2018	525	110	-	1,240	192	469
Fund Balance, June 30, 2019	\$ 525	\$ -	\$ 28	\$ 1,444	\$ 248	\$ 545

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	Ft Barton Elem Arts	CTE Categorical	English Learning Categorical	RI Learning Championship	RI Fndtn Faith in Prevention
Revenues					
Federal and state grant income	\$ -	\$ 37,082	\$ 1,101	\$ 1,091	\$ -
Other grant income	350	-	-	-	-
	350	37,082	1,101	1,091	-
Total revenues	350	37,082	1,101	1,091	-
Expenditures					
Education	268	44,756	1,101	1,091	193
Excess (deficiency) of revenue over expenditures	82	(7,674)	-	-	(193)
Other financing sources (uses)					
Transfers from (to) other funds	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	82	(7,674)	-	-	(193)
Fund Balance, July 1, 2018	221	63,266	-	-	10,000
Fund Balance, June 30, 2019	\$ 303	\$ 55,592	\$ -	\$ -	\$ 9,807

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	<u>Van Beuren Awards</u>	<u>Van Beuren PEP Grant</u>	<u>Pocasset Memorial</u>	<u>School Housing Aid</u>	<u>Total</u>
Revenues					
Federal and state grant income	\$ -	\$ -	\$ -	\$ -	\$ 1,027,269
Other grant income	-	28,120	-	-	31,115
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	28,120	-	-	1,058,384
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures					
Education	19,524	19,140	-	247,765	1,324,224
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenue over expenditures	(19,524)	8,980	-	(247,765)	(265,840)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources (uses)					
Transfers from (to) other funds	-	-	-	247,765	247,765
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(19,524)	8,980	-	-	(18,075)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, July 1, 2018	19,846	10,839	125	-	114,398
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, June 30, 2019	\$ 322	\$ 19,819	\$ 125	\$ -	\$ 96,323
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Capital Project Funds – Combining Balance Sheet

June 30, 2019

	300 Landfill Closure	302 Old Stone Bridge	305 Grinnells Beach	309 TIF Bond	350 Street Sweeper	630 School Housing Bond	Total
Assets							
Cash & cash equivalents	\$ 35,747	\$ -	\$ -	\$ 425,632	\$ -	\$ 400,825	\$ 862,205
Investments	8,525,976	-	-	-	-	-	8,525,976
Due from	-	-	33,167	-	-	-	33,167
Intergovernmental receivable	-	-	-	-	228,684	-	228,684
Total assets	8,561,723	-	33,167	425,632	228,684	400,825	9,650,032
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	8,561,723	-	33,167	425,632	228,684	400,825	9,650,032
Liabilities							
Accounts payable and accrued expenses	1	-	-	1	-	-	2
Due to other funds	40,910	-	-	17,183	23,587	-	81,682
Total liabilities	40,911	-	-	17,184	23,587	-	81,684
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Fund Balances							
Committed	8,520,812	-	-	408,448	205,097	400,825	9,535,181
Unassigned	-	-	33,167	-	-	-	33,167
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,561,723	\$ -	\$ 33,167	\$ 425,632	\$ 228,684	\$ 400,825	\$ 9,650,032

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Capital Project Funds – Combining Statement of Revenue, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2019

	300 Landfill Closure	302 Old Stone Bridge	305 Grinnells Beach	309 TIF Bond	350 Street Sweeper	630 School Housing Bond	Total
Revenues							
Investment income	\$ 351,431	\$ -	\$ -	\$ 18,983	\$ -	\$ 45,233	\$ 415,646
Intergovernmental	-	1,315,913	-	-	-	-	1,315,913
Other	521,000	-	392,643	-	114,342	1,189	1,029,174
Total revenues	872,431	1,315,913	392,643	18,983	114,342	46,422	2,760,733
Expenditures							
Education	-	-	-	-	-	8,742,466	8,742,466
Public works	112,530	1,062,960	267,149	1,000	-	-	1,443,639
Total expenditures	112,530	1,062,960	267,149	1,000	-	8,742,466	10,186,105
Excess (deficiency) of revenue over expenditures	759,901	252,953	125,494	17,983	114,342	(8,696,044)	(7,425,373)
Other financing sources (uses)							
Transfer from (to) other funds	-	-	-	-	23,585	1,591,810	1,615,395
Total other financing sources (uses)	-	-	-	-	23,585	1,591,810	1,615,395
Excess (deficiency) of revenues and other sources over expenditures and other uses	759,901	252,953	125,494	17,983	137,927	(7,104,234)	(5,809,978)
Fund balance, July 1, 2018	7,760,911	(252,953)	(92,327)	390,465	67,170	7,505,059	15,378,326
Fund balance, June 30, 2019	\$ 8,520,812	\$ -	\$ 33,167	\$ 408,448	\$ 205,097	\$ 400,825	\$ 9,568,348

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Employee Benefit Trust Fund – Combining Statement of Net Position

June 30, 2019

	Police Pension Trust	Town OPEB Trust Funds	School OPEB Trust Funds
Assets			
Cash and cash equivalents	\$ 243,585	\$ 157,063	\$ -
Investments, at fair value			
Cash management investment fund	-	-	397,411
Equities	11,043,759	-	-
Fixed income	1,895,182	-	-
Due from	-	24,689	-
Total assets	13,182,526	181,752	397,411
Deferred outflows of resources			
None	-	-	-
Total assets and deferred outflows of resources	13,182,526	181,752	397,411
Liabilities			
Accounts payable	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources			
None	-	-	-
Net position			
Restricted for pension	13,182,526	-	-
Restricted for School OPEB	-	-	397,411
Total net position	13,182,526	181,752	397,411
Total liabilities and net position	\$ 13,182,526	\$ 181,752	\$ 397,411

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Employee Benefit Trust Fund – Combining Statement of Changes in Net Position

For the Year Ended June 30, 2019

	Police	Town	School
	Pension Trust	OPEB	OPEB
	<u>Pension Trust</u>	<u>Trust Funds</u>	<u>Trust Funds</u>
Additions			
Employer contributions	\$ 700,000	\$ 767,455	\$ 291,169
Plan member contributions	198,051	-	22,583
Investment income (net of related fees)	862,217	10,209	-
Other	-	-	-
	<u>1,760,268</u>	<u>777,664</u>	<u>313,752</u>
Deductions			
Benefits paid	941,069	733,882	208,430
Administrative costs	10,800	-	-
Per trust agreements	-	-	-
	<u>951,869</u>	<u>733,882</u>	<u>208,430</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	808,399	43,782	105,322
Net position, July 1, 2018	<u>12,374,127</u>	<u>137,970</u>	<u>292,089</u>
Net position, June 30, 2019	<u>\$ 13,182,526</u>	<u>\$ 181,752</u>	<u>\$ 397,411</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Private Purpose Trust – Combining Statement of Net Position

June 30, 2019

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Totals</u>
Assets			
Cash	\$ 5,460	\$ 449,196	\$ 454,656
Investments	9,839	60,331	70,170
Total assets	<u>15,299</u>	<u>509,527</u>	<u>524,826</u>
Liabilities			
Accounts payable			
Due to other funds	17	22,417	22,434
Total liabilities	<u>17</u>	<u>22,417</u>	<u>22,434</u>
Net position			
Reserved for lots / cemetery	15,282	487,110	502,392
Total liabilities and net position	<u>\$ 15,299</u>	<u>\$ 509,527</u>	<u>\$ 524,826</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Private Purpose Trust – Combining Statement of Changes in Net Position

For the Year Ended June 30, 2019

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Total</u>
Additions			
Investment income	\$ 202	\$ 22,840	\$ 23,042
Other	-	23,125	23,125
	<hr/>	<hr/>	<hr/>
Total additions	202	45,965	46,167
Deductions			
Per trust agreements	<hr/> 1,385	<hr/> 25,831	<hr/> 27,216
Changes in fund equity held in trust for individuals, organizations, and other governments	(1,183)	20,134	18,951
Net position, July 1, 2018	<hr/> 16,465	<hr/> 466,976	<hr/> 483,441
Net position, June 30, 2019	<u>\$ 15,282</u>	<u>\$ 487,110</u>	<u>\$ 502,392</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Agency Funds – Combining Statement of Net Position

June 30, 2019

	Student Activities	Gravel Permits	Escrow Funds	Total
Assets				
Cash Checking	\$ 163,414	\$ 4,808	\$ 76,105	\$ 244,327
Due from other funds	-	-	366,824	366,824
Total assets	163,414	4,808	442,929	611,151
Deferred outflows of resources				
None	-	-	-	-
Total outflows of resources and assets	163,414	4,808	442,929	611,151
Liabilities				
Due To Primary Government				-
Deposits held	163,414	4,808	442,929	611,151
Total Liabilities	\$ 163,414	\$ 4,808	\$ 442,929	\$ 611,151
Total fund balances (deficits)	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 163,414	\$ 4,808	\$ 442,929	\$ 611,151

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Agency Funds – Combining Statement of Additions and Deductions

For the Year Ended June 30, 2019

	<u>Student Activities</u>	<u>Gravel Permits</u>	<u>Escrow Funds</u>	<u>Total</u>
Additions				
Interest	\$ -	\$ 5	\$ 8	\$ 13
Miscellaneous revenue	244,529	-	49,543	294,072
Total additions	<u>244,529</u>	<u>5</u>	<u>49,551</u>	<u>294,085</u>
Deductions				
Amount expended	<u>248,130</u>	<u>-</u>	<u>129,215</u>	<u>377,345</u>
Total deductions	<u>248,130</u>	<u>-</u>	<u>129,215</u>	<u>377,345</u>
Increase (decrease) in deposits held	(3,601)	5	(79,664)	(83,260)
Deposits Held, July 1, 2018	<u>167,015</u>	<u>4,803</u>	<u>519,033</u>	<u>690,851</u>
Deposits Held, June 30, 2019	<u>\$ 163,414</u>	<u>\$ 4,808</u>	<u>\$ 439,369</u>	<u>\$ 607,591</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

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

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Education Department

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

REVENUE	Municipal	Education Department
Current Year Levy Tax Collection	\$ 36,904,909	\$ -
Last Year's Levy Tax Collection	540,391	-
Prior Years Property Tax Collection	335,438	-
Interest & Penalty	320,619	-
PILOT & Tax Treaty (excluded from levy) Collection	806,753	-
Other Local Property Taxes	339,464	-
Licenses and Permits	496,751	-
Fines and Forfeitures	78,934	-
Investment Income	209,695	-
Departmental	654,704	-
Rescue Run Revenue	638,900	-
Police & Fire Detail	1,077,357	-
Other Local Non-Property Tax Revenues	35,869	-
Tuition	-	-
Impact Aid	-	-
Medicaid	-	1,472,935
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	243,702
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	-	947,479
MV Excise Tax Reimbursement	62,598	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	122,624	-
Library Construction Aid	315,268	-
Public Service Corporation Tax	199,352	-
Meals & Beverage Tax / Hotel Tax	300,959	-
LEA Aid	-	6,779,219
Group Home	-	-
Housing Aid Capital Projects	92,338	-
Housing Aid Bonded Debt	861,326	-
State Food Service Revenue	-	7,683
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	1,518,558	2,995
Motor Vehicle Phase Out	241,745	-
Other Revenue	-	436,278
Local Appropriation for Education	-	23,455,250
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 46,154,552	\$ 33,345,541
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	92,500	-
Rounding	-	-
Total Other Financing Sources	\$ 92,500	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

<u>EXPENDITURES</u>	<u>General Government</u>	<u>Finance</u>	<u>Social Services</u>	<u>Centralized IT</u>	<u>Planning</u>	<u>Libraries</u>	<u>Public Works</u>	<u>Parks and Rec</u>	<u>Police Department</u>
Compensation- Group A	\$ 394,814	\$ 392,728	\$ 73,395	\$ -	\$ 171,029	\$ 421,353	\$ 765,556	\$ 41,562	\$ 2,029,826
Compensation - Group B	-	-	-	-	-	-	-	-	176,913
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	8,059	-	-	-	-	-	59,948	-	140,730
Overtime - Group B	-	-	-	-	-	-	-	-	6,386
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	710,593
Active Medical Insurance - Group A	121,193	106,818	18,667	-	32,579	57,405	230,441	-	439,421
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	73,742
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	4,349	5,505	880	-	2,615	2,045	2,717	-	20,223
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	3,417
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	30,542	28,406	6,010	-	16,653	30,503	59,043	3,011	178,439
Life Insurance	2,688	2,150	538	-	1,613	-	1,075	-	8,994
State Defined Contribution- Group A	3,729	3,425	777	-	1,393	3,135	7,416	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	2,170
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	17,407	-	-	-	5,242	-	-	-	-
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	700,000
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	14,698	18,691	2,635	-	6,756	6,838	21,692	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	15,907
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	355,161	57,449	-	-	155,674	14,656	107,498	41,551	3,811
Materials/Supplies	17,083	7,740	13,904	-	6,688	58,204	147,106	6,635	49,419
Software Licenses	6,296	14,355	1,200	-	9,865	-	-	-	21,566
Capital Outlays	92,494	-	-	-	-	-	194,575	-	-
Insurance	355,756	-	-	-	-	-	-	-	-
Maintenance	6,694	-	8,224	-	-	14,793	-	-	12,444
Vehicle Operations	141	676	15,312	-	1,075	-	90,147	-	82,867
Utilities	21,838	2,335	7,725	-	1,145	51,951	21,599	233	64,277
Contingency	8,493	-	-	-	-	-	-	-	11,460
Street Lighting	-	-	-	-	-	-	112,407	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	102,808	-	-
Trash Removal & Recycling	-	-	-	-	-	-	722,400	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	25,273	-	-	-	-	-	-	-	-
Other Operation Expenditures	81,729	3,546	957	-	1,157	36,715	579,753	15,961	51,636
Tipping Fees	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,568,438	\$ 643,824	\$ 150,226	\$ -	\$ 413,485	\$ 697,597	\$ 3,226,181	\$ 108,953	\$ 4,804,240

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

<u>EXPENDITURES</u>	<u>Fire Department</u>	<u>Centralized Dispatch</u>	<u>Public Safety Other</u>	<u>Education Appropriation</u>	<u>Debt</u>	<u>OPEB</u>	<u>Total Municipal</u>	<u>Education Department</u>
Compensation- Group A	\$ 1,912,670	\$ 333,950	\$ 40,501	\$ -	\$ -	\$ -	\$ 6,577,384	\$ 14,655,001
Compensation - Group B	63,158	-	-	-	-	-	240,070	1,580,370
Compensation - Group C	-	-	-	-	-	-	-	2,474,655
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	176,419	28,746	832	-	-	-	414,733	-
Overtime - Group B	-	-	-	-	-	-	6,386	4,431
Overtime - Group C	-	-	-	-	-	-	-	67,290
Police & Fire Detail	256,820	-	-	-	-	-	967,413	-
Active Medical Insurance - Group A	522,357	82,157	18,863	-	-	-	1,629,900	2,312,471
Active Medical Insurance- Group B	18,756	-	-	-	-	-	92,498	197,086
Active Medical Insurance- Group C	-	-	-	-	-	-	-	834,188
Active Dental insurance- Group A	23,393	3,737	712	-	-	-	66,177	147,166
Active Dental Insurance- Group B	880	-	-	-	-	-	4,297	9,982
Active Dental Insurance- Group C	-	-	-	-	-	-	-	53,062
Payroll Taxes	160,835	28,510	2,834	-	-	-	544,787	475,207
Life Insurance	15,187	1,076	269	-	-	-	33,590	74,929
State Defined Contribution- Group A	-	2,843	403	-	-	-	23,121	333,746
State Defined Contribution - Group B	531	-	-	-	-	-	2,701	28,307
State Defined Contribution - Group C	-	-	-	-	-	-	-	19,176
Other Benefits- Group A	91,845	16,643	654	-	-	-	131,790	154,902
Other Benefits- Group B	-	-	-	-	-	-	-	1,448
Other Benefits- Group C	-	-	-	-	-	-	-	2,620
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	700,000	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	1,405
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	1,392
State Defined Benefit Pension- Group A	407,090	22,257	3,230	-	-	-	503,887	1,945,429
State Defined Benefit Pension - Group B	4,251	-	-	-	-	-	20,158	168,442
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	46,137
Other Defined Benefit / Contribution	16,500	-	-	-	-	-	16,500	-
Purchased Services	8,877	-	27,287	-	-	-	771,963	6,710,072
Materials/Supplies	65,410	-	-	-	-	-	372,188	427,548
Software Licenses	44,415	-	-	-	-	-	97,697	34,023
Capital Outlays	203,380	-	-	-	-	-	490,449	690,019
Insurance	-	-	-	-	-	-	355,756	177,972
Maintenance	20,603	-	-	-	-	-	62,758	140,260
Vehicle Operations	195,635	-	-	-	-	-	385,854	7,677
Utilities	63,199	-	-	-	-	-	234,304	738,735
Contingency	-	-	-	-	-	-	19,953	-
Street Lighting	-	-	-	-	-	-	112,407	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	102,808	-
Trash Removal & Recycling	-	-	-	-	-	-	722,400	-
Claims & Settlements	-	-	-	-	-	-	-	204
Community Support	-	-	-	-	-	-	25,273	-
Other Operation Expenditures	22,363	-	235	-	-	-	794,050	34,227
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	23,455,250	-	-	23,455,250	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	935,000	-	935,000	-
Municipal Debt- Interest	-	-	-	-	266,306	-	266,306	-
School Debt- Principal	-	-	-	-	2,103,380	-	2,103,380	-
School Debt- Interest	-	-	-	-	1,432,963	-	1,432,963	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	5,869
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	148
OPEB Contribution- Total	-	-	-	-	-	857,518	857,518	166,211
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 4,294,572	\$ 519,919	\$ 95,819	\$ 23,455,250	\$ 4,737,649	\$ 857,518	\$ 45,573,669	\$ 34,721,806

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

Financing Uses: Transfer to Capital Funds	\$ 23,585	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	1,591,810
Total Other Financing Uses	\$ 23,585	\$ 1,591,810
Net Change in Fund Balance¹	649,798	(2,968,075)
Fund Balance¹ - beginning of year	\$3,957,643	\$4,537,798
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	(62,598)	(26,837)
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	3,895,045	4,510,961
Rounding	1	(1)
Fund Balance¹ - end of year	\$ 4,544,844	\$ 1,542,885

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

Per Audited Fund Financial Statements Fund Description	Total Other		Total Other		Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
	Total Revenue	Financing Sources	Total Expenditures	Financing Uses					
Fund Balance¹ - per MTP-2 at June 30, 2018						\$ 3,957,643		\$ 3,957,643	
<i>No funds removed from RGS for fiscal 2018</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2018</i>						-	-	-	
<i>Adjustments made for MV error in fiscal 2018</i>						(62,598)	-	(62,598)	
Fund Balance¹ - per MTP-2 at June 30, 2018 adjusted						<u>\$ 3,895,045</u>	-	<u>\$ 3,895,045</u>	
General Fund - per Financial Statements	\$ 45,064,515	\$ 92,500	\$ 21,028,381	\$ 23,478,835	\$ 649,799	\$ 3,895,045	-	\$ 3,895,045	\$ 4,544,844
Totals per audited financial statements	<u>\$ 45,064,515</u>	<u>\$ 92,500</u>	<u>\$ 21,028,381</u>	<u>\$ 23,478,835</u>	<u>\$ 649,799</u>	<u>\$ 3,895,045</u>	<u>\$ -</u>	<u>\$ 3,895,045</u>	<u>\$ 4,544,844</u>
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Dept as expenditure on MTP2	\$ -	\$ -	\$ 23,455,250	\$ (23,455,250)	\$ -	\$ -	\$ -	\$ -	\$ -
Reclassify Library Aid reported as expenditure credits on F/S but revenue on MTP2	122,624	-	122,624	-	-	-	-	-	-
Police /Fire Detail reported as expenditure credits on F/S but revenue on MTP2	967,413	-	967,413	-	-	-	-	-	-
Rounding	-	-	1	-	(1)	-	-	-	-
Totals Per MTP2	<u>\$ 46,154,552</u>	<u>\$ 92,500</u>	<u>\$ 45,573,669</u>	<u>\$ 23,585</u>	<u>\$ 649,798</u>	<u>\$ 3,957,643</u>	<u>\$ -</u>	<u>\$ 3,895,045</u>	<u>\$ 4,544,844</u>

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

Per Audited Fund Financial Statements Fund Description	Total Other		Total Other		Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
	Total Revenue	Financing Sources	Total Expenditures	Financing Uses					
Fund Balance¹ - per MTP-2 at June 30, 2018						\$ 4,537,798	\$ -	\$ 4,537,798	
<i>Misc. adjustments made for indirect costs in fiscal 2018</i>						(26,837)	-	(26,837)	
Fund Balance¹ - per MTP-2 at June 30, 2018 adjusted						<u>\$ 4,510,961</u>	<u>\$ -</u>	<u>\$ 4,510,961</u>	
School Unrestricted Fund	\$ 9,886,228	\$ 23,455,250	\$ 34,422,107	\$ 1,839,575	\$ (2,920,204)	\$ 4,270,625	\$ -	\$ 4,270,625	\$ 1,350,421
School Nutrition Fund	617,388	-	647,185	-	(29,797)	125,938	-	125,938	96,141
School Special Revenue Funds	1,058,384	247,765	1,324,224	-	(18,075)	114,398	-	114,398	96,323
Totals per audited financial statements	<u>\$ 11,562,000</u>	<u>\$ 23,703,015</u>	<u>\$ 36,393,516</u>	<u>\$ 1,839,575</u>	<u>\$ (2,968,076)</u>	<u>\$ 4,510,961</u>	<u>\$ -</u>	<u>\$ 4,510,961</u>	<u>\$ 1,542,885</u>
<u>Reconciliation from financial statements to MTP2</u>									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 23,455,250	\$ (23,455,250)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(1,611,180)	-	(1,611,180)	-	-	-	-	-	-
Cap Proj transfer b/w unrestricted and SRF on F/S	-	(247,765)	-	(247,765)	-	-	-	-	-
Indirect Costs - Special Revenue Grants	(20,014)	-	(20,014)	-	-	-	-	-	-
Transfer in to MSP Grant (fr G. Fund)	(40,515)	-	(40,515)	-	-	-	-	-	-
Rounding	-	-	(1)	-	1	-	-	-	-
Totals per MTP2	<u>\$ 33,345,541</u>	<u>\$ -</u>	<u>\$ 34,721,806</u>	<u>\$ 1,591,810</u>	<u>\$ (2,968,075)</u>	<u>\$ 4,510,961</u>	<u>\$ -</u>	<u>\$ 4,510,961</u>	<u>\$ 1,542,885</u>
<u>Reconciliation from MTP2 to UCOA</u>									
No reconciling items from MTP2 to UCOA	<u>-</u>		<u>-</u>						
Totals per UCOA Validated Totals Report	<u>\$ 33,345,541</u>		<u>\$ 34,721,806</u>						

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Notes to the Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

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 audit report 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 City's (or Town's) budget and accounting system. To report these costs, the City (or 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.

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Notes to the Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2019

NOTE 4. Employee Groups - Compensation and Benefit Costs (Continued)

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.

NOTE 5. Education Revenue and Expenditures

The revenues and expenditures presented on the MTP2 under the Education Department is consistent with existing Uniform Chart of Accounts (UCOA) guidelines. Each MTP account code has been mapped to the corresponding UCOA code or group of UCOA codes to facilitate the preparation of the MTP reporting.

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/>.

See independent auditor's report

STATISTICAL SECTION

The Statistical Section differs 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 TIVERTON, RHODE ISLAND

Schedule of Uncollected Property Taxes

For the Year Ended June 30, 2019

<u>Tax Roll Year</u>	<u>Balance July 1, 2018</u>	<u>Assessment</u>	<u>Additions</u>	<u>Abatements & Adjustments</u>	<u>Amount to be collected</u>	<u>Current Year Collections</u>	<u>Refunds</u>	<u>Balance June 30, 2019</u>
2018	\$ -	\$ 37,827,845	\$ 111,151	\$ 71,195	38,010,191	\$ 37,282,307	\$ 10,987	738,871
2017	658,511	-	295,612	(7,949)	946,174	540,391	1,048	406,831
2016	444,224	-	-	(11,634)	432,590	277,152	-	155,438
2015	163,671	-	-	(7,424)	156,247	25,341	-	130,906
2014	147,825	-	-	(7,698)	140,127	16,318	-	123,809
2013	124,804	-	-	(11,153)	113,651	6,841	-	106,810
2012	126,702	-	-	(11,278)	115,424	3,121	-	112,303
2011	125,689	-	-	(2,927)	122,762	2,354	-	120,408
2010	113,134	-	-	(149)	112,985	1,170	-	111,815
2009	86,395	-	-	-	86,395	1,157	-	85,238
2008 and prior	173,759	-	-	-	173,759	1,983	-	171,776
	<u>\$ 2,164,714</u>	<u>\$ 37,827,845</u>	<u>\$ 406,763</u>	<u>\$ 10,983</u>	<u>\$ 40,410,305</u>	<u>\$ 38,158,135</u>	<u>\$ 12,035</u>	<u>\$ 2,264,205</u>
Less: Allowance for Uncollectible accounts	<u>-</u>							<u>-</u>
	<u>\$ 2,164,714</u>							<u>\$ 2,264,205</u>

TOWN OF TIVERTON, RHODE ISLAND

Tax Collector's Annual Report

For the Year Ended June 30, 2019

Schedule of property valuation assessed as of December 31, 2018:

	<u>Valuation</u>	<u>Levy</u>
Real property	\$ 2,265,206,883	\$ 35,767,605
Motor vehicles	134,245,468	2,569,458
Tangible personal property	<u>64,774,624</u>	<u>1,022,791</u>
Total	2,464,226,975	39,359,854
Less: Exemptions and motor vehicle phase out		
Real property	(19,068,704)	(301,095)
Motor vehicles	<u>(64,311,109)</u>	<u>(1,230,915)</u>
Total	<u>\$ 2,380,847,161</u>	<u>\$ 37,827,845</u>

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	\$ 38,158,135
60-day FY19 Accrual	253,477
<i>July-August 2019 Collections</i>	
60-day FY18 Accrual	<u>(226,008)</u>
<i>July-August 2018 Collections</i>	
Current Year Property Tax Revenue	<u>\$ 38,185,604</u>

FY 2019 Cash Collections Summary

<u>FY 2019 Cash Collections Summary</u>			<u>60 days accrual</u>
July - August 2018 Collections Subject to 60-day FY18 Accrual	September - June-19 Collections	Total FY 2019 Cash Collections	July - August 2019 (FY 20) Cash Collections Subject to 60-day FY 19 Accrual
\$ -	\$ 37,282,307	\$ 37,282,307	\$ 164,418
140,337	400,054	540,391	86,760
77,901	199,251	277,152	205
2,225	23,116	25,341	44
1,498	14,820	16,318	452
334	6,507	6,841	-
319	2,802	3,121	-
655	1,699	2,354	176
554	616	1,170	-
518	639	1,157	1,422
<u>1,667</u>	<u>316</u>	<u>-</u>	<u>-</u>
<u>\$ 226,008</u>	<u>\$ 37,932,127</u>	<u>\$ 38,158,135</u>	<u>\$ 253,477</u>

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Long-Term Liabilities

For the Year Ended June 30, 2019

	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized</u>	<u>Outstanding July 1, 2018</u>	<u>Additions</u>	<u>Maturities During the Year</u>	<u>Outstanding June 30, 2019</u>	<u>Interest Paid</u>
General long-term obligations									
Ft Barton 10.0 million bond (Refi)	6/15/2016	2.180%	4/1/2028	\$ 5,705,000	\$ 5,240,000	\$ 465,000	\$ 470,000	\$ 5,235,000	\$ 256,500
Pocasset 10.1 million bond	7/1/2009	3.00%-6.25%	5/15/2029	10,100,000	470,000	-	470,000	-	21,150
Pocasset 10.1 million bond (Refi)	6/22/2017	3.00% - 5.00%	5/15/2038	6,075,000	6,075,000	-	15,000	6,060,000	271,800
Tax increment bond (Refi)	9/1/2013	3.530%	6/30/2022	5,310,000	2,520,000	-	595,000	1,925,000	88,956
RIHEBC Sereis 2015D	12/15/2015	3.00% - 5.00%	5/15/2027	8,025,000	7,110,000	-	745,000	6,365,000	287,700
Library bond	12/3/2014	3.00%-3.50%	10/1/2034	6,785,000	5,855,000	-	340,000	5,515,000	177,350
Public school bond	6/22/2017	3.00%-3.50%	5/15/2038	13,760,000	13,760,000	-	460,000	13,300,000	595,813
Total General Obligation Bonds				<u>55,760,000</u>	<u>41,030,000</u>	<u>465,000</u>	<u>3,095,000</u>	<u>38,400,000</u>	<u>1,699,269</u>
Bond premium				-	4,185,548	-	443,240	3,742,308	-
Total general obligation payable				<u>55,760,000</u>	<u>45,215,548</u>	<u>465,000</u>	<u>3,538,240</u>	<u>42,142,308</u>	<u>1,699,269</u>
Capital leases				-	1,043,839	254,377	327,093	971,123	31,122
Landfill closure and postclosure care costs				-	9,100,000	-	-	9,100,000	-
Other general long-term obligations				<u>-</u>	<u>10,143,839</u>	<u>254,377</u>	<u>327,093</u>	<u>10,071,123</u>	<u>31,122</u>
Other long term liabilities									
Accrued compensated absences					1,250,202	40,915	-	1,291,117	n/a
Net pension liability - police					5,479,084	669,878	-	6,148,962	n/a
Net pension liability - ERS					22,404,844	537,490	-	22,942,334	n/a
Net pension liability - MERS					4,753,663	-	245,780	4,507,883	n/a
Net OPEB liability					26,378,098	-	1,551,590	24,826,508	n/a
Total other long term liabilities					<u>60,265,891</u>	<u>1,248,283</u>	<u>1,797,370</u>	<u>59,716,804</u>	
Total long-term liabilities					<u>\$ 115,625,278</u>	<u>\$ 1,967,660</u>	<u>\$ 5,662,703</u>	<u>\$ 111,930,235</u>	

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Debt Service Requirements to Maturity

For the Year Ended June 30, 2019

<u>Year Ending June 30,</u>	<u>Percentage of Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	8.27%	\$ 3,175,000	\$ 1,598,965	\$ 4,773,965
2021	16.76%	3,260,000	1,493,379	4,753,379
2022	25.46%	3,340,000	1,397,262	4,737,262
2023	32.62%	2,750,000	1,280,588	4,030,588
2024	40.04%	2,850,000	1,149,988	3,999,988
2025-2029	74.71%	13,315,000	3,670,613	16,985,613
2030-2034	89.39%	5,635,000	1,555,144	7,190,144
2035-2038	100.00%	4,075,000	484,450	4,559,450
		<u>\$ 38,400,000</u>	<u>\$ 12,630,389</u>	<u>\$ 51,030,389</u>

** excluding debt premium of \$3,742,308

TOWN OF TIVERTON, RHODE ISLAND

Legal Debt Margin

For the Year Ended June 30, 2019

Net assessed values	\$	2,380,847,161
Less: exempt property		<u>83,379,813</u>
Total taxable assessed value	\$	<u><u>2,297,467,348</u></u>
Debt limit - 3 percent of total assessed value	\$	68,924,020
Amount of debt applicable to debt limit:		
Total bonded debt		<u>38,400,000</u>
Legal debt margin	\$	<u><u>30,524,020</u></u>

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Independent Auditor's 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*

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

We have audited, in accordance with the 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, each major fund, and the aggregate remaining fund information of the Town of Warren, RI, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Tiverton, RI's basic financial statements, and have issued our report thereon dated December 30, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Tiverton, RI'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 Tiverton, RI's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Tiverton, RI's internal control.

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. 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.

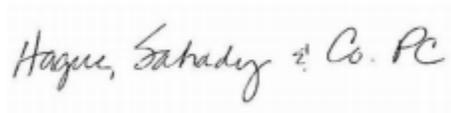
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Tiverton, RI's financial statements are free from 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*.

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 results 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.

A handwritten signature in cursive script that reads "Haque, Sabady & Co. PC". The signature is written in black ink on a light-colored background.

Fall River, Massachusetts

December 30, 2019

TOWN OF TIVERTON, RHODE ISLAND

Photo Credit

For the Year Ended June 30, 2019

Photo Credit:

Denise Saurette