

TOWN OF TIVERTON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020



Chris Cotta
Town Administrator

Denise G. Saurette
Treasurer

Prepared by: Finance Department

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

TOWN OF TIVERTON, RHODE ISLAND

June 30, 2020

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INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF TIVERTON, RHODE ISLAND

JUNE 30, 2020

TOWN COUNCIL

Denise M. deMedeiros, President

Michael S. Burk, Vice-President

Donna J. Cook

Jay P. Edwards

Deborah G. Janick

Joseph C. Perry, Jr.

William J. Vieira

TOWN ADMINISTRATOR

Chris Cotta

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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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 ("the Town") as of and for the year ended June 30, 2020, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tiverton, Rhode Island, as of June 30, 2020, 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, January 13, 2021, 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
January 13, 2021

Management's Discussion and Analysis

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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, 2020. 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 \$12,193,306. The net position of business activities decreased by \$19,811, while the net position of Governmental Activities decreased by \$8,997,766.
- ❖ The Town's government-wide (governmental and business activities) operating expenses were \$62,330,629 a 12.13% increase from the prior year, while the revenues collected were \$52,709,187 a 16.5% decrease compared to the prior year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$17,146,430. Of this amount \$3,921,955 or 8.45%, is unassigned in the general fund and available for use within the Town's designation and fiscal policies. \$493,240 is available for School expenditures and \$11,665,918 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 \$3,921,955 or 18.2% of the total general fund expenditures and transfers out for the fiscal year. On a budgetary basis, revenues exceeded expenditures and transfers by \$442,428. The School department unrestricted fund ended with a combined fund balance of \$493,240 or 1.55% of the current year budget. The current year's expenditures exceed the current year revenue by \$857,180.
- ❖ The Tiverton Casino and Hotel officially opened September 1, 2018. Due to the pandemic the State of RI annual minimum guarantee of \$3M in gaming revenue was lost. Additionally, the Town saw a decrease in meals & beverage tax, hotel tax, police detail and building permit. As of the end of June 30, 2020, the Town has received \$1,385,083 in gaming revenue.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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 addition 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 taxpayers. 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 19 through 22.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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 23 and 26.

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 three enterprise funds, the Land Acquisition Fund, Cafeteria Fund, and Early Risers Fund. These are considered to be major funds for financial statement process.

The basic proprietary fund financial statements are presented on pages 27 through 29.

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 30 and 31.

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 32 through 89.

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 90 through 118.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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 119 through 169.

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 170 to 175.

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 \$15,825,536 as of June 30, 2020. This represents a current years' decrease of \$8,997,766. 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 \$26,833,539 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 \$545,995 represents resources that are subject to external restriction in how they may be used. Unrestricted net position, totals \$ (43,205,070), 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, 2020

**Statement of Net Position
June 30, 2020 and 2019**

	Governmental		Business-Type		Total		\$ Change
	Activities		Activities				
	2020	2019	2020	2019	2020	2019	
Assets							
Current assets	\$ 21,837,451	\$ 29,722,435	\$ 500,964	\$ 530,897	\$ 22,338,415	\$ 30,253,332	\$ (7,914,917)
Long-term assets	71,565,138	72,855,372	3,148,600	3,148,600	74,713,738	76,003,972	(1,290,234)
Total assets	<u>93,402,589</u>	<u>102,577,807</u>	<u>3,649,564</u>	<u>3,679,497</u>	<u>97,052,153</u>	<u>106,257,304</u>	<u>(9,205,151)</u>
Deferred outflows of resources							
Pension related outflows	9,251,706	11,094,256	-	-	9,251,706	11,094,256	(1,842,550)
Total deferred outflows of resources	<u>9,251,706</u>	<u>11,094,256</u>	<u>-</u>	<u>-</u>	<u>9,251,706</u>	<u>11,094,256</u>	<u>(1,842,550)</u>
Liabilities							
Current liabilities	6,515,222	6,712,698	17,334	27,456	6,532,556	6,740,154	(207,598)
Long-term liabilities	106,576,225	108,428,482	-	-	106,576,225	108,428,482	(1,852,257)
Total liabilities	<u>113,091,447</u>	<u>115,141,180</u>	<u>17,334</u>	<u>27,456</u>	<u>113,108,781</u>	<u>115,168,636</u>	<u>(2,059,855)</u>
Deferred inflows of resources							
Pension related inflows	4,435,340	4,093,649	-	-	4,435,340	4,093,649	341,691
Gain on debt refunding	953,044	1,059,908	-	-	953,044	1,059,908	(106,864)
Total deferred inflows of resources	<u>5,388,384</u>	<u>5,153,557</u>	<u>-</u>	<u>-</u>	<u>5,388,384</u>	<u>5,153,557</u>	<u>234,827</u>
Net Position							
Investment in capital assets,							
Net investment in capital assets	26,833,539	24,768,298	3,148,600	3,148,600	29,982,139	27,916,898	2,065,241
Restricted	545,995	1,216,836	366,300	407,300	912,295	1,624,136	(711,841)
Unrestricted	(43,205,070)	(32,607,808)	117,330	96,141	(43,087,740)	(32,511,667)	(10,576,073)
Total net position	<u>\$ (15,825,536)</u>	<u>\$ (6,622,674)</u>	<u>\$ 3,632,230</u>	<u>\$ 3,652,041</u>	<u>\$ (12,193,306)</u>	<u>\$ (2,970,633)</u>	<u>\$ (9,222,673)</u>

Changes in Net Position

The following analysis provides a summary of the Town's operations for the year ended June 30, 2020. Governmental activities decreased the Town's net position by \$8,997,766 for the current period, while business-type activities decreased the Town's net position by \$19,811. Overall, the Town's current year's net position decrease was \$9,017,578.

In the current fiscal year, the Town's governmental fund financial statements ended with a net decrease in the overall fund balances of \$54,701.

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 \$2,047,154. 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 \$3,602,812. Other material changes include an increase in the Town's net other postemployment benefits liability of \$1,339,724 and an increase in the Town's net pension liability of \$324,667.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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, 2020 and June 30, 2019 (Government-wide level)

	Changes in Net Position						\$ Change
	Governmental		Business-Type		Total		
	Activities	Activities	Activities	Activities	2020	2019	
	2020	2019	2020	2019	2020	2019	
Revenues							
Program Revenues:							
Charges for service	\$ 2,821,171	\$ 2,805,593	\$ 436,130	\$ 366,003	\$ 3,257,301	\$ 3,171,596	\$ 85,705
Operating grants & contributions	14,831,354	11,826,193	167,735	251,385	14,999,089	12,077,578	2,921,511
Capital grants & contributions	955,377	2,345,087	-	-	955,377	2,345,087	(1,389,710)
General Revenues:							
Property taxes	30,969,713	40,745,315	-	-	30,969,713	40,745,315	(9,775,602)
State aid to town	908,445	605,302	-	-	908,445	605,302	303,143
Medicaid reimbursement	-	1,472,935	-	-	-	1,472,935	(1,472,935)
Gaming revenue	1,385,083	1,518,558	-	-	1,385,083	1,518,558	(133,475)
Miscellaneous revenue	458,567	519,971	-	-	458,567	519,971	(61,404)
Earnings on investments	379,477	636,454	-	-	379,477	636,454	(256,977)
Total revenue	52,709,187	62,475,408	603,865	617,388	53,313,052	63,092,796	(9,779,744)
Expenses							
General government	8,805,569	3,588,309	-	-	8,805,569	3,588,309	5,217,260
Public safety	7,956,891	6,663,882	-	-	7,956,891	6,663,882	1,293,009
Education	39,039,735	38,341,688	-	-	39,039,735	38,341,688	698,047
Public works	3,408,625	3,854,394	-	-	3,408,625	3,854,394	(445,769)
Health and human services	840,500	560,106	-	-	840,500	560,106	280,394
Parks and recreation	197,898	193,058	-	-	197,898	193,058	4,840
Interest on debt	1,441,537	1,677,287	-	-	1,441,537	1,677,287	(235,750)
Land acquisition fund	-	-	41,000	64,000	41,000	64,000	(23,000)
Early risers	-	-	33,764	-	33,764	-	33,764
Cafeteria fund	-	-	565,111	647,185	565,111	647,185	(82,074)
Total expenses	61,690,755	54,878,724	639,875	711,185	62,330,630	55,589,909	6,740,721
Increase(decrease) in net position before transfers	(8,981,568)	7,596,684	(36,010)	(93,797)	(9,017,578)	7,502,887	(16,520,465)
Other financing sources/uses							
Transfers	(16,199)	92,500	16,199	(92,500)	-	-	-
Increase(decrease) in net position	(8,997,766)	7,689,184	(19,811)	(186,297)	(9,017,578)	7,502,887	(16,520,465)
Net position, July 1, 2019 restated	(6,827,770)	(14,311,859)	3,652,041	3,838,338	(3,175,729)	(10,473,521)	7,297,792
Net position, June 30, 2020	<u>\$(15,825,536)</u>	<u>\$(6,622,674)</u>	<u>\$3,632,230</u>	<u>\$3,652,041</u>	<u>\$(12,193,307)</u>	<u>\$(2,970,634)</u>	<u>\$(9,222,673)</u>

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

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 \$17,146,430. Of this amount \$4,388,245 or 25.6% 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.

	2020	2019	\$ Change
Nonspendable for			
Prepays	\$ 106,351	\$ 447,268	\$ (340,917)
Restricted for			
Educational programs	98,842	588,093	(489,251)
Public safety programs	90,213	89,983	230
Debt service	-	-	-
Health and human services	-	16,826	(16,826)
Public works programs	356,940	521,934	(164,994)
Committed for			
Debt service	988,989	1,362,082	(373,093)
Public works programs	9,325,968	8,798,321	527,647
Public safety programs	210,663	17,518	193,145
General government	1,046,348	383,066	663,282
Capital projects	173,094	24,399	148,695
School capital/operations	-	858,649	(858,649)
Health and human services	-	18,741	(18,741)
Capital Resolution	341,474	297,390	44,084
Culture and recreation	19,302	689,571	(670,269)
Unassigned	4,388,245	3,292,386	1,095,859
 Total fund balances	 \$ 17,146,430	 \$ 17,406,228	 \$ (259,798)

The Town's unassigned fund balance increased in the current year from \$3,292,386 to \$4,388,245.

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 \$117,330.

General Fund Budgetary Highlights

The original budget for the fiscal year ended June 30, 2020 was adopted at the financial town referendum in the amount of \$46,352,200. 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 \$343,070, due principally to a surplus in licenses, permits, and usage fees in the amount of \$151,686 as well as general property taxes above the budget by \$314,594.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

General Fund Budgetary Highlights (Continued)

Actual expenditures resulted in a favorable variance over the budget in the amount of \$1,365,899. The favorable amounts were in varying departments including \$350,058 relating to capital outlay and \$459,344 related to public safety.

The total excess of expenditures and other financing sources over revenues and other financing uses on a budgetary basis was \$2,721,509 of which \$617,492 was encumbered and carried in fiscal year 2021.

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 \$70,394,676 net of accumulated depreciation at June 30, 2020. Included are land, building and improvements, motor vehicles, furniture and equipment and infrastructure.

	Governmental Activities		Business-Type Activities		Total		\$ Change
	2020	2019	2020	2019	2020	2019	
Land	\$ 4,540,592	\$ 4,540,592	\$ 3,148,600	\$ 3,148,600	\$ 7,689,192	\$ 7,689,192	\$ -
Construction in progress	-	-	-	-	-	-	-
Infrastructure, net	3,209,159	3,085,483	-	-	3,209,159	3,085,483	123,676
Building & improvements, net	56,231,688	58,064,449	-	-	56,231,688	58,064,449	(1,832,761)
Vehicles, net	1,179,236	1,305,445	-	-	1,179,236	1,305,445	(126,209)
Equipment, net	2,085,401	2,297,261	-	-	2,085,401	2,297,261	(211,860)
Total	\$ 67,246,076	\$ 69,293,230	\$ 3,148,600	\$ 3,148,600	\$ 70,394,676	\$ 72,441,830	\$ (2,047,154)

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 \$35,225,000 and bond premiums of \$3,314,496. 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
	2020	2019	2020	2019	2020	2019	
General obligation bonds	\$ 38,539,496	\$ 42,142,308	\$ -	\$ -	\$ 38,539,496	\$ 42,142,308	\$ (3,602,812)
Capital leases	684,113	971,123	-	-	684,113	971,123	(287,010)
Total	\$ 39,223,609	\$ 43,113,431	\$ -	\$ -	\$ 39,223,609	\$ 43,113,431	\$ (3,889,822)

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, 2020

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 \$35,225,000 at year-end, which is \$33,699,020 under the State imposed limitation.

Economic Factors and Next Year's Budgets and Rates

FY2020 started out as a typical year, however, as we are all painfully aware, the last quarter of the fiscal year ended on a very uncertain note. Early spring of 2020 COVID-19 came knocking on the door, and unfortunately has yet to leave. The pandemic not only created a nationwide healthcare crisis, but statewide lockdowns, school closings, business closings, and record unemployment. While the Federal Government worked on relief packages, Towns and Cities were left to figure out for themselves how to quickly adapt to the changing environment and make up for State revenue losses we were anticipating.

Tiverton was no different; we not only saw a decline in regularly recorded revenues like building permits, police/fire details, meals, beverage and hotel tax, but we were dealt a blow when the Tiverton Casino closed for the last quarter of FY2020. While the Town had banked on \$3M to support operations when creating the FY2020 budget, the State of RI indicated that they would not be held to the \$3M minimum guarantee given that the Casino would not be open for the entire 12 months. The town had 3 months to figure out how to balance the budget given the gaming revenue loss of approximately \$1.8M.

On the revenue side, the Town was fortunate that prior to the pandemic, the Town had exceeded several of our expected revenue categories. Real estate stamp tax, recording fees, and investment income were all on the upswing. The Town realized the income earned on the renovation bond proceeds, the State of RI funded a delayed housing aid payment from a prior year, and the Town received a state reimbursement on capital spending. Together with freezing all discretionary spending, unfilled vacancies and a work stoppage to any capital projects that had yet to be started, the town was able to close the budget gap. Further, as a result of the approved FY20 budget resolutions, the town was able to carry forward funds for capital improvements, paving, elections and revaluations.

Of course, the fallout from the pandemic did not end with FY2020. The level of uncertainty remained with respect to Town operations. Finalizing the FY2021 budget without any decisive guidance from the State of RI was difficult. The Town took legislative action in order to issue one quarter tax bills in July based on the prior year levy. This fostered a positive cash flow and allowed for continued operations until the State took action. Unfortunately, the State was not in a hurry, and the Town had to adopt a FY2021 budget, establish a new levy and issue the remainder of tax bills. Normally held in May of each year, our Financial Town Referendum was held on September 26, 2020, and a budget was adopted. FY2021 budget process certainly proved to be a challenging one – however the Council at the time adopted an ordinance to prohibit the use of Gaming revenue to support operations. Gaming revenue will be set aside in a reserve fund and consideration for spending will not begin until the following fiscal year. FY2021 expense budget of \$53,550,840 is divided between an Education appropriation of \$32,126,520 and a municipal expense budget of \$21,424,320. All together the tax rate went from \$15.79 per thousand to \$16.19 per thousand.

With all the upheaval caused by the pandemic, the Town sought and was granted an extension of time to close the landfill. While the closure fund continues to grow, we are preparing plans for a recycling center site. On the upside, the Police Pension funding levels have remained as promised in the funding improvement plan, and the plan continues to grow in a positive direction.

As a result of the new gaming revenue ordinance, budget resolutions were changed, and funds will be reserved for elections and revaluations only. Consideration for capital and paving will be managed through the reserve fund created by gaming revenue. All positive steps for our future.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2020

Economic Factors and Next Year's Budgets and Rates (Continued)

Results of the current budget are reasonable and as expected given the circumstances that we are operating under. The Casino has reopened after a short "pause" and receipts are coming in, however it is difficult to determine revenue expectations given the circumstances.

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, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
<i>Current Assets:</i>			
Cash and cash equivalents	\$ 9,571,678	\$ 48,515	\$ 9,620,193
Investments	10,064,335	-	10,064,335
Receivables, net			
Personal property taxes	2,189,979	-	2,189,979
Intergovernmental	40,595	86,149	126,744
Departmental and other	230,813	-	230,813
Internal balances	(366,300)	366,300	-
Prepaid expenses	106,351	-	106,351
<i>Total Current Assets</i>	<u>21,837,451</u>	<u>500,964</u>	<u>22,338,415</u>
<i>Noncurrent Assets:</i>			
Net pension asset	4,319,062	-	4,319,062
Capital assets:			
Land	4,540,592	3,148,600	7,689,192
Infrastructure, net	3,209,159	-	3,209,159
Building and improvements, net	56,231,688	-	56,231,688
Automobiles and vessels, net	1,179,236	-	1,179,236
Machinery and equipment, net	2,085,401	-	2,085,401
<i>Total Noncurrent Assets</i>	<u>71,565,138</u>	<u>3,148,600</u>	<u>74,713,738</u>
Total Assets	<u>93,402,589</u>	<u>3,649,564</u>	<u>97,052,153</u>
<i>Deferred Outflows of Resources:</i>			
Deferred pension amounts	9,251,706	-	9,251,706
<i>Total assets and deferred outflows of resources</i>	<u>\$ 102,654,295</u>	<u>\$ 3,649,564</u>	<u>\$ 106,303,859</u>

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Statement of Net Position

June 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current Liabilities:			
Accounts payable and accrued expenses	\$ 2,101,861	\$ 17,334	\$ 2,119,195
Other liabilities	110,552	-	110,552
Accrued interest	235,884	-	235,884
Deposits held	110,845	-	110,845
Intra-Entity Payable	446,411	-	446,411
Capital leases due within one year	208,715	-	208,715
Long-term debt due within one year	3,260,000	-	3,260,000
Compensated absences payable	40,954	-	40,954
Total Current Liabilities	6,515,222	17,334	6,532,556
Noncurrent Liabilities			
Capital leases	475,398	-	475,398
Bonds and notes payable	35,279,496	-	35,279,496
Compensated absences	1,318,394	-	1,318,394
Net other post-employment benefit liability	26,166,232	-	26,166,232
Net pension liability	34,236,705	-	34,236,705
Landfill closure and postclosure costs	9,100,000	-	9,100,000
Total Noncurrent Liabilities	106,576,225	-	106,576,225
Total Liabilities	113,091,447	17,334	113,108,781
Deferred Inflows of Resources			
Deferred pension inflows	4,435,340	-	4,435,340
Gain on bond refunding	953,044	-	953,044
Total deferred inflows	5,388,384	-	5,388,384
Net Position			
Net investment in capital assets	26,833,539	3,148,600	29,982,139
Restricted for infrastructure	-	366,300	366,300
Restricted for educational purposes	98,842	-	98,842
Restricted for public safety programs	90,213	-	90,213
Restricted for public works programs	356,940	-	356,940
Restricted for health and human services programs	-	-	-
Unrestricted	(43,205,070)	117,330	(43,087,740)
Total Net Position	\$ (15,825,536)	\$ 3,632,230	\$ (12,193,306)
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 102,654,295	\$ 3,649,564	\$ 106,303,859

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Statement of Activities

For the Year Ended June 30, 2020

	<u>Net (Expense) Revenue and Changes in Net Position</u>						
	<u>Program Revenues</u>				<u>Primary Government</u>		
	<u>Expenses</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>	<u>Total</u>
Governmental Activities							
General government	\$ 8,805,569	\$ 1,905,117	\$ 692,930	\$ -	\$ (6,207,522)	\$ -	\$ (6,207,522)
Public safety	7,956,891	758,522	356,394	-	(6,841,975)	-	(6,841,975)
Education	37,074,675	8,000	10,923,994	198,943	(25,943,738)	-	(25,943,738)
Public works	3,408,625	77,804	678,623	755,045	(1,897,153)	-	(1,897,153)
Health and human services	840,500	11,118	184,000	-	(645,382)	-	(645,382)
Parks and recreation	197,897	60,610	30,353	1,389	(105,545)	-	(105,545)
State contribution to teachers' pension plan	1,965,060	-	1,965,060	-	-	-	-
Interest on debt	1,441,537	-	-	-	(1,441,537)	-	(1,441,537)
Total governmental activities	<u>61,690,754</u>	<u>2,821,171</u>	<u>14,831,354</u>	<u>955,377</u>	<u>(43,082,852)</u>	<u>-</u>	<u>(43,082,852)</u>
Business-Type Activities							
Land acquisition fund	41,000	-	-	-	-	(41,000)	(41,000)
Early risers	33,764	17,565	-	-	-	(16,199)	(16,199)
Cafeteria fund	565,111	418,565	167,735	-	-	21,189	21,189
Total business-type activities	<u>639,875</u>	<u>436,130</u>	<u>167,735</u>	<u>-</u>	<u>-</u>	<u>(36,010)</u>	<u>(36,010)</u>
Total Town of Tiverton	<u>\$ 62,330,629</u>	<u>\$ 3,257,301</u>	<u>\$ 14,999,089</u>	<u>\$ 955,377</u>	<u>\$ (43,082,852)</u>	<u>\$ (36,010)</u>	<u>\$ (43,118,862)</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, 2020

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Total Expenditure for the Town of Tiverton	\$(43,082,852)	\$ (36,010)	\$ (43,118,862)
General revenues			
Real estate and personal property, net of reserve for abatements	\$ 30,969,713	\$ -	\$ 30,969,713
Fines and interest payments	258,541	-	258,541
Meals and beverage tax	307,487	-	307,487
Public service corp tax	200,026	-	200,026
Earnings on investments	379,477	-	379,477
Gaming revenue	1,385,083	-	1,385,083
State aid to town	600,958	-	600,958
Total general revenues	34,101,285	-	34,101,285
Other Financing Sources			
Transfers	(16,199)	16,199	-
Total general revenues, special items, and transfers	34,085,086	16,199	34,101,285
Changes in net position	(8,997,766)	(19,811)	(9,017,577)
Net position - July 1, 2019 restated	(6,827,770)	3,652,041	(3,175,729)
Net position - June 30, 2020	\$ (15,825,536)	\$ 3,632,230	\$ (12,193,306)

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Governmental Funds
Balance Sheet

June 30, 2020

	<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	\$ 7,611,008	\$ 255,220	\$ 1,705,450	\$ 9,571,678
Investments	1,022,257	-	9,042,078	10,064,335
Receivables:				-
Property taxes, net	2,189,979	-	-	2,189,979
Intergovernmental	-	-	40,595	40,595
Due from State	194,599	24,214	-	218,813
Due from other funds	-	1,575,978	1,285,322	2,861,300
Prepaid expenses	106,351	-	-	106,351
Total assets	<u>11,124,194</u>	<u>1,855,412</u>	<u>12,073,445</u>	<u>25,053,051</u>
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	<u>11,124,194</u>	<u>1,855,412</u>	<u>12,073,445</u>	<u>25,053,051</u>
Liabilities				
Accounts payable and accrued expenses	739,690	1,362,172	-	2,101,862
Other liabilities	110,552	-	-	110,552
Deposits held	110,845	-	-	110,845
Due to other funds	3,279,483	-	382,527	3,662,010
Total liabilities	<u>4,240,570</u>	<u>1,362,172</u>	<u>382,527</u>	<u>5,985,269</u>
Deferred inflows of resources				
Deferred property tax	1,896,352	-	-	1,896,352
Deferred revenue	-	-	25,000	25,000
Total deferred inflows of resources	<u>1,896,352</u>	<u>-</u>	<u>25,000</u>	<u>1,921,352</u>
Fund balances				
Nonspendable	106,351	-	-	106,351
Restricted	-	-	545,995	545,995
Committed	958,966	-	11,146,873	12,105,839
Unassigned	3,921,955	493,240	(26,950)	4,388,245
Total fund balances	<u>4,987,272</u>	<u>493,240</u>	<u>11,665,918</u>	<u>17,146,430</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 11,124,194</u>	<u>\$ 1,855,412</u>	<u>\$ 12,073,445</u>	<u>\$ 25,053,051</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, 2020

Total governmental fund balances	\$ 17,146,430
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	
Net pension asset	4,319,062
Capital assets, net	67,246,076
Other pension related liabilities are not available to pay for current-period expenditures and, therefore, are deferred outflows of resources in the funds	4,816,366
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	1,921,352
Long term liabilities relating to gain on refunding over the life of the bond	(953,044)
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due	(235,884)
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	(38,539,496)
Capital leases	(684,113)
Compensated absences	(1,359,348)
Net other postemployment benefit liability	(26,166,232)
Net pension liability	(34,236,705)
Landfill closure and postclosure care costs	<u>(9,100,000)</u>
Net position of governmental activities	<u><u>\$ (15,825,536)</u></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, 2020

	<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	\$ 38,227,929	\$ -	\$ -	\$ 38,227,929
Fines and interest on late payments	258,541	-	-	258,541
Intergovernmental	2,602,580	7,043,649	1,576,305	11,222,534
Licenses, permits, and fees	2,767,240	-	-	2,767,240
Investment Income	160,217	-	219,260	379,477
State contribution to teachers' pension plan	-	1,771,329	-	1,771,329
School aid	2,602,353	-	-	2,602,353
Other Revenue	76,410	79,654	2,665,493	2,821,557
Total revenue	46,695,270	8,894,632	4,461,058	60,050,960
Expenditures				
General government	1,145,140	-	50,938	1,196,078
Finance administration	5,748,323	-	-	5,748,323
Public safety	5,769,661	-	1,673,840	7,443,501
Education	-	32,633,093	2,017,603	34,650,696
Public works	2,535,568	-	174,137	2,709,705
Health and human services	715,850	-	124,650	840,500
Parks and recreation	103,890	-	84,633	188,523
State contribution to teachers' pension plan	-	1,771,329	-	1,771,329
Capital outlay	808,561	-	-	808,561
Debt service				-
Principal	3,175,000	-	-	3,175,000
Interest	1,557,246	-	-	1,557,246
Total expenditures	21,559,239	34,404,422	4,125,801	60,089,462
Excess (deficiency) of revenues over expenditures	25,136,031	(25,509,790)	335,257	(38,502)
Other financing sources (uses)				
Transfers in	174,149	24,867,752	198,943	25,240,844
Transfers out	(24,867,752)	(215,142)	(174,149)	(25,257,043)
Other financing sources (uses)	(24,693,603)	24,652,610	24,794	(16,199)
Excess of revenue and other sources over expenditures and other uses	442,428	(857,180)	360,051	(54,701)
Fund balance, July 1, 2019	4,544,844	1,350,420	11,305,867	17,201,131
Fund balance, June 30, 2020	<u>\$ 4,987,272</u>	<u>\$ 493,240</u>	<u>\$ 11,665,918</u>	<u>\$ 17,146,430</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, 2020

Net change in fund balances - total governmental funds	\$ (54,701)
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	(2,047,154)
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	(7,535,504)
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	3,889,822
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	115,709
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	(68,231)
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	(1,339,724)
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>(2,064,847)</u>
Change in net position of governmental activities	<u>\$ (8,997,766)</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Proprietary Funds
Statement of Net Position

June 30, 2020

	Business-Type Activities			Total Enterprise Funds
	Land Acquisition Fund	Cafeteria Fund	Early Risers	
Assets				
Current assets				
Cash and cash equivalents	\$ -	\$ 48,515	\$ -	\$ 48,515
Intergovernmental	-	86,149	-	86,149
Due from other funds	366,300	-	-	366,300
Total current assets	366,300	134,664	-	500,964
Non-current assets				
Land	3,148,600	-	-	3,148,600
Total non-current assets	3,148,600	-	-	3,148,600
Total assets	3,514,900	134,664	-	3,649,564
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	3,514,900	134,664	-	3,649,564
Liabilities				
Accounts payable	-	17,334	-	17,334
Total current liabilities	-	17,334	-	17,334
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	366,300	-	-	366,300
Unrestricted	-	117,330	-	117,330
Total liabilities, deferred inflows of resources and net position	<u>\$ 3,514,900</u>	<u>\$ 134,664</u>	<u>\$ -</u>	<u>\$ 3,649,564</u>

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, 2020

	Business-type Activities			Total
	Enterprise Funds			
	Land	Cafeteria	Early	Enterprise
	Acquisition	Fund	Risers	Funds
	Fund			
Operating revenues				
Federal and state revenue	\$ -	\$ 167,735	\$ -	\$ 167,735
Charges for services	-	418,565	17,565	436,130
Total operating revenues	-	586,300	17,565	603,865
Operating expenses				
General expenses	41,000	565,111	33,764	639,875
Total operating expenses	41,000	565,111	33,764	639,875
Operating income (loss) before transfers	(41,000)	21,189	(16,199)	(36,010)
Transfers				
Transfers in	-	-	16,199	16,199
Total transfers	-	-	16,199	16,199
Change in net position	(41,000)	21,189	-	(19,811)
Net position, July 1, 2019	3,555,900	96,141	-	3,652,041
Net position, June 30, 2020	<u>\$ 3,514,900</u>	<u>\$ 117,330</u>	<u>\$ -</u>	<u>\$ 3,632,230</u>

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, 2020

	Business-Type Activity			Total Enterprise Funds
	Land Acquisition Fund	Cafeteria Fund	Early Risars Fund	
Cash flows from operating activities				
Cash received from customers	\$ -	\$ 133,344	\$ 17,565	\$ 150,909
Cash received from government	-	418,565	-	418,565
Cash due from other sources	41,000	-	-	41,000
Payments to suppliers and employees	(41,000)	(575,233)	(33,764)	(649,997)
Net cash provided (used) by operating activities	-	(23,324)	(16,199)	(39,523)
Cash flows from capital and related financing activities				
Transfer to other funds	-	-	-	-
Cash flows from investing activities:				
Sale of land	-	-	-	-
Net increase in cash and cash equivalents	-	(23,324)	(16,199)	(39,523)
Cash balances-beginning of the year	-	71,839	-	71,839
Cash balances-end of the year	-	48,515	(16,199)	32,316
Displayed as:				
Cash and cash equivalents	\$ -	\$ 48,515	\$ -	\$ 48,515
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (41,000)	\$ 21,189	\$ (16,199)	\$ (36,010)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Change in assets and liabilities:				
(Increase) decrease in receivables	-	(34,391)	-	(34,391)
(Increase) decrease in due from other funds	41,000	-	-	41,000
Increase (decrease) accounts payable and accrued expenses	-	(10,122)	-	(10,122)
Net cash provided (used) by operating activities	\$ -	\$ (23,324)	\$ (16,199)	\$ (39,523)

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2020

	Employee Benefit Trust Funds	Private Purpose Trust Funds	Agency Funds
Assets			
Cash and cash equivalents	\$ 611,974	\$ 461,902	\$ 252,259
Investments, at fair value			
Cash management investment fund	415,529	70,374	-
Equities	10,970,535	-	-
Fixed income	2,594,055	-	-
Due from	-	-	446,411
	<u>14,592,093</u>	<u>532,276</u>	<u>698,670</u>
Deferred outflows of resources			
Deferred outflows	-	-	-
Total assets and deferred outflows of resources	<u>14,592,093</u>	<u>532,276</u>	<u>698,670</u>
Liabilities			
Deposits held	-	-	698,670
Due to	-	12,000	-
Total liabilities	<u>-</u>	<u>12,000</u>	<u>698,670</u>
Deferred inflows of resources			
Deferred inflows	-	-	-
Net position			
Restricted for pension	13,843,625	-	-
Restricted for Town OPEB	332,939	-	-
Restricted for School OPEB	415,529	-	-
Restricted for lots / cemetery	-	520,276	-
	<u>14,592,093</u>	<u>520,276</u>	<u>-</u>
Total net position	<u>14,592,093</u>	<u>520,276</u>	<u>-</u>
Total liabilities and net position	<u>\$ 14,592,093</u>	<u>\$ 532,276</u>	<u>\$ 698,670</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, 2020

	Employee Benefit Trust Funds	Private Purpose Trust Funds
Additions		
Employer contributions	\$ 1,828,983	\$ -
Plan member contributions	214,929	-
Investment income (net of related fees)	842,180	22,163
Other	-	23,500
Total additions	<u>2,886,092</u>	<u>45,663</u>
Deductions		
Benefits paid	2,044,163	-
Administrative costs	11,525	-
Per trust agreements	-	27,780
Total deductions	<u>2,055,688</u>	<u>27,780</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	830,404	17,883
Net position, July 1, 2019	<u>13,761,689</u>	<u>502,393</u>
Net position, June 30, 2020	<u>\$ 14,592,093</u>	<u>\$ 520,276</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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, 2020

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. The Town's enterprise funds, Land Acquisition Fund, Cafeteria Fund, and Early Risers 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 Early Risers Fund is used to account for before school program revenues and expenses. The Town has no internal service funds.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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, 2020

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, 2020

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 97.92% of the total December 31, 2019 levy. The Town's fiscal 2020 property tax were levied in July 2019 on assessed valuation as of December 31, 2019.

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, 2020

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>Estimated 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, 2020

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. For all employees hired on or after January 1, 2020, Town employees are entitled to 12 sick days per year, accruing at the rate of 1 day per month.

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, 2020

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, 2020

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 and 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, 2020

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, 2020

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

During the fiscal year June 30, 2020, the Town of Tiverton has adopted the following new accounting standards issued by GASB:

Statement No. 95, “Postponement of the Effective Dates of Certain Authoritative Guidance”. GASB Statement No. 95 was effective immediately and postponed the effective dates of certain GASB Statements and Implementation Guides for one year from their respective original effective dates to provide relief to governments and other stakeholders in light of the COVID-19 pandemic. The adoption of this Statement provided for early adoption of any of the postponed GASB Statements and Implementation Guides.

The effective dates of certain provisions in the following pronouncements are postponed by one year:

- Statement No. 83, “Certain Asset Retirement Obligations”
- Statement No. 84, “Fiduciary Activities”

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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

F. Implementation of New Accounting Principles (Continued)

- Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements" *
- Statement No. 90, "Majority Equity Interest"
- Statement No. 91, "Conduit Debt Obligations"
- Statement No. 92, "Omnibus 2020"
- Statement No. 93, "Replacement of Interbank Offered Rates"

*This pronouncement was adopted by the Town of Tiverton as of June 30, 2019.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, "Leases"
- Implementation Guide No. 2019-3, "Leases"

The Town of Tiverton is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

GASB Statement No. 84, *Fiduciary Activities* is effective for periods beginning after December 15, 2020. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should present a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management.

Statement No. 87, "Leases". GASB Statement No. 87 requires that government lessees recognize a lease liability and intangible assets representing the lessee's right to use the leased asset and report in its financial statements amortization expense for using the lease asset for the shorter of the lease term or the useful life of the underlying asset, interest expense on the lease liability and note disclosures about the lease. The Statement also requires government lessors recognize a lease receivable and a deferred inflow of resources and continue to report the leased asset in its financial statements. The revenue, recognized over the term of the lease, corresponding with the reduction of the deferred inflow, interest income on the receivable and note disclosures about the lease must also be included in the financial statements. The requirements of this Statement are effective for the Town of Tiverton, Rhode Island's for fiscal year ending June 30, 2022.

Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period". GASB Statement No. 89 provides accounting requirements for interest cost incurred before the end of a construction period. It establishes guidance designed to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2022.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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

F. Implementation of New Accounting Principles (Continued)

Statement No. 90, "Majority Equity Interests". The primary objective of GASB Statement No. 90 is to improve the consistency and comparability of reporting a governments' majority equity interest in a legally separate organization and to improve the financial statements relevance for certain component units. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2022.

Statement No. 91, "Conduit Debt Obligations". The primary objectives of GASB Statement No. 91 are to provide a single method to report conduit debt obligation and to eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations and related note disclosures. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2023.

Statement No. 92, "Omnibus 2020". GASB Statement No. 92 addresses a variety of topics including, among other things, Leases, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, Fiduciary Activities, Measurement of liabilities related to AROs. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2022.

Statement No. 93, "Replacement of Interbank Offered Rates". GASB Statement No. 93 assists state and local governments in the transition away from existing interbank offered rates (IBOR) to other reference rates because of global reference rate reform, wherein the London Interbank Offered Rate (LIBOR) is expected to cease to exist in its current form at the end of 2021. The objective of this Statement is to address implications that result from the replacement of an IBOR in Statement No. 53, Accounting and Financial Reporting for Derivative Instruments and Statement No. 87, Leases and other accounting and financial reporting implications. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2022.

Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". GASB Statement No. 94 establishes standards of accounting and financial reporting for Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs). The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2023.

Statement No. 96, "Subscription-Based Information Technology Arrangements". GASB Statement No. 96 establishes standards of accounting and financial reporting for subscription-based information technology (SBITAs) for government end users. Under this Statement, a government generally should recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2022.

Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GFASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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

F. Implementation of New Accounting Principles (Continued)

governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The impact of this standard will be evaluated by the Town of Tiverton, Rhode Island's management for fiscal year ending June 30, 2021.

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, 2019 assessment. As of June 30, 2020, the Town's debt is under the debt limit by \$33,699,020. 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, 2020

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, 2020, the carrying amount of the Town's cash and cash equivalents was \$35,061,156 while the bank balance was \$34,284,290. Of the bank balance, \$4,358,701 was covered by federal and depository insurance, \$6,879,320 was collateralized by securities held by financial institution and/or third parties in the name of the Town. The remaining balance of \$23,046,261 was uninsured. Information on the Town's book balance of \$35,061,156 is provided below.

Cash and investment of the Town consist of the following at June 30, 2020:

Cash and Cash Equivalents	
Deposits with financial institutions	\$ 10,946,328
Investments	
Certificate of Deposits	\$ 2,217,243
Municipal Bonds	234,700
Corporate bonds	5,653,692
Equity	11,257,250
Fixed Index Annuity	1,161,527
Real Estate	33,242
Mutual Funds	335,939
Fixed Income	3,221,234
Total Cash and Investments	\$ 35,061,156

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

Statement of Net Position	
Cash and cash equivalents	\$ 9,620,193
Investments	10,064,335
Fiduciary Funds	
Cash and cash equivalents	1,326,135
Investments	14,050,493
Total Cash and Investments	\$ 35,061,156

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, 2020

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, 2020.

Investments at Fair Value	June 30, 2020	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Municipal Bonds	\$ 234,700	\$ 234,700	\$ -	\$ -
Corporate Bonds	5,653,692	5,653,692	-	-
Equity	11,257,250	11,257,250	-	-
Fixed Index Annuity	1,161,527	1,161,527	-	-
Fixed Income	3,221,234	3,221,234	-	-
Real Estate	33,242	33,242	-	-
Mutual Funds	335,939	335,939	-	-
Certificate of Deposits	2,217,243	-	-	2,217,243
Total investments measured at fair value	\$ 24,114,828	\$ 21,897,585	\$ -	\$ 2,217,243

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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	\$ 230,533
A3	832,556
Aa3	291,632
Ba2	420,462
Baa1	639,698
Baa2	1,917,266
Baa3	1,556,245
	<u>\$ 5,888,393</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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, 2020.

	Due from Other Funds	Due to Other Funds
Major Governmental Funds		
General Fund	\$ -	\$ 3,279,483
School Unrestricted	1,575,978	-
Non-Major Governmental Funds		
Special Revenue Funds	1,226,657	127,323
Capital Projects	29,545	255,205
Debt Service Fund	29,120	
Proprietary Funds		
Land Acquisition Fund	366,300	-
Fiduciary Funds		
Private Purpose Trust Fund		12,000
Agency Funds	446,411	
Totals	\$ 3,674,011	\$ 3,674,011

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, 2020.

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	\$ 174,149	\$ 24,867,752
School Unrestricted	24,867,752	215,142
Proprietary Fund		
Early Risers	16,199	
Non-Major Governmental Funds		
Special Revenue Funds	198,943	24,284
Capital Projects	-	149,865
Totals	\$ 25,257,043	\$ 25,257,043

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, 2020

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, 2020 was as follows:

	<u>Balance July 1, 2019</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2020</u>
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 4,540,592	\$ -	\$ -	\$ 4,540,592
Construction in progress	-	-	-	-
Subtotal	<u>4,540,592</u>	<u>-</u>	<u>-</u>	<u>4,540,592</u>
Other Capital Assets:				
Buildings and improvements	78,459,560	394,015	-	78,853,575
Motor vehicles	6,644,520	223,492	-	6,868,012
Infrastructure	16,433,699	755,771	-	17,189,470
Machinery and equipment	<u>5,332,160</u>	<u>201,001</u>	<u>-</u>	<u>5,533,161</u>
Subtotal	<u>106,869,939</u>	<u>1,574,279</u>	<u>-</u>	<u>108,444,218</u>
Accumulated Depreciation:				
Buildings and improvements	20,395,111	2,226,776	-	22,621,887
Motor vehicles	5,339,075	349,701	-	5,688,776
Infrastructure,	13,348,216	632,095	-	13,980,311
Machinery and equipment	<u>3,034,899</u>	<u>412,861</u>	<u>-</u>	<u>3,447,760</u>
Subtotal	<u>42,117,301</u>	<u>3,621,433</u>	<u>-</u>	<u>45,738,734</u>
Net other capital assets	<u>64,752,638</u>	<u>(2,047,154)</u>	<u>-</u>	<u>62,705,484</u>
Net capital assets	<u>\$ 69,293,230</u>	<u>\$ (2,047,154)</u>	<u>\$ -</u>	<u>\$ 67,246,076</u>

Depreciation was charged to functions as follows:

General government	\$ 1,228,086
Public safety	291,017
Public works	768,427
Parks and recreation	67,863
Education	<u>1,266,040</u>
	<u>\$ 3,621,433</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 7. Capital Assets (Continued)

	Balance	Increases	Decreases	Balance
	July 1, 2019			June 30, 2020
<u>Proprietary Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 3,148,600	\$ -	\$ -	\$ 3,148,600
Subtotal	3,148,600	-	-	3,148,600
Other Capital Assets:				
Machinery and equipment	-	-	-	-
Subtotal	-	-	-	-
Accumulated Depreciation:				
Machinery and equipment	-	-	-	-
Net other capital assets	-	-	-	-
Net capital assets	\$ 3,148,600	\$ -	\$ -	\$ 3,148,600

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, 2020 was as follows:

	Balance	Additions	Retirements	Balance	Due within
	July 1, 2019			June 30, 2020	one year
Governmental activities					
Bonds and notes payable					
Bonds payable	\$ 38,400,000	\$ -	\$ 3,175,000	\$ 35,225,000	\$ 3,260,000
Bond premium	3,742,308	-	427,812	3,314,496	405,009
Total bonds payable	42,142,308	-	3,602,812	38,539,496	3,665,009
Capital leases	971,123	-	287,010	684,113	208,715
Other post-employment liability	24,826,508	1,339,724	-	26,166,232	-
Net pension liability - police	6,148,962	-	390,745	5,758,217	-
Net pension liability - ERS	22,942,334	703,604	-	23,645,938	-
Net pension liability - MERS	4,507,883	324,667	-	4,832,550	-
Landfill closure and postclosure care costs	9,100,000	-	-	9,100,000	-
Accrued compensated absences	1,291,117	68,231	-	1,359,348	40,954
Total long-term obligations	69,787,927	2,436,226	677,755	71,546,398	249,669
Total government-wide obligations	\$ 111,930,235	\$ 2,436,226	\$ 4,280,567	\$ 110,085,894	\$ 3,914,678

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 8. Long-Term Debt (Continued):

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	2,975,000	1,014,388	3,989,388
2026-2030	11,415,000	3,048,488	14,463,488
2031-2035	5,765,000	1,355,581	7,120,581
2036-2038	2,870,000	291,750	3,161,750
	<u>\$ 35,225,000</u>	<u>\$ 11,031,424</u>	<u>\$ 46,256,424</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, 2020:

<u>Year End</u>	<u>Town & School Lease Payments</u>
2021	\$ 208,715
2022	155,689
2023	103,163
2024	51,929
2025	53,374
Thereafter	111,243
Future minimum rental payments	684,113
Interest portion of payments	120,569
Obligation under capital leases	<u>\$ 804,682</u>

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TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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 Town has recently been granted an extension by RIDEM. The deadline to close the Landfill is now scheduled for February 20, 2021. 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 2019 and 2020, the Town has set aside \$444,725 and \$419,709, respectively. As of June 30, 2020, the Town has accumulated \$9,181,273 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

Town employees: Age 58 with 25 years of service. Medical – For Town & Police retirees the Town pays 50% of the deductible for active plans. For all other retirees the Town pay 100% of premiums. Dental – For all other retirees the Town pay 100% of premiums. Life – The Town pays 100% of premiums until the retiree reaches age 65. The Town pays 0% of premiums upon attainment of age 65.

School employees: 20 years of service with age + service at least equal to 80. Medical - For school retirees the Town pay 75% of premiums. Dental – For school retirees the Town pay 75% of premiums.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 10. Other Post Retirement Benefits (Continued)

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

<u>Description</u>	<u>Active Employees</u>	<u>Inactive or Beneficiaries Receiving Benefits</u>	<u>Total</u>
Number	57	87	144

School Membership

<u>Description</u>	<u>Active Employees</u>	<u>Inactive or Beneficiaries Receiving Benefits</u>	<u>Total</u>
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 2020 fiscal year, total Town premium plus implicit costs for the retiree medical program are \$774,896 and the total School premium plus implicit costs for retiree medical programs are \$220,426. The Town contribution to an OPEB Trust for fiscal year 2020 was \$908,557. The School made a total contribution for the 2020 fiscal year of \$220,426.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 10. Other Post Retirement Benefits (Continued)

Town Annual OPEB Funded Status

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability	Net OPEB Liability	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2020	\$ 332,939	\$19,297,610	\$18,964,671	1.73%	\$ 3,442,854	550.84%
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

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability	Net OPEB Liability	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2020	\$ 415,529	\$ 7,617,090	\$ 7,201,561	5.46%	\$16,907,952	42.59%
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, 2020:

Asset Class	Target Allocation
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, 2020.

Rate of return

For the year ended June 30, 2020, 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, 2020

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, 2020 were as follows:

Description	Amounts
Total OPEB Liability (TOL)	\$ 19,297,610
Fiduciary Net Position	332,939
Net OPEB Liability (NOL)	18,964,671
Funded ratio (Fiduciary Net Position / NOL)	1.73%
Covered payroll (active plan members)	\$ 3,442,854
NOL as a percentage of covered payroll	550.84%

Net OPEB Liability of the School

Description	Amounts
Total OPEB Liability (TOL)	\$ 7,617,090
Fiduciary Net Position	415,529
Net OPEB Liability (NOL)	7,201,561
Funded ratio (Fiduciary Net Position / NOL)	5.46%
Covered payroll (active plan members)	\$ 16,907,952
NOL as a percentage of covered payroll	42.59%

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	4.00%, net of OPEB plan investment expense, including inflation.
Inflation	2.50% as of June 30, 2020 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, 2020 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, 2020 are summarized in the following table:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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	21,925,933	19,297,610	17,158,916

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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:

	Impact of 1% Change in Discount Rate		
	1% Decrease (3.00%)	Current discount rate (4.00%)	1% Increase (5.00%)
Total OPEB liability	8,654,533	7,617,090	6,772,911

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:

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease (4.00%)	Current trend rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	16,909,059	19,297,610	22,268,283

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:

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease (4.00%)	Current trend rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	6,674,289	7,617,090	8,789,665

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.

	Town Plan	School Plan	Total
Net OPEB Liability	\$ 18,964,671	\$ 7,201,561	\$ 26,166,232
OPEB Expense	908,557	220,426	1,128,983
Total	\$ 19,873,228	\$ 7,421,987	\$ 27,295,215

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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 10.49% and 14.12% of annual covered payroll for the fiscal year ended June 30, 2020 for the state and Town, respectively. The Town contributed \$1,771,329, \$1,849,978, and \$1,725,592 for the fiscal years ended June 30, 2020, 2019, and 2018, respectively, equal to 100% of the required contributions for each year.

The State's share of contribution for fiscal 2020 was \$1,771,329 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, 2020

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, 2020, the Town reported a liability of \$23,645,938 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	\$ 23,645,938
State's proportionate share of the net pension liability associated with the Town	<u>17,713,257</u>
Total net pension liability	<u>\$ 41,359,195</u>

The net pension liability was measured as of June 30, 2019, 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, 2018 rolled forward to June 30, 2019. 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, 2019, the Town proportion was 0.74107340%.

For the year ended June 30, 2020 the Town recognized gross pension expense of \$2,729,799 and revenue of \$1,965,060 for support provided by the State. At June 30, 2020, 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, 2020

Note 11. Pension Plans

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 287,947	\$ 394,887
Changes of assumptions	1,383,661	186,622
Net difference between projected and actual earnings on pension plan investments	-	37,209
Changes in proportion and differences between System contributions and proportionate share contributions	1,839,376	1,464,614
Contributions subsequent to the measurement date	1,771,329	-
	\$ 5,282,313	\$ 2,083,332
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ 1,427,652

\$1,771,329 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2020 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2020. 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:	
2021	\$ 585,179
2022	175,212
2023	264,478
2024	153,885
2025	163,312
Thereafter	85,585
	\$ 1,427,652

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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 13.00%
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, 2018 valuation rolled forward to June 30, 2019 and the calculation of the total pension liability at June 30, 2019 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, 2019 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	22.10%	6.16%
International Developed Equity	13.20%	6.83%
Emerging Markets Equity	4.70%	8.90%
Private Growth		
Private Equity	11.25%	9.81%
Non-Core Real Estate	2.25%	5.51%
Opportunistic Private Credit	1.50%	9.81%
INCOME		
High Yield Infrastructure	1.00%	3.98%
REITS	1.00%	5.51%
Liquid Credit	2.80%	3.98%
Private Credit	3.20%	3.98%
STABILITY		
Crisis Protection Class		
Treasury Duration	4.00%	0.77%
Systematic Trend	4.00%	4.20%
Inflation Protection		
Core Real Estate	3.60%	5.51%
Private Infrastructure	2.40%	5.85%
TIPs	1.00%	1.37%
Natural Resources	1.00%	3.76%
Volatility Protection		
IG Fixed Income	11.50%	2.15%
Absolute Return	6.50%	4.20%
Cash	3.00%	0.77%
	100.00%	

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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%)
\$ 29,222,361	\$ 23,645,938	\$ 19,081,075

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 \$23,637 and \$392,600 for the fiscal year ended June 30, 2020, 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, 2020

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 Compensation: 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, 2020

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, 2020

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, 2020

Note 11. Pension Plans

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

At the June 30, 2019 valuation date, the following employees were covered by the benefit terms:

	General Employees	Local 2670A	Fire Department
Retirees and Beneficiaries	51	20	28
Inactive, Non-retired Members	55	10	11
Active Members	85	26	27
Total	191	56	66

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 \$38,992 to their general employee MERS plan in the year ended June 30, 2020 which was 1.09% of annual covered payroll, \$88,898 to their Local 2670A MERS plan in the year ended which was 8.17% of annual covered payroll and contributed \$442,149 to their Fire employee MERS plan which was 23.84% of annual covered payroll.

Net Pension Liability (Asset) - The total pension liability was determined by actuarial valuations performed as of June 30, 2018 and rolled forward to June 30, 2019, 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, 2019 measurement date (June 30, 2018 valuation rolled forward to June 30, 2019)	
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, 2018 valuation rolled forward to June 30, 2019 and the calculation of the total pension liability at June 30, 2019 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, 2020

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, 2019 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	22.10%	6.16%
International Developed Equity	13.20%	6.83%
Emerging Markets Equity	4.70%	8.90%
Sub-total	40.00%	
Private Growth		
Private Equity	11.25%	9.81%
Non-Core Real Estate	2.25%	5.51%
Opportunistic Private Credit	1.50%	9.81%
Sub-total	15.00%	
INCOME		
High Yield Infrastructure	1.00%	3.98%
REITS	1.00%	5.51%
Liquid Credit	2.80%	3.98%
Private Credit	3.20%	3.98%
Sub-total	8.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	4.00%	0.77%
Systematic Trend	4.00%	4.20%
Sub-total	8.00%	
Inflation Protection		
Core Real Estate	3.60%	5.51%
Private Infrastructure	2.40%	5.85%
TIPs	1.00%	1.37%
Natural Resources	1.00%	3.76%
Sub-total	8.00%	
Volatility Protection		
IG Fixed Income	11.50%	2.15%
Absolute Return	6.50%	4.20%
Cash	3.00%	0.77%
Sub-total	21.00%	
	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, 2020

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, 2018	\$ 13,076,921	\$ 14,147,485	\$ (1,070,564)
Changes for the year:			
Service cost	309,507	-	309,507
Interest on total pension liability	900,721	-	900,721
Differences between expected and actual experience of the total pension liability	(177,278)	-	(177,278)
Changes in assumptions	-	-	-
Contributions - employer	-	79,518	(79,518)
Contributions - employee	-	87,046	(87,046)
Net investment income	-	897,595	(897,595)
Benefit payments, including employee refunds	(728,475)	(728,475)	-
Administrative expense	-	(14,027)	14,027
Other changes	-	27,298	(27,298)
Net changes	<u>304,475</u>	<u>348,955</u>	<u>(44,480)</u>
Balance as of June 30, 2019	<u>\$ 13,381,396</u>	<u>\$ 14,496,440</u>	<u>\$ (1,115,044)</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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, 2018	\$ 4,666,395	\$ 4,195,041	\$ 471,354
Changes for the year:			
Service cost	85,240	-	85,240
Interest on total pension liability	318,181	-	318,181
Differences between expected and actual experience of the total pension liability	246,078	-	246,078
Changes in assumptions	-	-	-
Contributions - employer	-	87,200	(87,200)
Contributions - employee	-	22,563	(22,563)
Net investment income	-	262,276	(262,276)
Benefit payments, including employee refunds	(327,140)	(327,140)	-
Administrative expense	-	(4,099)	4,099
Other changes	-	-	-
Net changes	<u>322,359</u>	<u>40,800</u>	<u>281,559</u>
Balance as of June 30, 2019	<u>\$ 4,988,754</u>	<u>\$ 4,235,841</u>	<u>\$ 752,913</u>

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, 2018	\$ 14,534,400	\$ 10,497,871	\$ 4,036,529
Changes for the year:			
Service cost	384,323	-	384,323
Interest on total pension liability	1,004,679	-	1,004,679
Differences between expected and actual experience of the total pension liability	(81,870)	-	(81,870)
Changes in assumptions	-	-	-
Contributions - employer	-	407,090	(407,090)
Contributions - employee	-	185,631	(185,631)
Net investment income	-	681,960	(681,960)
Benefit payments, including employee refunds	(748,021)	(748,021)	-
Administrative expense	-	(10,657)	10,657
Other changes	-	-	-
Net changes	<u>559,111</u>	<u>516,003</u>	<u>43,108</u>
Balance as of June 30, 2019	<u>\$ 15,093,511</u>	<u>\$ 11,013,874</u>	<u>\$ 4,079,637</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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	Discount	1% Increase
(6.00%)	Rate (7.00%)	(8.00%)
\$ 298,457	\$(1,115,044)	\$(2,271,969)

Local 2670A Plan		
Current		
1% Decrease	Discount	1% Increase
(6.00%)	Rate (7.00%)	(8.00%)
\$ 1,285,734	\$ 752,913	\$ 316,761

Fire Department Plan		
Current		
1% Decrease	Discount Rate	1% Increase
6%	7%	8%
\$ 5,666,210	\$ 4,079,637	\$2,781,118

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, 2020 the employer recognized pension expense of \$409,438. 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, 2020

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	\$ 260,625	\$ -
Difference between expected and actual experience	131,967	261,610
Net difference between projected and actual earnings on pension plan investments	-	29,972
Contributions subsequent to the measurement date	38,992	-
	\$ 431,584	\$ 291,582
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ 101,010

\$38,992 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, 2020. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 146,162
2022	(13,186)
2023	(15,149)
2024	(16,817)
	\$ 101,010

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 11. Pension Plans

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

Local 2670A Employees Plan

For the year ended June 30, 2020 the employer recognized pension expense of \$221,616. 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	\$ 108,014	\$ -
Difference between expected and actual experience	211,298	166,875
Net difference between projected and actual earnings on pension plan investments	-	6,346
Contributions subsequent to the measurement date	88,898	-
	<u>\$ 408,210</u>	<u>\$ 173,221</u>
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		<u>\$ 146,091</u>

\$88,898 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, 2020. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 47,963
2022	(2,463)
2023	29,807
2024	34,641
2025	36,143
	<u>\$ 146,091</u>

Fire Department Employees Plan

For the year ended June 30, 2020 the employer recognized pension expense of \$836,264. 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, 2020

Note 11. Pension Plans

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 396,984	\$ 26,543
Difference between expected and actual experience	479,954	308,494
Net difference between projected and actual earnings on pension plan investments	-	26,617
Contributions subsequent to the measurement date	442,149	-
	\$ 1,319,087	\$ 361,654
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ 515,284

\$442,149 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2020 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2020. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2021	\$ 252,508
2022	105,845
2023	210,297
2024	(44,356)
2025	(9,010)
	\$ 515,284

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

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 11. Pension Plans

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

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 Children 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, 2020

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 \$22,733, \$21,065, and \$20,776 for the fiscal years ended June 30, 2020, 2019 and 2018, 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, 2020, the Town reported an asset of \$3,204,018 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, 2019, 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 2019 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2019, the Town proportion was 2.82427095%.

For the year ended June 30, 2020 the Town recognized pension expense of \$(13,023) – an increase in the net pension asset. At June 30, 2020, 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	\$ 349,165	\$ 850,926
Changes of assumptions	279,182	-
Net difference between projected and actual earnings on pension plan investments	-	31,553
Changes in proportion and differences between System contributions and proportionate share contributions	137,616	29,020
Contributions subsequent to the measurement date	22,733	-
	<u>\$ 788,696</u>	<u>\$ 911,499</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		<u>\$ (145,536)</u>

\$22,733 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2020 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2020. 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, 2020

Note 11. Pension Plans

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

Year ended June 30:		
2021	\$	65,559
2022		(57,659)
2023		10,594
2024		27,654
2025		(39,682)
Thereafter		(152,002)
	\$	<u>(145,536)</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 2.5% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2018 valuation and the calculation of the total pension liability at June 30, 2019 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, 2019 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, 2020

Note 11. Pension Plans

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

<u>Asset class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
GROWTH		
Global Equity:		
U.S. Equity	22.10%	6.16%
International Developed Equity	13.20%	6.83%
Emerging Markets Equity	4.70%	8.90%
Sub-total	<u>40.00%</u>	
Private Growth:		
Private Equity	11.25%	9.81%
Non-Core Real Estate	2.25%	5.51%
OPP Private Credit	1.50%	9.81%
Sub-Total	<u>15.00%</u>	
INCOME		
High Yield Infrastructure	1.00%	3.98%
REITS	1.00%	5.51%
Liquid Credit	2.80%	3.98%
Private Credit	3.20%	3.98%
Sub-Total	<u>8.00%</u>	
STABILITY		
Crisis Protection Class		
Treasury Duration	4.00%	0.77%
Systematic Trend	4.00%	4.20%
Sub-Total	<u>8.00%</u>	
Inflation Protection		
Core Real Estate	3.60%	5.51%
Private Infrastructure	2.40%	5.85%
TIPs	1.00%	1.37%
Natural Resources	1.00%	3.76%
Sub-Total	<u>8.00%</u>	
Volatility Protection		
IG Fixed Income	11.50%	2.15%
Absolute Return	6.50%	4.20%
Cash	3.00%	0.77%
Sub-Total	<u>21.00%</u>	
Total	<u><u>100.00%</u></u>	

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, 2020

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%)
\$ (2,468,990)	\$ (3,204,018)	\$ (3,751,302)

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, 2020

Note 11. Pension Plans

Police Pension Plan (Continued)

(b) Plan Membership

At June 30, 2020, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	34
Active plan members	<u>28</u>
Subtotal	<u><u>62</u></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, 2020, 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, 2020 were \$896,811 which consists of employer contributions of \$700,000 and employee contributions of \$196,811.

(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, 2020:

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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	3.0%
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, 2020, 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, 2020 the annual money-weighted rate of return on Plan investments, net of investment expense, was 6.20%. 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, 2020, 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, 2020, 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, 2020, 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, 2020

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, 2020, 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, 2020.

(3) Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2020, were as follows:

Total pension liability	\$ 19,601,842
Plan fiduciary net position	<u>(13,843,625)</u>
Town's net pension liability	<u>\$ 5,758,217</u>
Plan fiduciary net position as a percentage of the total pension liability	70.62%

(a) Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
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, 2020

Note 11. Pension Plans

Police Pension Plan (Continued)

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

The actuarial assumptions used in the June 30, 2020 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 6/30/19	\$ 19,331,488	\$ 13,182,526	\$ 6,148,962
Changes for the year:			
Service cost	364,994	-	364,994
Interest on total pension liability	1,437,861	-	1,437,861
Differences between expected and actual experience	(444,588)	-	(444,588)
Contributions - employer	-	700,000	(700,000)
Contributions - employee	-	196,811	(196,811)
Net investment income	-	824,654	(824,654)
Changes in assumptions	(39,072)	-	(39,072)
Benefit payments	(1,048,841)	(1,048,841)	-
Administrative expense	-	(11,525)	11,525
Net changes	<u>270,354</u>	<u>661,099</u>	<u>(390,745)</u>
Balance as of 6/30/2020	<u>\$ 19,601,842</u>	<u>\$ 13,843,625</u>	<u>\$ 5,758,217</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	\$ 8,149,630	\$ 5,758,217	\$ 3,782,673

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

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, 2020 the Town recognized pension expense of \$905,275.

At June 30, 2020 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	\$ 405,619	\$ 374,157
Changes in assumptions	616,197	81,442
Difference between projected and actual earnings on plan investments	-	158,453
Total deferred outflows / (inflows)	\$ 1,021,816	\$ 614,052

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

Year ended June 30:

2021	\$ 68,481
2022	127,726
2023	132,681
2024	115,014
2025	(15,312)
Thereafter	(20,826)
	\$ 407,764

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	\$ 5,282,313	\$ 431,584	\$ 408,210	\$ 1,319,087	\$ 788,696	\$ 1,021,816	\$ 9,251,706
Deferred Inflows of Resources - Pension	2,083,332	291,582	173,221	361,654	911,499	614,052	4,435,340
Net Pension Asset	-	1,115,044	-	-	3,204,018	-	4,319,062
Net Pension Liability	23,645,938	-	752,913	4,079,637	-	5,758,217	34,236,705
Pension Expense	2,729,799	409,438	221,616	836,264	(13,023)	905,275	5,089,369
Total	\$ 33,741,382	\$ 2,247,648	\$ 1,555,960	\$ 6,596,642	\$ 4,891,190	\$ 8,299,360	\$ 57,332,182

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 12. Financial Statements for Individual Pension and Other Postemployment Benefit Trust Funds

GAAP requires that all Pension and Other Postemployment Trust Funds be combined and presented in one column in the Fiduciary Funds financial statements and that the individual financial statements for each trust fund plan are reported in the notes to the financial statements. Provided below are the individual financial statements for the pension and OPEB plan that are included in the Fiduciary Funds as Pension and Other Postemployment Benefits Trust Funds.

Statement of Fiduciary Net Position

	<u>Police Pension Trust</u>	<u>Town OPEB Trust Funds</u>	<u>School OPEB Trust Funds</u>
Assets			
Cash and cash equivalents	\$ 279,035	\$ 332,939	\$ -
Investments, at fair value			
Cash management investment fund	-	-	415,529
Equities	10,970,535	-	-
Fixed income	2,594,055	-	-
Due from	-	-	-
Total assets	<u>13,843,625</u>	<u>332,939</u>	<u>415,529</u>
Deferred outflows of resources			
None	-	-	-
Total assets and deferred outflows of resources	<u><u>13,843,625</u></u>	<u><u>332,939</u></u>	<u><u>415,529</u></u>
Liabilities			
Accounts payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources			
None	-	-	-
Net position			
Restricted for pension	13,843,625	-	-
Restricted for Town OPEB	-	332,939	-
Restricted for School OPEB and Town	-	-	415,529
Total net position	<u>13,843,625</u>	<u>332,939</u>	<u>415,529</u>
Total liabilities and net position	<u><u>\$ 13,843,625</u></u>	<u><u>\$ 332,939</u></u>	<u><u>\$ 415,529</u></u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 12. Financial Statements for Individual Pension and Other Postemployment Benefit Trust Funds (Continued)

Statement of Changes in Fiduciary Net Position

	Police	Town	School
	Pension Trust	OPEB	OPEB
	<u>Pension Trust</u>	<u>Trust Funds</u>	<u>Trust Funds</u>
Additions			
Employer contributions	\$ 700,000	\$ 908,557	\$ 220,426
Plan member contributions	196,811	-	18,118
Investment income (net of related fees)	824,654	17,526	-
Other	-	-	-
	<u>1,721,465</u>	<u>926,083</u>	<u>238,544</u>
Deductions			
Benefits paid	1,048,841	774,896	220,426
Administrative costs	11,525	-	-
Per trust agreements	-	-	-
	<u>1,060,366</u>	<u>774,896</u>	<u>220,426</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	661,099	151,187	18,118
Net position, July 1, 2019	<u>13,182,526</u>	<u>181,752</u>	<u>397,411</u>
Net position, June 30, 2020	<u>\$ 13,843,625</u>	<u>\$ 332,939</u>	<u>\$ 415,529</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 13. Commitments and Contingencies

a. Commitments:

The Community Septic System Loan Program (CSSLP) is a lending program that provides low-cost, long-term financing to residential property owners for the repair or replacement of substandard or failing septic systems or to replace cesspools when the homeowner wishes to upgrade to a septic system.

- Financing is interest-free, with borrowers only subject to a \$300 loan origination fee and a 1% annual servicing fee on the outstanding loan balance (differs in some communities)
- Residents may borrow up to \$25,000 with a term of up to ten years (maximum loan amount varies by community)
- Funds may be used to pay for engineering costs in addition to construction work.
- Rhode Island Housing is responsible for underwriting and servicing loans made through the program.

Interested residents the Tiverton Wastewater District.

b. Contingencies

1. 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 14. Restatement

The Town report the following restatement in the Capital Project Fund financial statements:

	Capital Project Funds
Beginning balance, July 1, 2019	\$ 9,568,348
To remove fund balance related to street sweeper received in prior year	(205,097)
Beginning balance, July 1, 2019, restated	<u>\$ 9,363,251</u>

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 15. Fund Balance Classifications

	Major Funds		Non-Major Funds			Total
	General Fund	School Department	Special Revenue	Capital Projects	Debt Service Fund	
Fund Balances						
Nonspendable						
Prepaid	\$ 106,351	\$ -	\$ -	\$ -	\$ -	\$ 106,351
Restricted for						
Public safety programs	-	-	90,213	-	-	90,213
Educational purposes	-	-	98,842	-	-	98,842
Health and human services programs	-	-	-	-	-	-
Public works programs	-	-	356,940	-	-	356,940
Committed to						
General government purposes	38,900	-	788,943	-	-	827,843
Finance administration purposes	218,505	-	-	-	-	218,505
Public safety programs	-	-	210,663	-	-	210,663
Health and human services programs	-	-	-	-	-	-
Public works programs	186,993	-	-	9,138,975	-	9,325,968
Parks and recreation	-	-	19,302	-	-	19,302
Capital projects	173,094	-	-	-	-	173,094
Capital Resolution	341,474	-	-	-	-	341,474
Debt service bonds	-	-	-	428,364	560,625	988,989
Unassigned	3,921,955	493,240	(56,495)	29,545	-	4,388,245
	\$ 4,987,272	\$ 493,240	\$ 1,508,409	\$ 9,596,884	\$ 560,625	\$ 17,146,430

Note 16. Fund Deficit

The following funds had deficits at year end:

NCPC	\$ (26,725)
PFS Grant	(35,329)
NPC SOR Grant	(21,509)
Senior Center	(4,360)
Police Detail	(23,804)
Total Deficit	\$ (111,727)

All fund deficits 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, 2020 and through January 13, 2021, the date of which the financial statements were issued.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2020

Note 17. Coronavirus (COVID-19)

On January 30, 2020, the World Health Organization declared the coronavirus to be a public health emergency. On March 9, 2020, the Governor of the State of Rhode Island declared a state of emergency to combat a novel coronavirus disease (COVID-19).

The Town of Tiverton derives a significant portion of its revenues from property taxes. While the Town has not experienced any significant increase in the amount delinquency from its taxpayers, the situation creates uncertainty about the impact of future revenues that might be generated.

At this time, it is uncertain what effects of the pandemic will be on the Town health care costs, changes in interest rates, investment valuation and the future federal and state fiscal relief.

Required Supplementary Information

TOWN OF TIVERTON, RHODE ISLAND
 Required Supplementary Information
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2020

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Appropriations Carried To FY 21</u>	<u>Favorable (Unfavorable)</u>	<u>T/C Resolution to Capital</u>
	<u>Carried to FY 20</u>	<u>Original Budget</u>	<u>Transfers</u>					
Revenues								
General property taxes	\$ -	\$ 37,913,335	\$ -	\$ 37,913,335	\$ 38,227,929	\$ -	\$ 314,594	\$ -
Intergovernmental	-	5,326,211	-	5,326,211	5,204,933	-	(121,278)	-
Licenses, permits, and usage fees	-	2,615,554	-	2,615,554	2,767,240	-	151,686	-
Fines and interest on late payments	-	300,000	-	300,000	258,541	-	(41,459)	-
Interest on investment	-	150,000	-	150,000	160,217	-	10,217	-
Other revenue	-	47,100	-	47,100	76,410	-	29,310	-
Total revenues	-	46,352,200	-	46,352,200	46,695,270	-	343,070	-
Expenditures								
General government	51,809	1,267,658	1,933	1,321,400	1,145,140	38,900	137,360	34,340
Finance administration	217,710	5,992,686	(8,090)	6,202,306	5,748,323	218,505	235,479	58,870
Public safety	-	6,229,005	(0)	6,229,005	5,769,661	-	459,344	114,836
Health and human services	-	735,958	(689)	735,269	715,850	-	19,419	4,855
Public works	174,739	2,670,726	(392)	2,845,073	2,535,568	186,993	122,512	30,628
Parks and recreation	-	97,710	6,188	103,898	103,890	-	8	2
Capital outlay	173,094	1,157,569	1,050	1,331,713	808,561	173,094	350,058	87,515
Debt service - principal	-	3,175,000	-	3,175,000	3,175,000	-	-	-
Debt service - interest	-	1,598,965	-	1,598,965	1,557,246	-	41,719	-
Total expenditures	617,352	22,925,277	0	23,542,629	21,559,239	617,492	1,365,899	331,045
Excess (deficiency) of revenues over expenditures	(617,352)	23,426,923	(0)	22,809,571	25,136,031	(617,492)	(1,022,829)	(331,045)

*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, 2020

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Encumbrances / Appropriations Carried To FY 20</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Capital</u>
	<u>Encumbrances Carried to FY 19</u>	<u>Original Budget</u>	<u>Transfers</u>					
Other financing sources and (uses)								
Transfer to other funds	-	(24,551,684)	-	(24,119,684)	(24,867,752)	-	(748,068)	-
Transfer from other funds	-	350,000	-	350,000	174,149	-	(175,851)	-
Use of fund balance	-	614,213	-	614,213	-	-	(614,213)	-
Proceeds from sale of library	-	160,548	-	160,548	-	-	(160,548)	-
	-	(23,426,923)	-	(22,994,923)	(24,693,603)	-	(1,698,680)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	<u>\$ (617,352)</u>	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ (185,352)</u>	<u>\$ 442,428</u>	<u>\$ (617,492)</u>	<u>\$ (2,721,509)</u>	<u>\$ (331,045)</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					<u>442,428</u>			
Fund balance, July 1, 2019					<u>4,544,844</u>			
Fund balance, June 30, 2020					<u>\$ 4,987,272</u>			

* The Town Council made a resolution to carry forward 25% of favorable variances per line item for purposes of capital in fiscal year 2020.

*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, 2020

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, 2020 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, 2020

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues				
Federal and State governments	\$ 7,554,316	\$ 7,238,248	\$ 7,043,649	\$ (194,599) ***
Medicaid Reimbursement	-	-	-	-
Other revenues	-	-	79,654	79,654
Total revenues	<u>7,554,316</u>	<u>7,238,248</u>	<u>7,123,303</u>	<u>(114,945)</u>
Expenditures				
Salaries	17,732,894	17,779,191	18,620,037	(840,846)
Employee benefits	6,881,268	6,716,268	7,087,807	(371,539)
Purchased services	5,906,916	6,073,889	5,174,182	899,707
Supplies and materials	1,056,847	1,051,208	1,246,815	(195,607)
Capital outlay	282,225	285,491	466,584	(181,093)
Other operating expenditures	29,850	31,525	37,668	(6,143)
Total expenditures	<u>31,890,000</u>	<u>31,937,572</u>	<u>32,633,093</u>	<u>(695,521)</u>
Excess of expenditures over revenues, budgetary basis	<u>(24,335,684)</u>	<u>(24,699,324)</u>	<u>(25,509,790)</u>	<u>(810,466)</u>
Other financing sources (uses)				
Transfer from Town of Tiverton	24,335,684	24,335,684	24,867,752	532,068 **
Transfer to capital project fund	-	-	(215,142)	(215,142)
Total other financing sources (uses)	<u>24,335,684</u>	<u>24,335,684</u>	<u>24,652,610</u>	<u>316,926</u>
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	<u>\$ -</u>	<u>\$ (363,640)</u>	<u>(857,180)</u>	<u>\$ (493,540)</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>(857,180)</u>	
Fund balance, July 1, 2019			<u>1,350,420</u>	
Total fund balance June 30, 2020			<u>\$ 493,240</u>	

* The original budget includes \$47,572 of indirect cost recover from the Tiverton School Department's grants.

** Additional appropriation by the Town is due to State Aid Shortage of \$316,068 and Capital of \$216,000.

*** The Town received \$7,238,248 from the State which the total amount was appropriated to the school. \$7,043,649 was State funding and \$194,599 was Cares Act-ESSER money which was transferred to a Special Revenue Fund for proper reporting.

Expenditures in excess of appropriations for the school department totaled \$857,180 for the year ended June 30, 2020.

*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, 2020

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, 2020 are as follows:

	School Unrestricted
Excess (deficiency) of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis) (Non-GAAP Budgetary Basis)	\$ (857,180)
State contribution to teachers' pension plan revenue on behalf	1,771,329
State contribution to teacher's pension plan expense on behalf	<u>(1,771,329)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ (857,180)</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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Actuarial determined contribution	\$ 1,523,355	\$ 1,404,414	\$ 1,594,417	\$ 1,486,663
Contributions in relation to the actuarially determined contribution	908,557	767,455	679,087	729,965
Contribution deficiency (excess)	<u>\$ 614,798</u>	<u>\$ 636,959</u>	<u>\$ 915,330</u>	<u>\$ 756,698</u>
 Covered-employee payroll	 \$ 3,442,854	 \$ 3,342,577	 \$ 7,025,422	 \$ 6,622,134
 Contributions as a percentage of covered-employee payroll	 26.39%	 22.96%	 9.67%	 11.02%

* Fourth year of implementation of GASB 74, therefore only four 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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability				
Service cost	\$ 440,917	\$ 407,294	\$ 466,061	\$ 442,043
Interest on net OPEB liability and service cost	829,821	774,142	763,900	700,377
Differences between actual and expected experience	(51)	(1,301,510)	-	-
Changes of assumptions	493,527	30,936	(1,843,107)	-
Benefit payments, including refunds	<u>(774,896)</u>	<u>(733,882)</u>	<u>(644,951)</u>	<u>(638,156)</u>
 Net change in total OPEB liability	 989,318	 (823,020)	 (1,258,097)	 504,264
 Total OPEB liability - beginning	 <u>18,308,292</u>	 <u>19,131,312</u>	 <u>20,389,409</u>	 <u>19,885,145</u>
Total OPEB liability - ending	<u><u>19,297,610</u></u>	<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	(774,896)	(733,882)	(644,951)	(638,156)
Trust administrative expenses	-	-	-	-
Contributions - employer	908,557	767,455	679,087	729,965
Contribution - Active employees	-	-	-	-
Net investment income	<u>17,526</u>	<u>10,209</u>	<u>6,461</u>	<u>5,564</u>
 Net change in plan fiduciary net position	 151,187	 43,782	 40,597	 97,373
 Plan fiduciary net position - beginning	 <u>181,752</u>	 <u>137,970</u>	 <u>97,373</u>	 <u>-</u>
Plan fiduciary net position - ending	<u><u>332,939</u></u>	<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>\$ 18,964,671</u></u>	 <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	 1.73%	 0.99%	 0.72%	 0.48%
 Covered employee payroll	 \$ 3,442,854	 \$ 3,342,577	 \$ 7,025,422	 \$ 6,622,134
 Plan NOL as % of covered employee payroll	 550.84%	 542.29%	 270.35%	 306.43%

* Fourth year of implementation of GASB 74, therefore only four 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

*Last 10 Fiscal Years**

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Annual money-weighted rate of return, net of investment expense	-2.55%	6.08%	5.66%	12.49%

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

Notes to Required Supplementary Information:

Valuation Date: Actuarially Determined Contribution was calculated as of July 1, 2018.

Actuarial Cost Method: Individual Entry Age Normal

Asset-Valuation Method: Market Value of Assets as of the Measurement Date, June 30, 2020.

Actuarial Assumptions:

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

Single Equivalent Discount Rate: 4.00%, net of OPEB plan investment expense, including inflation

Inflation: 2.50% as of June 30, 2020 and for future periods

Salary Increases: 3.00% annually as of June 30, 2020 and for future periods

Pre-Retirement Mortality: General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females
Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females

Post-Retirement Mortality: General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females
Teachers: RP-2014 Mortality Table for White Collare Healthy Annuitants projected generationally with scale MP-2016 for males and females

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

Changes in Assumptions: From June 30, 2019 to June 30, 2020
Due to the GASB 75 standards the discount rate has been changed from 4.25% to 4.00%

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

Required Supplementary Information

Other Post-Employment Benefits

Schedule of Contributions – School

*Last 10 Fiscal Years**

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Actuarial determined contribution	\$ 658,049	\$ 686,574	\$ 778,349	\$ 741,396
Contributions in relation to the actuarially determined contribution	220,426	291,169	377,487	594,483
Contribution deficiency (excess)	<u>\$ 437,623</u>	<u>\$ 395,405</u>	<u>\$ 400,862</u>	<u>\$ 146,913</u>
Covered-employee payroll	\$ 16,907,952	\$ 16,415,487	\$ 18,929,281	\$ 17,842,663
Contributions as a percentage of covered-employee payroll	1.30%	1.77%	1.99%	3.33%

* Four years of implementation of GASB 74, therefore only four 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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability				
Service cost	\$ 285,491	\$ 264,398	\$ 371,356	\$ 357,050
Interest on net OPEB liability and service cost	259,862	306,390	306,758	263,514
Differences between actual and expected experience	(20)	(961,486)	-	-
Changes in assumptions	194,804	19,662	(212,300)	-
Benefit payments, including refunds	<u>(220,426)</u>	<u>(208,429)</u>	<u>(377,487)</u>	<u>(404,269)</u>
 Net change in total OPEB liability	 519,711	 (579,465)	 88,327	 216,295
 Total OPEB liability - beginning	 <u>7,097,379</u>	 <u>7,676,844</u>	 <u>7,588,517</u>	 <u>7,372,222</u>
Total OPEB liability - ending	<u>7,617,090</u>	<u>7,097,379</u>	<u>7,676,844</u>	<u>7,588,517</u>
 OPEB fiduciary net position				
Benefit payments, including refunds	(220,426)	(208,429)	(377,487)	(404,269)
Trust administrative expenses	-	-	-	-
Contributions - employer	220,426	291,169	377,487	594,483
Contribution - Active employees	-	-	-	23,157
Net investment income	<u>18,118</u>	<u>22,583</u>	<u>22,811</u>	<u>-</u>
 Net change in plan fiduciary net position	 18,118	 105,323	 22,811	 213,371
 Plan fiduciary net position - beginning	 <u>397,411</u>	 <u>292,088</u>	 <u>269,277</u>	 <u>55,906</u>
Plan fiduciary net position - ending	<u>415,529</u>	<u>397,411</u>	<u>292,088</u>	<u>269,277</u>
 Plan's net pension liability - ending	 <u>\$ 7,201,561</u>	 <u>\$ 6,699,968</u>	 <u>\$ 7,384,756</u>	 <u>\$ 7,319,240</u>
 Plan fiduciary net position as % of total OPEB liability	 5.46%	 5.60%	 3.80%	 3.55%
 Covered employee payroll	 \$ 16,907,952	 \$ 16,415,487	 \$ 18,929,281	 \$ 17,842,663
 Plan NOL as % of covered employee payroll	 42.59%	 40.81%	 39.01%	 41.02%

* Fourth year of implementation of GASB 74, therefore only four 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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<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	5.27%	6.39%	8.47%	15.69%

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

Notes to Required Supplementary Information:

Valuation Date: Actuarially Determined Contribution was calculated as of July 1, 2018.
 Actuarial Cost Method: Individual Entry Age Normal
 Asset-Valuation Method: Market Value of Assets as of the Measurement Date, June 30, 2020.

Actuarial Assumptions:

Investment Rate of Return: 6.08%, net of OPEB plan investment expense
 Single Equivalent Discount Rate: 4.00%, net of OPEB plan investment expense, including inflation
 Inflation: 2.50% as of June 30, 2020 and for future periods
 Salary Increases: 3.00% annually as of June 30, 2020 and for future periods
 Pre-Retirement Mortality: General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females
 Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females
 Post-Retirement Mortality: General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females
 Teachers: RP-2014 Mortality Table for White Collare Healthy Annuitants projected generationally with scale MP-2016 for males and females
 Disabled Mortality: General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females
 Teachers: RP-2014 Mortality Table for White Collare Healthy Annuitants projected generationally with scale MP-2016 for males and females
 Changes in Assumptions: From June 30, 2019 to June 30, 2020
 Due to the GASB 75 standards the discount rate has been changed from 4.25% to 4.00%

*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

*Last 10 Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.74107340%	0.72208190%	0.71034337%	0.79949274%	0.78949625%	0.67955856%
Employer's proportionate share of the net pension liability	\$23,645,938	\$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>17,713,257</u>	<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>\$41,359,195</u>	<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	\$16,885,883	\$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	244.93%	250.10%	261.11%	272.95%	242.84%	188.44%
Plan fiduciary net position as a percentage of the total pension liability	54.60%	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

*Last 10 Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,771,329	\$ 1,849,978	\$ 1,725,592	\$ 1,660,985	\$ 1,803,412	\$ 1,720,334
Contributions in relation to the actuarially determined contribution	<u>1,771,329</u>	<u>1,849,978</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	\$16,885,883	\$16,015,703	\$15,065,257	\$14,724,220	\$15,064,982	\$14,797,140
Contributions as a percentage of covered- employee payroll	10.49%	11.55%	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

*Last 10 Fiscal Years**

	<u>Year Ended June 30, 2019</u>	<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	\$ 384,323	\$ 392,154	\$ 339,547	\$ 300,210	\$ 299,037	\$ 273,939
2. Interest on the Total Pension Liability	1,004,679	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	(81,870)	(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>(748,021)</u>	<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	559,111	436,206	2,130,562	199,232	1,001,925	295,968
8. Total pension liability – beginning	<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>	<u>10,470,507</u>
9. Total pension liability – ending (a)	<u>15,093,511</u>	<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>
B. Plan fiduciary net position						
1. Contributions – employer	407,090	287,696	298,773	230,385	266,991	164,296
2. Contributions – employee	185,631	189,024	180,418	161,761	139,329	133,465
3. Net investment income	681,960	785,535	1,055,972	(3,232)	228,566	1,297,206
4. Benefit payments, including refunds of employee contributions	(748,021)	(697,489)	(835,087)	(737,239)	(606,263)	(653,720)
5. Pension Plan Administrative Expense	(10,657)	(10,457)	(9,976)	(8,695)	(9,174)	(8,123)
6. Other	-	(1)	(58,604)	(84,036)	(5,927)	(154)
7. Net change in plan fiduciary net position	516,003	554,308	631,496	(441,056)	13,522	932,970
8. Plan fiduciary net position – beginning	<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>	<u>8,806,631</u>
9. Plan fiduciary net position – ending (b)	<u>11,013,874</u>	<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>
C. Net pension liability - ending (a) - (b)	<u>\$ 4,079,637</u>	<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>
D. Plan fiduciary net position as a percentage of the total pension liability	72.97%	72.23%	70.53%	77.81%	82.88%	90.46%
E. Covered employee payroll	\$ 1,854,841	\$ 1,891,722	\$ 1,804,183	\$ 1,626,271	\$ 1,741,627	\$ 1,668,325
F. Net pension liability as a percentage of covered payroll	219.95%	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

*Last 10 Fiscal Years**

	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 442,149	\$ 407,090	\$ 287,696	\$ 298,773	\$ 230,385	\$ 266,991
Contributions in relation to the actuarially determined contribution	442,149	407,090	287,696	298,773	230,385	266,991
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	<u>\$ 1,854,841</u>	<u>\$ 1,891,722</u>	<u>\$ 1,862,819</u>	<u>\$ 1,804,183</u>	<u>\$ 1,626,271</u>	<u>\$ 1,741,627</u>
Contributions as a percentage of covered-employee payroll	23.84%	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 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

Municipal Employees' Retirement System

General Town Employees

*Last 10 Fiscal Years**

	<u>Year Ended June 30, 2019</u>	<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	\$ 309,507	\$ 312,060	\$ 296,923	\$ 305,777	\$ 300,404	\$ 320,597
2. Interest on the Total Pension Liability	900,721	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	(177,278)	(126,818)	301,023	(84,123)	(178,453)	-
5. Changes of assumptions	-	-	584,745	-	-	22,056
6. Benefit payments, including refunds of employee contributions	(728,475)	(672,518)	(593,324)	(565,572)	(569,582)	(530,246)
7. Net change in total pension liability	304,475	388,311	1,423,161	456,975	491,959	537,938
8. Total pension liability – beginning	13,076,921	12,688,610	11,265,449	10,808,474	10,316,515	9,778,577
9. Total pension liability – ending (a)	<u>13,381,396</u>	<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>
B. Plan fiduciary net position						
1. Contributions – employer	79,518	45,660	95,346	120,565	144,299	129,321
2. Contributions – employee	87,046	89,582	99,370	107,803	65,589	67,392
3. Net investment income	897,595	1,058,628	1,447,226	842	304,312	1,732,208
4. Benefit payments, including refunds of employee contributions	(728,475)	(672,518)	(593,324)	(565,572)	(569,582)	(530,246)
5. Pension Plan Administrative Expense	(14,027)	(14,093)	(13,673)	(17,026)	(12,548)	(10,847)
6. Other	27,298	12,419	(42,619)	3,563	47,586	24,573
7. Net change in plan fiduciary net position	348,955	519,678	992,326	(349,825)	(20,344)	1,412,401
8. Plan fiduciary net position – beginning	14,147,486	13,627,808	12,635,482	12,985,307	13,005,651	11,593,250
9. Plan fiduciary net position – ending (b)	<u>14,496,441</u>	<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>
C. Net pension liability - ending (a) - (b)	<u>\$ (1,115,044)</u>	<u>\$ (1,070,564)</u>	<u>\$ (939,197)</u>	<u>\$ (1,370,033)</u>	<u>\$ (2,176,833)</u>	<u>\$ (2,689,136)</u>
D. Plan fiduciary net position as a percentage of the total pension liability	108.33%	108.19%	107.40%	112.16%	120.14%	126.07%
E. Covered employee payroll	\$ 3,565,754	\$ 3,369,975	\$ 3,389,532	\$ 3,386,235	\$ 3,279,520	\$ 3,301,722
F. Net pension liability as a percentage of covered payroll	-31.27%	-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

*Last 10 Fiscal Years**

	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 38,992	\$ 79,518	\$ 45,660	\$ 95,346	\$ 120,565	\$ 144,299
Contributions in relation to the actuarially determined contribution	<u>38,992</u>	<u>79,518</u>	<u>45,660</u>	<u>95,346</u>	<u>120,565</u>	<u>144,299</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	<u>\$ 3,565,754</u>	<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	1.09%	2.36%	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

*Last 10 Fiscal Years**

	<u>Year Ended June 30, 2019</u>	<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	\$ 85,240	\$ 91,347	\$ 85,971	\$ 88,291	\$ 89,239	\$ 94,889
2. Interest on the Total Pension Liability	318,181	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	246,078	(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>(327,140)</u>	<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	322,359	7,635	306,526	(32,615)	454,040	180,243
8. Total pension liability – beginning	<u>4,666,395</u>	<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>4,988,754</u></u>	<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	87,200	86,673	100,786	87,977	103,515	89,438
2. Contributions – employee	22,563	26,652	26,601	29,253	20,064	18,161
3. Net investment income	262,276	313,907	431,129	(1,306)	92,015	525,526
4. Benefit payments, including refunds of employee contributions	<u>(327,140)</u>	<u>(287,740)</u>	<u>(256,830)</u>	<u>(251,012)</u>	<u>(231,277)</u>	<u>(206,525)</u>
5. Pension Plan Administrative Expense	<u>(4,099)</u>	<u>(4,179)</u>	<u>(4,073)</u>	<u>(3,513)</u>	<u>(3,693)</u>	<u>(3,291)</u>
6. Other	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>(25,641)</u>	<u>18</u>	<u>-</u>
7. Net change in plan fiduciary net position	40,800	135,313	297,604	(164,242)	(19,358)	423,309
8. Plan fiduciary net position – beginning	<u>4,195,041</u>	<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>4,235,841</u></u>	<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>\$ 752,913</u></u>	<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	84.91%	89.90%	87.14%	86.44%	89.54%	100.38%
E. Covered employee payroll	\$ 1,088,640	\$ 1,062,175	\$ 1,043,343	\$ 1,027,839	\$ 1,002,691	\$ 985,345
F. Net pension liability as a percentage of covered payroll	69.16%	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

*Last 10 Fiscal Years**

	<u>Fiscal 2020</u>	<u>Fiscal 2019</u>	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 88,898	\$ 87,200	\$ 86,673	\$ 100,786	\$ 87,977	\$ 103,515
Contributions in relation to the actuarially determined contribution	88,898	87,200	86,673	100,786	87,977	103,515
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	<u>\$ 1,088,640</u>	<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	8.17%	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

*Last 10 Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension asset	2.82427095%	2.79233223%	2.80797174%	2.92391721%	2.97993976%	2.98594898%
Employer's proportionate share of the net pension asset	\$ 3,204,018	\$ 2,491,578	\$ 2,322,934	\$ 2,911,399	\$ 2,781,941	\$ 3,712,154
Employer's covered employee payroll	\$ 16,885,883	\$ 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	18.97%	15.56%	15.42%	19.77%	18.47%	25.09%
Plan fiduciary net position as a percentage of the total pension liability	150.2%	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

*Last 10 Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily determined contribution	\$ 22,733	\$ 21,065	\$ 20,776	\$ 16,564	\$ 18,780	\$ 18,364
Contributions in relation to the statutorily determined contribution	<u>22,733</u>	<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	\$ 16,885,883	\$ 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%	0.13%	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, 2020

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, 2019 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, 2019 measurement date compared to the June 30, 2018 measurement date.

June 30, 2018 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, 2018 measurement date compared to the June 30, 2017 measurement date.

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.

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, 2020

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 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.

Schedule of Employer Contributions

Teachers' Survivors Benefit Plan – the employee and employer contribution rates were applied to the first \$11,500 of member salary for fiscal 2018. In fiscal 2017 and prior the rate was applied to salary up to \$9,600.

Covered employee payroll is the full amount of employee payroll for plan members and not just the capped salary amount to which the contribution rate is applied.

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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<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	\$ 364,994	\$ 334,284	\$ 289,431	\$ 302,324	\$ 322,696	\$ 315,103	\$ 285,815
Interest	1,437,861	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	(444,588)	135,852	374,031	333,268	10,225	(699,268)	(595,528)
Changes of assumptions	(39,072)	620,398	(83,567)	677,967	-	-	-
Benefit payments, including refunds of participant contributions	(1,048,841)	(941,069)	(922,840)	(779,901)	(761,797)	(748,242)	(765,309)
Net change in total pension liability	<u>270,354</u>	<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>19,331,488</u>	<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>19,601,842</u></u>	<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	700,000	650,000	700,000	800,000	825,000
Contributions - employee	196,811	198,051	195,936	186,677	172,701	179,257	166,440
Net investment income	824,654	862,217	1,363,736	1,471,204	(332,601)	698,683	1,157,063
Benefit payments, including refunds of participant contributions	(1,048,841)	(941,069)	(922,840)	(779,901)	(761,797)	(748,242)	(765,309)
Administrative expense	(11,525)	(10,800)	(13,735)	(33,519)	-	-	-
Other	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>661,099</u>	<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>13,182,526</u>	<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>13,843,625</u></u>	<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>\$ 5,758,217</u></u>	<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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<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	\$ 19,601,842	\$ 19,331,488	\$ 17,853,211	\$ 16,938,557	\$ 15,266,488	\$ 14,604,337	\$ 14,002,853
Plan fiduciary net position	<u>13,843,625</u>	<u>13,182,526</u>	<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>
Town's net pension liability	<u>\$ 5,758,217</u>	<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	70.62%	68.19%	69.31%	65.24%	62.60%	66.95%	63.19%
Covered-employee payroll	\$ 1,889,588	\$ 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	304.73%	310.09%	290.07%	346.32%	338.61%	281.17%	354.31%

*Only seven 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

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 672,532	\$ 583,132	\$ 575,463	\$ 559,740	\$ 503,576	\$ 536,634	\$ 544,334
Contributions in relation to the actuarially determined contribution	700,000	700,000	700,000	650,000	700,000	800,000	825,000
Contribution deficiency (excess)	<u>\$ (27,468)</u>	<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	\$ 1,889,588	\$ 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	37.05%	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

*Last 10 Fiscal Years**

	<u>June 30, 2020</u>	<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	6.20%	6.80%	12.00%	14.90%	0.04%	0.28%	15.30%

*Only seven 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, 2020

Valuation Date:

Actuarially determined contribution rates are calculated as of June 30, 2020.

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	Public Safety 2010 base mortality, projected generationally using mortality improvement scale MP-2018. (Previously, RP-2006 base mortality projected generationally using scale MP-2017.)
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, 2020

	<u>Revenues</u>	<u>Transfers</u>	<u>Available</u>	<u>Actual</u>	<u>(Unfavorable)</u>
General property taxes					
Real estate and personal property tax	\$ 37,913,335	\$ -	\$ 37,913,335	\$ 38,227,929	\$ 314,594
Total general property taxes	<u>37,913,335</u>	<u>-</u>	<u>37,913,335</u>	<u>38,227,929</u>	<u>314,594</u>
Intergovernmental					
State of Rhode Island	5,326,211	-	5,326,211	5,204,933	(121,278)
Total intergovernmental	<u>5,326,211</u>	<u>-</u>	<u>5,326,211</u>	<u>5,204,933</u>	<u>(121,278)</u>
Licenses, permits, and usage fees					
Business fees	729,900	-	729,900	981,349	251,449
Usage fees	1,885,654	-	1,885,654	1,785,891	(99,763)
Total licenses, permits, and usage fees	<u>2,615,554</u>	<u>-</u>	<u>2,615,554</u>	<u>2,767,240</u>	<u>151,686</u>
Fines and interest on late payments	300,000	-	300,000	258,541	(41,459)
Interest on investments	150,000	-	150,000	160,217	10,217
Other revenues	47,100	-	47,100	76,410	29,310
Total revenues	<u>46,352,200</u>	<u>-</u>	<u>46,352,200</u>	<u>46,695,270</u>	<u>343,070</u>
Other financing sources					
Use of fund balance	614,213	-	614,213	-	(614,213)
Sale of Town Property	160,548	-	-	-	-
Transfers from other funds	350,000	-	350,000	174,149	(175,851)
Total other financing sources	<u>1,124,761</u>	<u>-</u>	<u>964,213</u>	<u>174,149</u>	<u>(790,064)</u>
Total revenue and other financing sources	<u>\$ 47,476,961</u>	<u>\$ -</u>	<u>\$ 47,316,413</u>	<u>\$ 46,869,419</u>	<u>\$ (446,994)</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, 2020

	Original Budget			Total Available	Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers					
<i>General government</i>								
<i>Town clerk's office</i>								
Dept management salary	\$ -	\$ 66,060	\$ 508	\$ 66,568	\$ 66,568	\$ -	\$ -	\$ -
Deputy Clerk	-	45,000	(508)	44,492	43,258	-	1,234	309
Staff salaries - AFSCME	-	117,500	6,452	123,952	123,952	-	-	-
Overtime	-	7,500	-	7,500	6,926	-	574	144
Longevity	-	5,666	-	5,666	3,609	-	2,057	514
Photocopier lease	-	4,500	168	4,668	4,668	-	-	-
Recording Expenses	-	20,000	5,500	25,500	25,500	-	-	-
Recodify Town Code	-	15,000	(6,319)	8,681	(1,204)	-	9,885	2,471
Supplies and misc.	-	9,000	1,651	10,651	10,651	-	-	-
Total town clerk's office	-	290,226	7,452	297,678	283,928	-	13,750	3,438
<i>Town council</i>								
Town council stipends	-	17,500	-	17,500	16,967	-	533	133
Contingency fund	-	75,000	(36,850)	38,150	38,142	-	8	2
Advertising/ ordinances	-	20,000	153	20,153	20,153	-	-	-
Supplies and misc.	-	1,500	(153)	1,347	1,114	-	233	58
Total town council	-	114,000	(36,850)	77,150	76,376	-	774	194
<i>Board of canvassers</i>								
Board of canvas stipends	-	3,600	-	3,600	2,600	-	1,000	250
Elections	51,809	15,000	-	66,809	27,909	38,900	-	-
Supplies and misc.	-	3,500	-	3,500	3,016	-	484	121
Computer service	-	1,000	-	1,000	574	-	426	107
Total board of canvassers	51,809	23,100	-	74,909	34,099	38,900	1,910	478
<i>Town hall</i>								
Heat	-	3,800	-	3,800	3,725	-	75	19
Electric	-	9,800	(263)	9,537	8,593	-	944	236
Water and supplies	-	800	-	800	754	-	46	12
Telephone	-	2,800	263	3,063	3,063	-	(0)	(0)
Building maintenance	-	9,000	-	9,000	5,399	-	3,601	900
Total town hall	-	26,200	-	26,200	21,534	-	4,666	1,167
<i>Legal Services</i>								
Town solicitor	-	100,000	14,119	114,119	114,119	-	(0)	(0)
Litigation	-	60,000	3,371	63,371	63,371	-	0	0
Prosecutions	-	20,000	(3,726)	16,274	12,000	-	4,274	1,068
Legal zoning issues	-	30,000	-	30,000	13,998	-	16,002	4,001
Labor counsel	-	65,000	-	65,000	58,711	-	6,289	1,572
Zoning Code Rewrite	-	15,000	-	15,000	5,580	-	9,420	2,355
Total legal services	\$ -	\$ 290,000	\$ 13,763	\$ 303,763	\$ 267,779	\$ -	\$ 35,984	\$ 8,996

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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, 2020

	Original Budget					Encumbrances Carried to FY 20	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances	Original Budget	Transfers	Total Available	Actual			
	Carried to FY 20							
<i>Building / zoning inspector</i>								
Dept mgmt salary - Planner	\$ -	\$ 76,500	\$ (1,702)	\$ 74,798	\$ 35,888	\$ -	\$ 38,910	\$ 9,727
Salary - Building Official	-	80,000	1,702	81,702	81,702	-	0	0
Staff salaries - AFSCME	-	73,687	-	73,687	73,086	-	601	150
Longevity	-	2,405	-	2,405	2,335	-	70	18
Vacation coverage	-	1,000	-	1,000	-	-	1,000	250
Zoning Official - PT	-	32,000	-	32,000	32,000	-	-	-
Copy Services	-	700	-	700	556	-	144	36
Postage	-	1,500	-	1,500	465	-	1,035	259
Automobile expenses	-	3,000	-	3,000	686	-	2,314	579
Education seminars	-	2,300	-	2,300	1,821	-	479	120
Telephone	-	2,000	-	2,000	1,305	-	695	174
Boarding of Buildings	-	2,000	-	2,000	-	-	2,000	500
Professional/Technical Services	-	3,000	(97)	2,903	1,546	-	1,357	339
Supplies and misc.	-	3,000	97	3,097	3,097	-	(0)	(0)
Software maintenance	-	4,400	9,760	14,160	9,875	-	4,285	1,071
<i>Total building / zoning inspector</i>	-	287,492	9,760	297,252	244,362	-	52,890	13,223
<i>Planning board</i>								
Professional/ Tech Svcs	-	12,000	(323)	11,677	5,605	-	6,072	1,518
Subdivision Regs Amendment Advertising	-	1,000	323	1,323	1,323	-	-	-
<i>Total planning board</i>	-	13,000	-	13,000	6,928	-	6,072	1,518
<i>Zoning board of review</i>								
Public stenographer	-	4,500	-	4,500	2,853	-	1,647	412
<i>Total zoning board of review</i>	-	4,500	-	4,500	2,853	-	1,647	412
<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	79	-	11,421	2,855
<i>Total financial town referendum</i>	\$ -	\$ 11,500	\$ -	\$ 11,500	\$ 79	\$ -	\$ 11,421	\$ 2,855

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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, 2020

	Original Budget				Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers	Total Available				
<i>Town administrator</i>								
Dept mgmt salary	\$ -	\$ 94,860	\$ (295)	\$ 94,565	\$ 93,835	\$ -	\$ 730	\$ 182
Personnel svcs	-	45,390	295	45,685	45,685	-	0	0
Photocopier lease	-	840	-	840	840	-	-	-
Automobile expenses	-	400	-	400	213	-	187	47
Town wide internet svcs	-	3,000	(226)	2,774	2,676	-	98	24
Website	-	2,450	2,599	5,049	5,049	-	0	0
League of cities & towns	-	-	4,140	4,140	4,140	-	-	-
Supplies and misc.	-	2,200	-	2,200	953	-	1,247	312
Computer services	-	25,000	(2,373)	22,627	18,244	-	4,383	1,096
COVID 19 unbudgeted items	-	-	4,768	4,768	4,768	-	-	-
Expense account	-	1,000	(100)	900	-	-	900	225
<i>Total town administrator</i>	-	175,140	8,808	183,948	176,403	-	7,545	1,886
<i>Municipal court</i>								
Municipal court judge	-	12,500	-	12,500	12,500	-	-	-
Supplies & Misc.	-	500	-	500	500	-	-	-
Computer software maintenance	-	6,000	-	6,000	6,000	-	-	-
Computer	-	1,000	-	1,000	1,000	-	-	-
<i>Total municipal court</i>	-	20,000	-	20,000	20,000	-	-	-
<i>Probate account</i>								
Probate court judge	-	8,500	-	8,500	8,450	-	50	13
Recording expenses	-	1,000	(1,000)	-	-	-	-	-
Supplies and misc	-	1,200	(95)	1,105	454	-	651	163
Program software	-	300	95	395	395	-	-	-
<i>Total probate account</i>	-	11,000	(1,000)	10,000	9,299	-	701	175
<i>Total general government</i>	\$ 51,809	\$ 1,267,658	\$ 1,933	\$ 1,321,400	\$ 1,145,140	\$ 38,900	\$ 137,360	\$ 34,340

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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, 2020

	Original Budget				Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers	Total Available				
<i>Finance and administration</i>								
<i>Tax assessor's</i>								
Dept mgmt salary	\$ -	\$ 75,920	\$ 585	\$ 76,505	\$ 76,505	\$ -	\$ 0	\$ 0
Staff salaries - AFSCME	-	60,156	2,985	63,141	63,141	-	0	0
Longevity	-	3,966	-	3,966	3,609	-	357	89
Printing	-	2,200	-	2,200	1,710	-	490	123
GIS web hosting	-	3,000	-	3,000	2,950	-	50	13
GIS update / data layers	-	2,500	-	2,500	1,950	-	550	138
Mileage	-	800	-	800	85	-	715	179
Education / seminars	-	900	-	900	505	-	395	99
Telephone	-	1,200	-	1,200	897	-	303	76
Professional / tech svcs	-	1,200	-	1,200	285	-	915	229
Publications	-	150	41	191	191	-	-	-
Supplies and misc.	-	3,500	(626)	2,874	2,433	-	441	110
Software maint	-	6,500	-	6,500	4,689	-	1,811	453
Total tax assessor's	-	161,992	2,985	164,977	158,950	-	6,027	1,507
<i>Revaluation acct</i>								
Revaluation - consulting	217,710	85,000	-	302,710	84,205	218,505	-	-
Total revaluation acct	217,710	85,000	-	302,710	84,205	218,505	-	-
<i>Treasurer's office</i>								
Dept mgmt salary	-	71,700	552	72,252	72,252	-	(0)	(0)
Staff salaries - AFSCME	-	77,980	4,467	82,447	82,447	-	0	0
Longevity	-	1,221	120	1,341	1,341	-	-	-
Office equip	-	650	-	650	523	-	127	32
Education / seminars	-	500	-	500	-	-	500	125
Telephone	-	950	(86)	864	864	-	0	0
Computerized payroll	-	19,500	(488)	19,012	19,012	-	0	0
ACA Reporting	-	3,000	895	3,895	3,881	-	14	4
Consultant - GASB 45	-	6,500	-	6,500	3,750	-	2,750	688
Consulting services	-	3,500	(993)	2,507	2,420	-	87	22
Supplies and misc.	-	3,000	-	3,000	2,413	-	587	147
Software maint	-	3,000	-	3,000	2,114	-	886	222
Total treasurer's office	-	191,501	4,467	195,968	191,017	-	4,951	1,238
<i>Tax collector</i>								
Dept mgmt salary	-	34,051	247	34,298	34,298	-	(0)	(0)
Staff salaries - AFSCME	-	60,156	2,989	63,145	63,145	-	(0)	(0)
Longevity	-	3,681	-	3,681	3,609	-	72	18
Tax Bills - Print & Mail	-	16,350	-	16,350	16,350	-	-	-
Postage	-	2,300	-	2,300	2,300	-	-	-
Telephone	-	700	56	756	756	-	0	0
Consulting svcs	-	5,000	-	5,000	4,830	-	170	43
Supplies and misc.	-	2,800	(303)	2,497	1,039	-	1,458	365
Software maint	-	4,700	-	4,700	4,372	-	328	82
Total tax collector	\$ -	\$ 129,738	\$ 2,989	\$ 132,727	\$ 130,699	\$ -	\$ 2,028	\$ 507

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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, 2020

	Original Budget				Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers	Total Available				
Tax sale								
Tax sale	\$ -	\$ 3,000	\$ -	\$ 3,000	\$ (32)	\$ -	\$ 3,032	\$ 758
Total tax sale	-	3,000	-	3,000	(32)	-	3,032	758
Insurance								
ER - health savings contribution	-	179,500	(4,330)	175,170	170,458	-	4,712	1,178
Group health ins. - active	-	1,600,000	(140,479)	1,459,521	1,447,318	-	12,203	3,051
Group health ins - retired	-	950,000	-	950,000	846,060	-	103,940	25,985
Dental ins - active	-	85,000	(18,531)	66,469	60,225	-	6,244	1,561
Dental ins - retired	-	28,000	-	28,000	18,700	-	9,300	2,325
Life ins - active	-	35,000	-	35,000	25,378	-	9,622	2,406
Town bldgs / pers prop	-	286,000	4,330	290,330	290,330	-	0	0
Workmens comp insurance	-	119,900	-	119,900	117,838	-	2,062	516
Total insurance	-	3,283,400	(159,010)	3,124,390	2,976,307	-	148,083	37,021
Audit of town accounts								
Audit services	-	22,000	-	22,000	18,650	-	3,350	838
Total audit of town accounts	-	22,000	-	22,000	18,650	-	3,350	838
Pension plans								
Special retirement	-	16,500	-	16,500	8,000	-	8,500	2,125
Fire pension - 1534	-	455,850	-	455,850	442,149	-	13,701	3,425
Pension plan - police	-	700,000	-	700,000	700,000	-	-	-
ERSRI - pension 1532	-	35,014	-	35,014	35,013	-	1	0
TIAA CREF - 1532	-	11,789	-	11,789	11,789	-	-	-
ERSRI - pension 1538	-	96,342	-	96,342	88,898	-	7,444	1,861
TIAA CREF - 1538	-	12,211	-	12,211	11,848	-	363	91
Total pension plans	-	1,327,706	-	1,327,706	1,297,697	-	30,009	7,502
Social security								
Social security and medicare	-	577,349	(1,872)	575,477	537,479	-	37,998	9,500
Total social security	-	577,349	(1,872)	575,477	537,479	-	37,998	9,500
Unemployment security								
Unemployment security	-	11,000	1,872	12,872	12,872	-	-	-
Total unemployment security	-	11,000	1,872	12,872	12,872	-	-	-
Unfunded liability								
Unfunded liability	-	100,000	140,479	240,479	240,479	-	0	0
OPEB Contribution	-	100,000	-	100,000	100,000	-	-	-
Total unfunded liability	-	200,000	140,479	340,479	340,479	-	0	0
Total finance administration	\$ 217,710	\$ 5,992,686	\$ (8,090)	\$ 6,202,306	\$ 5,748,323	\$ 218,505	\$ 235,479	\$ 58,870

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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, 2020

	Original Budget				Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers	Total Available				
<i>Public safety</i>								
<i>Fire department</i>								
Dept mgmt salary	\$ -	\$ 87,702	\$ (4,500)	\$ 83,202	\$ 76,736	\$ -	\$ 6,466	\$ 1,617
Personnel svcs	-	1,596,555	(985)	1,595,570	1,580,060	-	15,510	3,878
Staff salaries	-	66,516	(3,500)	63,016	53,083	-	9,933	2,483
Overtime	-	174,400	-	174,400	155,818	-	18,582	4,646
Shift differential	-	7,600	-	7,600	5,806	-	1,794	449
Holiday pay	-	85,100	(3,906)	81,194	80,861	-	333	83
Longevity	-	70,401	(9,100)	61,301	61,295	-	6	2
Education allowance	-	6,750	-	6,750	5,260	-	1,490	373
EMS incentive	-	80,340	15,500	95,840	95,639	-	201	50
Fire marshall inspections	-	66,177	985	67,162	67,159	-	3	1
Clothing allowance	-	39,400	5,506	44,906	44,595	-	311	78
Recruiting process	-	4,000	914	4,914	4,914	-	-	-
Equipment svcs contract	-	33,954	(1,000)	32,954	29,619	-	3,335	834
Radio maintenance	-	13,000	-	13,000	10,235	-	2,765	691
Minor equip replacements	-	14,000	-	14,000	11,728	-	2,272	568
Hazardous equipment	-	2,500	(250)	2,250	1,908	-	342	86
Heat	-	15,000	1,500	16,500	15,402	-	1,098	275
Sewer fee	-	600	250	850	799	-	51	13
Electric	-	11,500	2	11,502	11,502	-	(0)	(0)
Water and supplies	-	1,800	(2)	1,798	1,779	-	19	5
Seminars for Chief	-	2,000	(1,345)	655	655	-	-	-
Firefighter training	-	16,000	(3,500)	12,500	8,709	-	3,791	948
Operational technologies	-	6,750	250	7,000	6,991	-	9	2
Telephone	-	23,000	5,200	28,200	28,183	-	17	4
Medical Director - EMS	-	8,000	-	8,000	8,000	-	-	-
Medical physicals	-	12,000	(1,800)	10,201	10,201	-	(1)	(0)
Medical supplies	-	35,000	5,300	40,300	40,300	-	(1)	(0)
Personal and protective gear	-	22,000	-	22,000	14,726	-	7,274	1,819
Supplies and misc.	-	6,000	(744)	5,256	4,494	-	762	191
Software maint	-	6,000	1,925	7,925	7,453	-	472	118
Fuel oil and tires	-	60,000	(9,977)	50,023	46,112	-	3,911	978
Apparatus maintenance	-	45,000	4,777	49,777	49,310	-	467	117
Station maintenance	-	40,000	(1,500)	38,500	36,486	-	2,014	504
<i>Total fire department</i>	\$ -	\$ 2,659,045	\$ -	\$ 2,659,045	\$ 2,575,818	\$ -	\$ 83,227	\$ 20,807

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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, 2020

	Original Budget					Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers	Total Available	Actual			
Police department								
Dept Mgmt Salary	\$ -	\$ 91,655	\$ 338	\$ 91,993	\$ 91,993	\$ -	\$ -	\$ -
Personnel Svcs	-	1,853,194	(11,703)	1,841,491	1,714,737	-	126,754	31,688
Staff Salaries - AFSCME	-	569,957	(7,726)	562,231	522,776	-	39,455	9,864
Overtime	-	160,000	11,365	171,365	171,365	-	-	-
Shift Differential	-	17,335	-	17,335	13,943	-	3,392	848
Out of Rank	-	2,791	-	2,791	-	-	2,791	698
Holiday pay	-	168,890	-	168,890	125,681	-	43,209	10,802
Longevity	-	108,502	-	108,502	84,570	-	23,932	5,983
Education Incentive	-	55,000	-	55,000	44,074	-	10,926	2,732
Accreditation Stipend	-	15,000	5,000	20,000	20,000	-	-	-
Sick Leave Buy Back	-	31,518	-	31,518	8,657	-	22,861	5,715
Clothing Allowance	-	60,000	(2,500)	57,500	57,477	-	23	6
In-Service Training	-	15,000	(2,500)	12,500	12,155	-	345	86
Employee assistance program	-	3,800	(2,300)	1,500	1,500	-	-	-
Uniform Equip. Replacement	-	6,000	-	6,000	5,441	-	559	140
Animal Shelter	-	27,300	-	27,300	27,287	-	13	3
Animal Controls Expenses	-	500	-	500	291	-	209	52
Tires, Parts, & Maintenance	-	18,500	11,478	29,978	29,978	-	-	-
Operations, Ammor and Photo Supp	-	18,000	28,967	46,967	46,967	-	-	-
Chief's Misc Expenses	-	1,600	-	1,600	1,565	-	35	9
Software	-	26,000	-	26,000	25,803	-	197	49
State Qualifications	-	3,500	(1,000)	2,500	2,080	-	420	105
Taser assurance maint program	-	4,556	-	4,556	4,556	-	-	-
Heat	-	9,000	(1,129)	7,871	7,164	-	707	177
Electric	-	23,000	(1,084)	21,916	21,428	-	488	122
Water and Supplies	-	1,500	437	1,937	1,937	-	-	-
Prisoner Meals	-	600	-	600	525	-	75	19
Education / Seminars	-	65,000	(36,000)	29,000	22,741	-	6,259	1,565
Radio, Communications	-	8,500	1,000	9,500	9,095	-	405	101
Telephone	-	19,000	454	19,454	19,454	-	-	-
Medical Supplies	-	1,500	2,500	4,000	1,694	-	2,306	577
Code Red System	-	5,000	(2,500)	2,500	2,500	-	-	-
Psychological Testing	-	2,500	4,300	6,800	6,799	-	1	0
Supplies and Misc	-	10,000	2,919	12,919	12,919	-	-	-
Fuel, Oil, Tires	-	63,000	(4,446)	58,554	48,652	-	9,902	2,476
Station Maintenance	-	10,000	4,129	14,129	14,129	-	-	-
Resource Officer - School	-	(61,073)	-	(61,073)	(42,751)	-	(18,322)	(4,581)
Total police department	-	3,416,125	(0)	3,416,125	3,139,182	-	276,942	69,235
Harbor commission								
DEM Water Quality Cert	-	300	-	300	-	-	300	75
Water Quality Testing	-	1,800	-	1,800	-	-	1,800	450
Total harbor commission	\$ -	\$ 2,100	\$ -	\$ 2,100	\$ -	\$ -	\$ 2,100	\$ 525
Harbor master								
Harbormaster stipend	-	6,375	-	6,375	6,375	-	-	-
Assistant Harbormaster	-	2,500	-	2,500	2,500	-	-	-
Uniforms / clothing	-	300	-	300	-	-	300	75
Misc operating supplies	-	15,760	-	15,760	14,669	-	1,091	273
Mandated Educ & Training	-	250	-	250	-	-	250	63
Radio communications	-	750	-	750	257	-	493	123
Computer software	-	1,500	-	1,500	1,284	-	216	54
Supplies and misc	-	2,800	-	2,800	1,685	-	1,115	279
Total harbor master	-	30,235	-	30,235	26,770	-	3,465	866
Street lighting								
Lighting expense	-	120,000	-	120,000	27,891	-	92,109	23,027
Total street lighting	-	120,000	-	120,000	27,891	-	92,109	23,027
Hydrant service								
North Tiverton & Stone Bridge	-	1,500	-	1,500	-	-	1,500	375
Total hydrant service	-	1,500	-	1,500	-	-	1,500	375
Total public safety	\$ -	\$ 6,229,005	\$ (0)	\$ 6,229,005	\$ 5,769,661	\$ -	\$ 459,343	\$ 114,836

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, 2020

	Original Budget		Transfers	Total Available	Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget						
Health and human services								
<i>Senior citizens service</i>								
Dept mgmt salary	\$ -	\$ 57,222	\$ 338	\$ 57,560	\$ 57,560	\$ -	\$ -	\$ -
Staff salaries AFSCME	-	17,561	39	17,600	17,600	-	-	-
Bus service	-	16,500	(375)	16,125	6,271	-	9,854	2,464
Heat	-	3,200	-	3,200	2,439	-	761	190
Electric	-	4,000	-	4,000	3,174	-	826	207
Water and supplies	-	300	-	300	238	-	62	16
Repairs, Maint&Gas Vehicles	-	600	37	637	637	-	(0)	(0)
Telephone	-	700	-	700	614	-	86	22
Agency dues and devel.	-	975	-	975	52	-	923	231
Supplies and misc.	-	12,500	-	12,500	10,188	-	2,312	578
My senior center	-	1,200	-	1,200	1,200	-	-	-
Building maintenance	-	7,000	-	7,000	4,428	-	2,572	643
<i>Total senior citizens service</i>	-	121,758	39	121,797	104,401	-	17,396	4,349
<i>Economic devel. comm.</i>								
Website	-	500	-	500	-	-	500	125
Supplies and misc.	-	300	-	300	-	-	300	75
<i>Total economic devel. comm.</i>	-	800	-	800	-	-	800	200
<i>Boards and commissions</i>								
Historical cemetery comm	-	3,300	-	3,300	3,296	-	4	1
Arts council	-	500	-	500	497	-	3	1
Open space commission	-	3,400	-	3,400	3,346	-	54	14
Conservation commission	-	1,000	(728)	272	62	-	210	53
Fort barton park	-	3,200	-	3,200	3,128	-	72	18
Tree commission	-	500	-	500	483	-	17	4
Recycling commission	-	150	-	150	-	-	150	38
Personnel Board	-	500	-	500	194	-	306	77
Historical Preservation Advisory Bd	-	500	-	500	93	-	407	102
Budget Committee	-	800	-	800	800	-	-	-
<i>Total boards & commissions</i>	\$ -	\$ 13,850	\$ (728)	\$ 13,122	\$ 11,899	\$ -	\$ 1,223	\$ 306
<i>Civic appropriations</i>								
Newport county visiting nurse	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -
East bay community action plan	-	5,000	-	5,000	5,000	-	-	-
Newport County Women's Res. Ctr	-	1,000	-	1,000	1,000	-	-	-
Eastern ri conservation district	-	1,000	-	1,000	1,000	-	-	-
Tiverton historical society	-	500	-	500	500	-	-	-
Pocasset Cemetery - Vets Plot	-	300	-	300	300	-	-	-
Fire - Community Training	-	1,250	-	1,250	1,250	-	-	-
Tiverton Garden Club	-	500	-	500	500	-	-	-
<i>Total civic appropriations</i>	-	14,550	-	14,550	14,550	-	-	-
<i>Library Services</i>								
Approp - operating exp's	-	585,000	-	585,000	585,000	-	-	-
<i>Total library services</i>	-	585,000	-	585,000	585,000	-	-	-
Total health & human svcs	\$ -	\$ 735,958	\$ (689)	\$ 735,269	\$ 715,850	\$ -	\$ 19,419	\$ 4,855

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, 2020

	Original Budget				Actual	Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Carried to FY 20	Original Budget	Transfers	Total Available				
Public works								
<i>Town maintenance</i>								
Staff salaries - AFSCME	\$ -	\$ 95,306	\$ -	\$ 95,306	\$ 92,617	\$ -	\$ 2,689	\$ 672
Longevity	-	-	2,860	2,860	2,859	-	1	0
Maint./ Laborer - Seasonal	-	17,160	-	17,160	-	-	17,160	4,290
Uniform rental	-	615	-	615	560	-	55	14
Tool replacement	-	1,800	-	1,800	216	-	1,584	396
Misc operating supplies	-	1,020	(40)	980	306	-	674	169
Fuel, Oil, Tires	-	3,500	40	3,540	3,540	-	(0)	(0)
Total town maintenance	-	119,401	2,860	122,261	100,098	-	22,163	5,541
<i>Rubbish / recycling collection</i>								
Contracted services	-	738,400	-	738,400	738,400	-	-	-
Total rubbish / recycling collection	-	738,400	-	738,400	738,400	-	-	-
<i>Landfill</i>								
Personnel Svcs	-	98,052	-	98,052	88,091	-	9,961	2,490
Overtime	-	2,885	3,500	6,385	5,782	-	603	151
Longevity	-	5,505	-	5,505	2,747	-	2,758	690
Sick Leave Buy Back	-	4,900	-	4,900	3,701	-	1,199	300
Clothing Allowance	-	310	-	310	150	-	160	40
Uniform Rental	-	615	281	896	896	-	-	-
Landfill Equip Rent / Cover	-	40,800	-	40,800	29,197	-	11,603	2,901
Electric	-	410	(101)	309	206	-	103	26
Engineering Testing Permits	-	51,000	(9,400)	41,600	41,351	-	249	62
Transfer Station/Recycling Plan Study	-	10,000	9,400	19,400	19,399	-	1	0
Fuel, Oil, Tires	-	9,700	101	9,801	9,801	-	(0)	(0)
Bulldozer Repairs	-	20,000	-	20,000	9,521	-	10,479	2,620
On-site wastewater mgmt	-	30,000	-	30,000	12,892	-	17,108	4,277
Total landfill	-	274,177	3,781	277,958	223,734	-	54,224	13,556
<i>Public works operations</i>								
Dept Mgmt Salary	-	88,434	493	88,927	88,927	-	0	0
Personnel Services	-	419,817	(493)	419,324	407,130	-	12,194	3,048
Staff Salaries - AFSCME	-	38,922	3,854	42,776	42,776	-	(0)	(0)
Overtime	-	50,000	(6,360)	43,640	23,574	-	20,066	5,017
Longevity	-	8,025	-	8,025	5,084	-	2,941	735
Sick Leave buy back	-	15,400	-	15,400	4,476	-	10,924	2,731
Clothing Allowance	-	1,800	2,264	4,064	4,064	-	0	0
Uniform Rental	-	3,400	3,575	6,975	6,966	9	-	-
Snow removal	-	76,500	(25,201)	51,299	2,005	49,294	-	-
Construction supplies	-	18,200	-	18,200	5,858	12,342	-	-
Tree Removal	-	15,000	-	15,000	9,675	5,325	-	-
Minor Equip Replacements	-	95,000	(3,000)	92,000	64,272	27,728	-	-
Shop Tools	-	11,020	-	11,020	4,152	6,868	-	-
Sand, Salt, Gravel, and Pipe	-	91,800	-	91,800	40,027	51,773	-	-
Paving account	174,739	500,000	-	674,739	653,851	20,888	-	-
Drainage Account	-	-	-	-	-	-	-	-
Line painting	-	1,000	-	1,000	474	526	-	-
Guard rails	-	5,100	-	5,100	2,093	3,007	-	-
Stormwater Management	-	7,200	-	7,200	6,340	860	-	-
Heat	-	9,000	-	9,000	7,660	1,340	-	-
Electric	-	6,400	-	6,400	4,931	1,469	-	-
Water / Sewer	-	900	7,420	8,320	6,898	1,422	-	-
Continuing education/licenses	-	3,000	-	3,000	2,584	416	-	-
Radio Communications	-	6,300	-	6,300	4,457	1,843	-	-
Telephone	-	1,430	350	1,780	1,776	4	-	-
High way Signs	-	3,500	1,710	5,210	5,206	4	-	-
Recycling receptacles	-	1,500	(1,500)	-	-	-	-	-
Supplies & Misc	-	5,100	3,224	8,324	8,324	-	-	-
IT/Computer Services	-	5,000	6,631	11,631	11,600	31	0	0
Fuel Oil Tires	-	50,000	-	50,000	48,156	1,844	-	-
Total public works operations	174,739	1,538,748	(7,033)	1,706,454	1,473,336	186,993	46,125	11,531
Total public works	\$ 174,739	\$ 2,670,726	\$ (392)	\$ 2,845,073	\$ 2,535,568	\$ 186,993	\$ 122,512	\$ 30,628

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, 2020

	Original Budget					Encumbrances Carried to FY 21	Variance Favorable (Unfavorable)	T/C Resolution to Capital
	Encumbrances Carried to FY 20	Original Budget	Transfers	Total Available	Actual			
<u>Parks and recreation</u>								
<u>Town beaches</u>								
Seasonal employees	\$ -	\$ 23,500	\$ 1,638	\$ 25,138	\$ 25,138	\$ -	\$ (0)	\$ (0)
Misc operating supplies	-	2,500	3,675	6,175	6,175	-	0	0
Total town beaches	-	26,000	5,313	31,313	31,313	-	0	0
<u>Recreation commission</u>								
Recreation director	-	15,300	161	15,461	15,461	-	0	0
Seasonal employees	-	8,160	(1,478)	6,683	6,683	-	(1)	(0)
Transportation, fees and equip	-	2,000	(1,502)	498	498	-	-	-
Winter Recreation	-	2,500	(547)	1,953	1,953	-	0	0
Supplies and misc	-	1,750	(215)	1,535	1,535	-	(0)	(0)
Total recreation commission	-	29,710	(3,580)	26,130	26,130	-	(0)	(0)
<u>Maint, supplies, and mowing</u>								
Mowing services	-	29,300	-	29,300	29,300	-	-	-
Field rehabilitation	-	5,000	5,460	10,460	10,452	-	8	2
Preventive maintenance	-	7,700	(1,005)	6,695	6,695	-	-	-
Total maint, supplies, and mowing	-	42,000	4,455	46,455	46,447	-	8	2
Total parks and recreation	\$ -	\$ 97,710	\$ 6,188	\$ 103,898	\$ 103,890	\$ -	\$ 8	\$ 2
<u>Capital outlay</u>								
<u>Non-recurring exps</u>								
2 Ford Plow Trucks	-	54,533	-	54,533	54,533	-	-	-
DPW - Street Sweeper	-	23,587	-	23,587	23,587	-	-	-
Maintenance Vehicle	-	10,750	-	10,750	10,750	-	-	-
DPW - Backhoe	-	15,867	-	15,867	15,867	-	-	-
DPW - 6 Wheel W/ Plow & Sander (#2)	-	-	-	-	-	-	-	-
FD - Engine 1	-	57,652	-	57,652	57,652	-	-	-
FD - Pumper	-	61,218	-	61,218	61,219	-	(1)	(0)
FD - Rescue 1	-	59,008	-	59,008	59,008	-	-	-
Streetlight Purchase & Conversion	-	57,954	-	57,954	57,953	-	1	0
FD - Airpacks & Air bottles	-	-	-	-	-	-	-	-
Town Hall - Copier Leases	-	12,000	-	12,000	7,974	-	4,026	1,007
Town Hall - IT Migration	-	10,000	-	10,000	6,983	-	3,017	754
Town Hall - Network Equipment	-	4,000	-	4,000	-	-	4,000	1,000
Town Hall - Renovations	-	5,000	-	5,000	-	-	5,000	1,250
DPW - Main Building	-	6,000	1,050	7,050	7,048	-	2	1
DPW - Tractor	-	30,000	-	30,000	-	-	30,000	7,500
TFD - Fire State Renovations	-	40,000	-	40,000	40,000	-	-	-
TFD - Rescue/Ambulance	-	240,000	-	240,000	239,500	-	500	125
TFD - Monitors & Defibrillators	-	40,000	-	40,000	38,101	-	1,899	475
TPD - Cruisers	-	65,000	-	65,000	65,000	-	-	-
Town Farm Playground	-	50,000	-	50,000	50,000	-	-	-
Senior Center renovations	-	15,000	-	15,000	13,386	-	1,614	404
Industrial Park Infrastructure	-	300,000	-	300,000	-	-	300,000	75,000
Capital Reserve (Restricted)	173,094	-	-	173,094	-	173,094	-	-
Total non-recurring exps	173,094	1,157,569	1,050	1,331,713	808,561	173,094	350,058	87,515
Total capital outlay	\$ 173,094	\$ 1,157,569	\$ 1,050	\$ 1,331,713	\$ 808,561	\$ 173,094	\$ 350,058	\$ 87,515
<u>Debt service</u>								
Principal	-	3,175,000	-	3,175,000	3,175,000	-	-	-
Interest	-	1,598,965	-	1,598,965	1,557,246	-	41,719	10,430
Total debt service	\$ -	\$ 4,773,965	\$ -	\$ 4,773,965	\$ 4,732,246	\$ -	\$ 41,719	\$ 10,430
Total expenditures	\$ 617,352	\$ 22,925,277	\$ 0	\$ 23,542,629	\$ 21,559,239	\$ 617,492	\$ 1,365,898	\$ 341,474
<u>Other financing uses</u>								
School Capital Expenditures	-	216,000	-	216,000	216,000	-	-	-
Transfers to school	-	24,335,684	-	24,335,684	24,651,752	-	(316,068)	-
Total expenditures & other financing uses	\$ 617,352	\$ 47,476,961	\$ 0	\$ 48,094,313	\$ 46,426,991	\$ 617,492	\$ 1,049,830	\$ 341,474

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Combining Governmental Non-Major Balance Sheet

June 30, 2020

	Town Special Revenue	School Special Revenue	Capital Projects	Debt Service Fund	Total Non-Major Governmental Funds
Assets					
Cash and cash equivalents	\$ 17,729	\$ 98,842	\$ 1,057,374	\$ 531,505	\$ 1,705,450
Investments	276,908	-	8,765,170	-	9,042,078
Due from other governments	25,000	15,595	-	-	40,595
Due from other funds	1,226,657	-	29,545	29,120	1,285,322
Total assets	<u>1,546,294</u>	<u>114,437</u>	<u>9,852,089</u>	<u>560,625</u>	<u>12,073,445</u>
Deferred outflows of resources					
Deferred outflows	-	-	-	-	-
Total assets and deferred outflows of resources	<u>1,546,294</u>	<u>114,437</u>	<u>9,852,089</u>	<u>560,625</u>	<u>12,073,445</u>
Liabilities					
Accounts payable and accrued expenses	-	-	-	-	-
Due to other funds	111,727	15,595	255,205	-	382,527
Total liabilities	<u>111,727</u>	<u>15,595</u>	<u>255,205</u>	<u>-</u>	<u>382,527</u>
Deferred inflows of resources					
Unearned revenue	25,000	-	-	-	25,000
Total deferred inflows of resources	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Fund balance					
Restricted	447,153	98,842	-	-	545,995
Committed	1,018,909	-	9,567,339	560,625	11,146,873
Unassigned	(56,495)	-	29,545	-	(26,950)
Total fund balance	<u>1,409,567</u>	<u>98,842</u>	<u>9,596,884</u>	<u>560,625</u>	<u>11,665,918</u>
Town liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,546,294</u>	<u>\$ 114,437</u>	<u>\$ 9,852,089</u>	<u>\$ 560,625</u>	<u>\$ 12,073,445</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, 2020

	Town Special Revenue	School Special Revenue	Capital Projects	Debt Service Fund	Total Non-Major Governmental Funds
Revenues					
Federal and state grant income	\$ 25,000	\$ 1,551,305	\$ -	\$ -	\$ 1,576,305
Other revenue	2,091,530	28,974	544,989	-	2,665,493
Investment income	-	-	211,444	7,816	219,260
Total revenue	<u>2,116,530</u>	<u>1,580,279</u>	<u>756,433</u>	<u>7,816</u>	<u>4,461,058</u>
Expenditures					
General government	50,938	-	-	-	50,938
Public safety	1,673,840	-	-	-	1,673,840
Public works	42,102	-	132,035	-	174,137
Education	-	1,776,703	240,900	-	2,017,603
Health and human services	124,650	-	-	-	124,650
Parks and recreation	84,633	-	-	-	84,633
Total Expenditures	<u>1,976,163</u>	<u>1,776,703</u>	<u>372,935</u>	<u>-</u>	<u>4,125,801</u>
Excess (deficiency) of revenues over expenditures	140,367	(196,424)	383,498	7,816	335,257
Other financing sources (uses)					
Transfers from (to) other funds	(24,284)	198,943	(149,865)	-	24,794
Total other financing sources (uses)	<u>(24,284)</u>	<u>198,943</u>	<u>(149,865)</u>	<u>-</u>	<u>24,794</u>
Excess of revenue and other sources over expenditures and other uses	116,083	2,519	233,633	7,816	360,051
Fund balance, July 1, 2019, restated	<u>1,293,484</u>	<u>96,323</u>	<u>9,363,251</u>	<u>552,809</u>	<u>11,305,867</u>
Fund balance, June 30, 2020	<u><u>\$ 1,409,567</u></u>	<u><u>\$ 98,842</u></u>	<u><u>\$ 9,596,884</u></u>	<u><u>\$ 560,625</u></u>	<u><u>\$ 11,665,918</u></u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2020

	200	202	208	210	212	213
	Fire Detection	Meds Grant	SAMHSA	Substance	PD Crime	State and Local
	Fund		DFC	Abuse	Prevention	Drug Forfeiture
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	11,253	19,084	38,591	51,601	5,661	595
Total assets	11,253	19,084	38,591	51,601	5,661	595
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	11,253	19,084	38,591	51,601	5,661	595
Liabilities						
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred Inflows of Resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances						
Restricted	-	-	-	51,601	5,661	595
Committed	11,253	19,084	-	-	-	-
Unassigned	-	-	38,591	-	-	-
Total fund balances (deficits)	11,253	19,084	38,591	51,601	5,661	595
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 11,253	\$ 19,084	\$ 38,591	\$ 51,601	\$ 5,661	\$ 595

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - Town - Combining Balance Sheet
 June 30, 2020

	215 Police Leg Grant	216 Byrne Stimulus	218 Police Equipment	220 CDBG	222 NCPC
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	-	-	25,000	-
Due from other funds	1,782	30,574	-	-	-
Total assets	1,782	30,574	-	25,000	-
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	1,782	30,574	-	25,000	-
Liabilities					
Due to other funds	-	-	-	-	26,725
Total liabilities	-	-	-	-	26,725
Deferred Inflows of Resources					
Deferred revenue	-	-	-	25,000	-
Total deferred inflows of resources	-	-	-	25,000	-
Fund Balances					
Restricted	1,782	30,574	-	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	(26,725)
Total fund balances (deficits)	1,782	30,574	-	-	(26,725)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 1,782	\$ 30,574	\$ -	\$ 25,000	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2020

	223 NCPC Grant	224 PFS Grant	225 Tiverton PC	226 State Response	227 NPC SOR Grant	228 Local Task Force
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	36,472	-	12,281	-	-	21,667
Total assets	36,472	-	12,281	-	-	21,667
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	36,472	-	12,281	-	-	21,667
Liabilities						
Due to other funds	-	35,329	-	-	21,509	-
Total liabilities	-	35,329	-	-	21,509	-
Deferred Inflows of Resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances						
Restricted	-	-	-	-	-	-
Committed	36,472	-	-	-	-	21,667
Unassigned	-	(35,329)	12,281	-	(21,509)	-
Total fund balances (deficits)	36,472	(35,329)	12,281	-	(21,509)	21,667
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 36,472	\$ -	\$ 12,281	\$ -	\$ -	\$ 21,667

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2020

	229	230	232	234	250	252
	Van Beuren Grant	Senior Center	Senior Center Waite Account	Senior Center Roof Repair	North Tiverton Contam. Award	Bulgarmarsh Park
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 17,729	\$ -
Investment	-	-	-	-	276,908	-
Due from other governments	-	-	-	-	-	-
Due from other funds	72,751	-	595	-	62,303	121
Total assets	72,751	-	595	-	356,940	121
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	72,751	-	595	-	356,940	121
Liabilities						
Due to other funds	-	4,360	-	-	-	-
Total liabilities	-	4,360	-	-	-	-
Deferred Inflows of Resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund Balances						
Restricted	-	-	-	-	356,940	-
Committed	72,751	(4,360)	595	-	-	121
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	72,751	(4,360)	595	-	356,940	121
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 72,751	\$ -	\$ 595	\$ -	\$ 356,940	\$ 121

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2020

	254	255	260	262	264
	Town Farm Playground	Recycling	Historical Records	Land Evidence	Open Space Acquisition
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	51	4,147	29,619	101,216	658,321
Total assets	51	4,147	29,619	101,216	658,321
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	51	4,147	29,619	101,216	658,321
Liabilities					
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred Inflows of Resources					
Deferred revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances					
Restricted	-	-	-	-	-
Committed	51	4,147	29,619	101,216	658,321
Unassigned	-	-	-	-	-
Total fund balances (deficits)	51	4,147	29,619	101,216	658,321
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 51	\$ 4,147	\$ 29,619	\$ 101,216	\$ 658,321

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2020

	266	268	270	272	280	285
	<u>Vicious Dog</u>	<u>Open Space Stewardship</u>	<u>Pocasset Stewardship</u>	<u>Pocasset Ridge Conservation</u>	<u>Wastewater Management</u>	<u>Bike Tiverton</u>
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Due from other funds	49,436	2,318	9,414	426	-	1,693
Total assets	<u>49,436</u>	<u>2,318</u>	<u>9,414</u>	<u>426</u>	<u>-</u>	<u>1,693</u>
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	<u>49,436</u>	<u>2,318</u>	<u>9,414</u>	<u>426</u>	<u>-</u>	<u>1,693</u>
Liabilities						
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Deferred revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Restricted	-	-	-	-	-	-
Committed	49,436	2,318	9,414	426	-	1,693
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	<u>49,436</u>	<u>2,318</u>	<u>9,414</u>	<u>426</u>	<u>-</u>	<u>1,693</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 49,436</u>	<u>\$ 2,318</u>	<u>\$ 9,414</u>	<u>\$ 426</u>	<u>\$ -</u>	<u>\$ 1,693</u>

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

June 30, 2020

	295	415	420	425	430	
	Tiverton	Casino	Casino	Fire	Police	
	Dog Park	Fire Detail	Police Detail	Detail	Detail	Total
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,729
Investment	-	-	-	-	-	276,908
Due from other governments	-	-	-	-	-	25,000
Due from other funds	4,685	-	-	-	-	1,226,657
Total assets	4,685	-	-	-	-	1,546,294
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total outflows of resources and assets	4,685	-	-	-	-	1,546,294
Liabilities						
Due to other funds	-	-	-	-	23,804	111,727
Total liabilities	-	-	-	-	23,804	111,727
Deferred Inflows of Resources						
Deferred revenue	-	-	-	-	-	25,000
Total deferred inflows of resources	-	-	-	-	-	25,000
Fund Balances						
Restricted	-	-	-	-	-	447,153
Committed	4,685	-	-	-	-	1,018,909
Unassigned	-	-	-	-	(23,804)	(56,495)
Total fund balances (deficits)	4,685	-	-	-	(23,804)	1,409,567
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 4,685	\$ -	\$ -	\$ -	\$ -	\$ 1,546,294

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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, 2020

	200	202	208	210	212	213
	Fire Detection	Meds Grant	SAMHSA	Substance	PD Crime	State and Local
	Fund		DFC	Abuse	Prevention	Drug Forfeiture
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	25,011	4,000	38,591	10,384	6,774	595
Total revenues	<u>25,011</u>	<u>4,000</u>	<u>38,591</u>	<u>10,384</u>	<u>6,774</u>	<u>595</u>
Expenditures						
General government	20,659	-	-	-	-	-
Public safety	-	-	-	11,921	5,552	-
Public works	-	-	-	-	-	-
Health and human Services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Total expenditures	<u>20,659</u>	<u>-</u>	<u>-</u>	<u>11,921</u>	<u>5,552</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	4,352	4,000	38,591	(1,537)	1,222	595
Other financing sources (uses)						
Operating transfers from other funds						
Transfers (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>4,352</u>	<u>4,000</u>	<u>38,591</u>	<u>(1,537)</u>	<u>1,222</u>	<u>595</u>
Fund Balance, July 1, 2019	<u>6,901</u>	<u>15,084</u>	<u>-</u>	<u>53,138</u>	<u>4,439</u>	<u>-</u>
Fund Balance, June 30, 2020	<u>\$ 11,253</u>	<u>\$ 19,084</u>	<u>\$ 38,591</u>	<u>\$ 51,601</u>	<u>\$ 5,661</u>	<u>\$ 595</u>

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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, 2020

	215	216	218	220	222
	Police	Byrne	Police	CDBG	NCPC
	Leg Grant	Stimulus	Equipment		
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Other revenue	5,000	-	185,487	-	111,277
Total revenues	5,000	-	185,487	25,000	111,277
Expenditures					
General government	-	-	-	-	-
Public safety	5,050	-	185,487	-	110,569
Public works	-	-	-	-	-
Health and human Services	-	-	-	25,000	-
Parks and recreation	-	-	-	-	2,000
Total expenditures	5,050	-	185,487	25,000	112,569
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(50)	-	-	-	(1,292)
Other financing sources (uses)					
Operating transfers from other funds					
Transfers from (to) other funds	-	-	-	(14,436)	(6,276)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(50)	-	-	(14,436)	(7,568)
Fund Balance, July 1, 2019	1,832	30,574	-	14,436	(19,157)
Fund Balance, June 30, 2020	\$ 1,782	\$ 30,574	\$ -	\$ -	\$ (26,725)

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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, 2020

	223	224	225	226	227	228
	NCPC	PFS	Tiverton	State	NPC SOR	Local Task
	Grant	Grant	PC	Response	Grant	Force
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	104,069	178,192	35,007	15,549	329,118	50,074
Total revenues	104,069	178,192	35,007	15,549	329,118	50,074
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	196,593	33,417	-	327,748	31,077
Public works	-	-	-	-	-	-
Health and human Services	-	-	-	-	-	-
Parks and recreation	73,851	-	-	-	-	-
Total expenditures	73,851	196,593	33,417	-	327,748	31,077
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	30,218	(18,401)	1,590	15,549	1,370	18,997
Other financing sources (uses)						
Operating transfers from other funds						
Transfers from (to) other funds	-	-	-	-	(3,572)	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	30,218	(18,401)	1,590	15,549	(2,202)	18,997
Fund Balance, July 1, 2019	6,254	(16,928)	10,691	(15,549)	(19,307)	2,670
Fund Balance, June 30, 2020	\$ 36,472	\$ (35,329)	\$ 12,281	\$ -	\$ (21,509)	\$ 21,667

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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, 2020

	229	230	232	234	250	252
	Van Beuren Grant	Senior Center	Senior Center Waite Account	Senior Center Roof Repair	North Tiverton Contam. Award	Bulgarmarsh Park
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	155,000	11,981	-	12,000	3,290	-
Total revenues	<u>155,000</u>	<u>11,981</u>	<u>-</u>	<u>12,000</u>	<u>3,290</u>	<u>-</u>
Expenditures						
General government	9,744	-	-	14,390	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and human Services	72,505	18,403	1,000	-	7,742	-
Parks and recreation	-	-	-	-	-	-
Total expenditures	<u>82,249</u>	<u>18,403</u>	<u>1,000</u>	<u>14,390</u>	<u>7,742</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	72,751	(6,422)	(1,000)	(2,390)	(4,452)	-
Other financing sources (uses)						
Operating transfers from other funds						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	72,751	(6,422)	(1,000)	(2,390)	(4,452)	-
Fund Balance, July 1, 2019	-	2,062	1,595	2,390	361,392	121
Fund Balance, June 30, 2020	<u>\$ 72,751</u>	<u>\$ (4,360)</u>	<u>\$ 595</u>	<u>\$ -</u>	<u>\$ 356,940</u>	<u>\$ 121</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, 2020

	254	255	260	262	264
	Town Farm Playground	Recycling	Historical Records	Land Evidence	Open Space Acquisition
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	51	-	3,485	19,948	36,915
Total revenues	<u>51</u>	<u>-</u>	<u>3,485</u>	<u>19,948</u>	<u>36,915</u>
Expenditures					
General government	-	-	949	5,196	-
Public safety	-	-	-	-	-
Public works	-	42,102	-	-	-
Health and human Services	-	-	-	-	-
Parks and recreation	-	-	-	-	6,001
Total expenditures	<u>-</u>	<u>42,102</u>	<u>949</u>	<u>5,196</u>	<u>6,001</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	51	(42,102)	2,536	14,752	30,914
Other financing sources (uses)					
Operating transfers from other funds					
Transfers from (to) other funds	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	51	(42,102)	2,536	14,752	30,914
Fund Balance, July 1, 2019	-	46,249	27,083	86,464	627,407
Fund Balance, June 30, 2020	<u>\$ 51</u>	<u>\$ 4,147</u>	<u>\$ 29,619</u>	<u>\$ 101,216</u>	<u>\$ 658,321</u>

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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, 2020

	266	268	270	272	280	285
	Vicious Dog	Open Space Stewardship	Pocasset Stewardship	Pocasset Ridge Conservation	Wastewater Management	Bike Tiverton
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	-	-	3,511	-	214	-
Total revenues	-	-	3,511	-	214	-
Expenditures						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and human Services	-	-	-	-	-	-
Parks and recreation	-	2,350	360	71	-	-
Total expenditures	-	2,350	360	71	-	-
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	-	(2,350)	3,151	(71)	214	-
Other financing sources (uses)						
Operating transfers from other funds						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	-	(2,350)	3,151	(71)	214	-
Fund Balance, July 1, 2019	49,436	4,668	6,263	497	(214)	1,693
Fund Balance, June 30, 2020	\$ 49,436	\$ 2,318	\$ 9,414	\$ 426	\$ -	\$ 1,693

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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, 2020

	295	415	420	425	430	
	Tiverton	Casino	Casino	Fire	Police	
	Dog Park	Fire Detail	Police Detail	Detail	Detail	Total
Revenues						
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Other revenue	3,685	284,398	342,416	2,703	112,805	2,091,530
Total revenues	3,685	284,398	342,416	2,703	112,805	2,116,530
Expenditures						
General government	-	-	-	-	-	50,938
Public safety	-	284,398	342,416	3,003	136,609	1,673,840
Public works	-	-	-	-	-	42,102
Health and human Services	-	-	-	-	-	124,650
Parks and recreation	-	-	-	-	-	84,633
Total expenditures	-	284,398	342,416	3,003	136,609	1,976,163
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	3,685	-	-	(300)	(23,804)	140,367
Other financing sources (uses)						
Operating transfers from other funds						-
Transfers from (to) other funds	-	-	-	-	-	(24,284)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	3,685	-	-	(300)	(23,804)	116,083
Fund Balance, July 1, 2019	1,000	-	-	300	-	1,293,484
Fund Balance, June 30, 2020	\$ 4,685	\$ -	\$ -	\$ -	\$ (23,804)	\$ 1,409,567

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

June 30, 2020

	21011100 SPED IDEA Part B	21011200 SPED IDEA Preschool	21021100 Title I Part A Disadvantaged Youth	21031100 Title II Part A Teacher Quality	21251100 Cares Act ESSER	24050066 Pocasset Memorial
Assets						
Cash	\$ -	\$ -	\$ -	\$ 834	\$ -	\$ 125
Due from state or federal government	-	-	-	-	-	-
Total assets	-	-	-	834	-	125
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	-	-	834	-	125
Liabilities						
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources						
None	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-
Fund balances, restricted	-	-	-	834	-	125
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ -	\$ -	\$ 834	\$ -	\$ 125

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Balance Sheet

June 30, 2020

	24013028	21091100	24013046	22112000	22182000
	Van Beuren Awards	Perkins Vocational Edu	Van Beuren PEP Grant	Safe and Drug Free Schools	SAMHSA Substance Abuse
Assets					
Cash	\$ 322	\$ 6,731	\$ 14,489	\$ -	\$ -
Due from state or federal government	-	-	-	-	-
Total assets	<u>322</u>	<u>6,731</u>	<u>14,489</u>	<u>-</u>	<u>-</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>322</u>	<u>6,731</u>	<u>14,489</u>	<u>-</u>	<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>6,731</u>	<u>14,489</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 322</u>	<u>\$ 6,731</u>	<u>\$ 14,489</u>	<u>\$ -</u>	<u>\$ -</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Balance Sheet

June 30, 2020

	22192000	23112003	23112004	23142000	2318300	23183001
	Healthier US Comm Challenge	RIF Arts in Academics	Pocasset GA Math	RISCA	Ranger Elem Arts	Pocasset Elem Arts
Assets						
Cash	\$ 525	500	\$ 28	\$ 1,444	\$ 248	\$ 1,045
Due from state or federal government	-	-	-	-	-	-
Total assets	<u>525</u>	<u>500</u>	<u>28</u>	<u>1,444</u>	<u>248</u>	<u>1,045</u>
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>525</u>	<u>500</u>	<u>28</u>	<u>1,444</u>	<u>248</u>	<u>1,045</u>
Liabilities						
Due to school unrestricted	-	-	-	-	-	-
Total liabilities	<u>-</u>	<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>	<u>-</u>
Fund balances, restricted	<u>525</u>	<u>500</u>	<u>28</u>	<u>1,444</u>	<u>248</u>	<u>1,045</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 525</u>	<u>\$ 500</u>	<u>\$ 28</u>	<u>\$ 1,444</u>	<u>\$ 248</u>	<u>\$ 1,045</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Balance Sheet

June 30, 2020

	23183002	23581001	23671000	23682003	24012008	31020000	
	Ft Barton Elem Arts	CTE Categorical	English Learner Categorical	SBA Capital Fund	RI FDN Faith in Prevention	School Housing Aid	Total School Special Revenue
Assets							
Cash	\$ 303	\$ 72,248	\$ -	\$ -	\$ -	\$ -	\$ 98,842
Due from state or federal government	-	-	-	15,595	-	-	15,595
Total assets	303	72,248	-	15,595	-	-	114,437
Deferred Outflows of Resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	303	72,248	-	15,595	-	-	114,437
Liabilities							
Due to school unrestricted	-	-	-	15,595	-	-	15,595
Total liabilities	-	-	-	15,595	-	-	15,595
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-	-
Fund balances, restricted	303	72,248	-	-	-	-	98,842
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 303	\$ 72,248	\$ -	\$ 15,595	\$ -	\$ -	\$ 114,437

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, 2020

	21011100	21011200	21021100	21031100	21251100	24050066
	SPED	SPED	Title I Part A	Title II	Cares Act	Pocasset
	IDEA	IDEA	Disadvantaged	Part A	ESSER	Memorial
	Part B	Preschool	Youth	Teacher Quality		
Revenues						
Federal and state grant income	\$ 748,159	\$ 13,901	\$ 211,094	106,138	194,599	\$ -
Other grant income	-	-	-	-	-	-
Total revenues	<u>748,159</u>	<u>13,901</u>	<u>211,094</u>	<u>106,138</u>	<u>194,599</u>	<u>-</u>
Expenditures						
Education	<u>748,159</u>	<u>13,901</u>	<u>211,094</u>	<u>106,138</u>	<u>194,599</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	<u>-</u>	<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>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1, 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>-</u>	<u>125</u>
Fund Balance, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ -</u>	<u>\$ 125</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, 2020

	24013028	21091100	24013046	22112000	22182000
	Van Beuren Awards	Perkins Vocational Edu	Van Beuren PEP Grant	Safe and Drug Free Schools	SAMHSA Substance Abuse
Revenues					
Federal and state grant income	\$ -	\$ 20,232	\$ -	\$ 39,784	\$ 168,559
Other grant income	-	-	-	-	-
Total revenues	-	20,232	-	39,784	168,559
Expenditures					
Education	-	20,232	5,330	39,784	168,559
Excess (deficiency) of revenue over expenditures	-	-	(5,330)	-	-
Other financing sources (uses)					
Transfers from (to) other funds	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	(5,330)	-	-
Fund Balance, July 1, 2019	322	6,731	19,819	-	-
Fund Balance, June 30, 2020	\$ 322	\$ 6,731	\$ 14,489	\$ -	\$ -

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, 2020

	22192000	23112003	23112004	23142000	24050061	23183001
	Healthier US Comm Challenge	RIF Arts in Academics	Pocasset GA Math	RISCA	Ranger Elem Arts	Pocasset Elem Arts
Revenues						
Federal and state grant income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other grant income	-	500	-	-	-	500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	500	-	-	-	500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures						
Education	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenue over expenditures	-	500	-	-	-	500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues and sources over expenditures and other	-	500	-	-	-	500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, July 1, 2019	525	-	28	1,444	248	545
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, June 30, 2020	\$ 525	\$ 500	\$ 28	\$ 1,444	\$ 248	\$ 1,045
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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, 2020

	23183002	23581001	23671000	23682003	24012008	31020000	
	Ft Barton Elem Arts	CTE Categorical	English Learner Categorical	SBA Capital Fund	RI FDN Faith in Prevention	School Housing Aid	Total School Special Revenue
Revenues							
Federal and state grant income	\$ -	\$ 47,697	\$ 1,142	\$ -	\$ -	\$ -	\$ 1,551,305
Other grant income	-	-	-	27,974	-	-	28,974
Total revenues	-	47,697	1,142	27,974	-	-	1,580,279
Expenditures							
Education	-	31,041	1,142	27,974	9,807	198,943	1,776,703
Excess (deficiency) of revenue over expenditures	-	16,656	-	-	(9,807)	(198,943)	(196,424)
Other financing sources (uses)							
Transfers from (to) other funds	-	-	-	-	-	198,943	198,943
Excess (deficiency) of revenues and sources over expenditures and other	-	16,656	-	-	(9,807)	-	2,519
Fund Balance, July 1, 2019	303	55,592	-	-	9,807	-	96,323
Fund Balance, June 30, 2020	\$ 303	\$ 72,248	\$ -	\$ -	\$ -	\$ -	\$ 98,842

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Capital Project Funds – Combining Balance Sheet

June 30, 2020

	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	\$ 416,103	\$ -	\$ -	\$ 631,210	\$ -	\$ 10,060	\$ 1,057,374
Investments	8,765,170	-	-	-	-	-	8,765,170
Due from	-	-	29,545	-	-	-	29,545
Intergovernmental receivable	-	-	-	-	-	-	-
Total assets	<u>9,181,273</u>	<u>-</u>	<u>29,545</u>	<u>631,210</u>	<u>-</u>	<u>10,060</u>	<u>9,852,089</u>
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>9,181,273</u>	<u>-</u>	<u>29,545</u>	<u>631,210</u>	<u>-</u>	<u>10,060</u>	<u>9,852,089</u>
Liabilities							
Accounts payable and accrued expenses	-	-	-	-	-	-	-
Due to other funds	42,297	-	-	212,906	-	-	255,205
Total liabilities	<u>42,297</u>	<u>-</u>	<u>-</u>	<u>212,906</u>	<u>-</u>	<u>-</u>	<u>255,205</u>
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Fund Balances							
Committed	9,138,976	-	-	418,304	-	10,060	9,567,339
Unassigned	-	-	29,545	-	-	-	29,545
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,181,273</u>	<u>\$ -</u>	<u>\$ 29,545</u>	<u>\$ 631,210</u>	<u>\$ -</u>	<u>\$ 10,060</u>	<u>\$ 9,852,089</u>

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, 2020

	300 Landfill Closure	302 Old Stone Bridge	305 Grinnells Beach	309 TIF Bond	350 Street Sweeper	630 School Housing Bond	Total
Revenues							
Investment income	\$ 200,839	\$ -	\$ -	\$ 10,606	\$ -	\$ -	\$ 211,444
Intergovernmental	-	-	-	-	-	-	-
Other	518,600	25,000	1,389	-	-	-	544,989
Total revenues	719,439	25,000	1,389	10,606	-	-	756,433
Expenditures							
Education	-	-	-	-	-	240,900	240,900
Human Services	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Public works	101,275	25,000	5,011	750	-	-	132,036
Total expenditures	101,275	25,000	5,011	750	-	240,900	372,936
Excess (deficiency) of revenue over expenditures	618,164	-	(3,622)	9,856	-	(240,900)	383,496
Other financing sources (uses)							
Transfer from (to) other funds	-	-	-	-	-	(149,865)	(149,865)
Total other financing sources (uses)	-	-	-	-	-	(149,865)	(149,865)
Excess (deficiency) of revenues and other sources over expenditures and other uses	618,164	-	(3,622)	9,856	-	(390,765)	233,631
Fund balance, July 1, 2019 restated	8,520,812	-	33,167	408,448	-	400,825	9,363,251
Fund balance, June 30, 2020	\$ 9,138,976	\$ -	\$ 29,545	\$ 418,304	\$ -	\$ 10,060	\$ 9,596,882

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Private Purpose Trust – Combining Statement of Net Position

June 30, 2020

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Total</u>
Assets			
Cash	\$ 5,463	\$ 456,439	\$461,902
Investments	10,037	60,337	70,374
Total assets	<u>15,500</u>	<u>516,776</u>	<u>532,276</u>
Liabilities			
Accounts payable	-	-	-
Due to other funds	17	11,983	12,000
Total liabilities	<u>17</u>	<u>11,983</u>	<u>12,000</u>
Net position			
Reserved for lots / cemetery	15,483	504,793	520,276
Total liabilities and net position	<u>\$ 15,500</u>	<u>\$ 516,776</u>	<u>\$532,276</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, 2020

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Total</u>
Additions			
Investment income	\$ 200	\$ 21,963	\$ 22,163
Other	-	23,500	23,500
	<hr/>	<hr/>	<hr/>
Total additions	200	45,463	45,663
Deductions			
Per trust agreements	-	27,780	27,780
	<hr/>	<hr/>	<hr/>
Changes in fund equity held in trust for individuals, organizations, and other governments	200	17,683	17,883
	<hr/>	<hr/>	<hr/>
Net position, July 1, 2019	15,283	487,110	502,393
	<hr/>	<hr/>	<hr/>
Net position, June 30, 2020	<u>\$ 15,483</u>	<u>\$ 504,793</u>	<u>\$ 520,276</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Agency Funds – Combining Statement of Net Position

June 30, 2020

	Student Activities	Gravel Permits	Escrow Funds	Total
Assets				
Cash Checking	171,336	4,810	76,113	\$ 252,259
Due from other funds	-	-	446,411	446,411
	171,336	4,810	522,524	698,670
Total assets	-	-	-	-
Deferred outflows of resources				
None	-	-	-	-
	171,336	4,810	522,524	698,670
Total outflows of resources and assets	171,336	4,810	522,524	698,670
Liabilities				
Due To Primary Government				-
Deposits held	171,336	4,810	522,524	698,670
	\$ 171,336	\$ 4,810	\$ 522,524	\$ 698,670
Total Liabilities	-	-	-	-
Total fund balances (deficits)	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 171,336	\$ 4,810	\$ 522,524	\$ 698,670
	\$ 171,336	\$ 4,810	\$ 522,524	\$ 698,670

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, 2020

	<u>Student Activities</u>	<u>Gravel Permits</u>	<u>Escrow Funds</u>	<u>Total</u>
Additions				
Interest	\$ -	2	8	\$ 10
Miscellaneous revenue	9,076	-	109,999	119,075
Total additions	<u>9,076</u>	<u>2</u>	<u>110,007</u>	<u>119,085</u>
Deductions				
Amount expended	<u>1,154</u>	<u>-</u>	<u>26,852</u>	<u>28,006</u>
Total deductions	<u>1,154</u>	<u>-</u>	<u>26,852</u>	<u>28,006</u>
Increase (decrease) in deposits held	7,922	2	83,155	91,079
Deposits Held, July 1, 2019	<u>163,414</u>	<u>4,808</u>	<u>439,369</u>	<u>607,591</u>
Deposits Held, June 30, 2020	<u>\$ 171,336</u>	<u>\$ 4,810</u>	<u>\$ 522,524</u>	<u>\$ 698,670</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2020

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, 2020

REVENUE	Municipal	Education Department
Current Year Levy Tax Collection	\$ 37,528,283	\$ -
Last Year's Levy Tax Collection	497,644	-
Prior Years Property Tax Collection	181,938	-
Interest & Penalty	258,541	-
PILOT & Tax Treaty (excluded from levy) Collection	830,156	-
Other Local Property Taxes	-	-
Licenses and Permits	468,241	-
Fines and Forfeitures	77,527	-
Investment Income	160,217	-
Departmental	793,236	-
Rescue Run Revenue	519,490	-
Police & Fire Detail	882,503	-
Other Local Non-Property Tax Revenues	34,926	-
Tuition	-	17,486
Impact Aid	-	-
Medicaid	-	-
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	305,770
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	-	1,307,868
COVID - ESSER	-	194,599
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	-
MV Excise Tax Reimbursement	62,598	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	125,071	-
Library Construction Aid	309,052	-
Public Service Corporation Tax	200,026	-
Meals & Beverage Tax / Hotel Tax	336,442	-
LEA Aid	-	7,044,791
Group Home	-	-
Housing Aid Capital Projects	612,338	-
Housing Aid Bonded Debt	1,990,015	-
State Food Service Revenue	-	7,707
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	1,385,083	28,471
Motor Vehicle Phase Out	309,379	-
Other Revenue	1,000	339,086
Local Appropriation for Education	-	24,867,752
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 47,563,705	\$ 34,113,531
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	174,149	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ 174,149	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2020

<u>EXPENDITURES</u>	<u>General</u>		<u>Social</u>	<u>Centralized</u>	<u>Planning</u>	<u>Libraries</u>	<u>Public</u>	<u>Parks and</u>	<u>Police</u>
	<u>Government</u>	<u>Finance</u>	<u>Services</u>	<u>IT</u>					
Compensation- Group A	\$ 422,473	\$401,926	\$ 75,160	\$ -	\$225,011	\$419,426	\$ 742,623	\$ 56,157	\$ 2,090,689
Compensation - Group B	-	-	-	-	-	-	-	-	218,851
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	6,926	-	-	-	-	-	29,356	-	131,913
Overtime - Group B	-	-	-	-	-	-	-	-	6,454
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	455,221
Active Medical Insurance - Group A	119,367	105,501	18,340	-	50,538	54,505	246,308	-	440,922
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	73,659
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	4,816	4,915	786	-	2,054	2,176	2,557	-	18,578
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	3,050
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	33,865	30,385	5,966	-	15,632	31,563	56,297	4,211	183,943
Life Insurance	2,195	2,688	538	-	1,075	-	806	-	8,726
State Defined Contribution- Group A	4,208	4,162	788	-	1,328	2,933	7,128	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	2,234
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	23,515	-	-	-	-	-	1,179	-	73,265
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	18,457	24,368	3,068	-	6,273	8,710	27,112	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	15,654
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	335,276	57,106	-	-	10,560	22,730	106,463	46,447	15,355
Materials/Supplies	16,688	5,885	10,188	-	3,097	47,253	114,893	9,395	61,580
Software Licenses	6,969	11,175	1,200	-	9,875	-	-	1,284	25,803
Capital Outlays	64,957	-	13,386	-	-	-	169,738	-	65,000
Insurance	408,168	-	-	-	-	-	-	-	-
Maintenance	5,399	-	5,065	-	-	17,200	-	-	14,129
Vehicle Operations	213	85	6,271	-	686	-	71,018	-	78,631
Utilities	18,811	2,518	6,465	-	1,305	58,940	25,929	257	59,079
Contingency	38,142	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	27,891	-	-
Revaluation	-	84,205	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	42,031	-	-
Trash Removal & Recycling	-	-	-	-	-	-	738,400	-	-
Claims & Settlements	65,000	-	-	-	-	-	-	-	-
Community Support	25,649	-	-	-	-	-	-	-	-
Other Operation Expenditures	58,292	3,519	52	-	3,286	45,634	664,856	17,120	32,352
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	\$ 1,679,387	\$738,439	\$147,272	\$ -	\$330,720	\$711,071	\$ 3,074,583	\$ 134,872	\$ 4,775,087

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2020

<u>EXPENDITURES</u>	<u>Fire</u> <u>Department</u>	<u>Centralized</u> <u>Dispatch</u>	<u>Public Safety</u> <u>Other</u>	<u>Education</u> <u>Appropriation</u>	<u>Debt</u>	<u>OPEB</u>	<u>Total</u> <u>Municipal</u>	<u>Education</u> <u>Department</u>
Compensation- Group A	\$ 2,017,410	\$ 300,441	\$ 43,331	\$ -	\$ -	\$ -	\$ 6,794,647	\$ 14,857,922
Compensation - Group B	53,083	-	-	-	-	-	271,934	1,473,656
Compensation - Group C	-	-	-	-	-	-	-	2,676,776
Compensation - Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	155,818	29,192	3,806	-	-	-	357,012	-
Overtime - Group B	-	-	-	-	-	-	6,454	7,381
Overtime - Group C	-	-	-	-	-	-	-	13,938
Police & Fire Detail	287,143	-	-	-	-	-	742,364	-
Active Medical Insurance - Group A	478,552	47,809	18,340	-	-	-	1,580,183	2,316,539
Active Medical Insurance- Group B	18,440	-	-	-	-	-	92,099	187,033
Active Medical Insurance- Group C	-	-	-	-	-	-	-	817,593
Active Dental insurance- Group A	20,049	1,872	763	-	-	-	58,565	131,724
Active Dental Insurance- Group B	786	-	-	-	-	-	3,836	9,247
Active Dental Insurance- Group C	-	-	-	-	-	-	-	47,849
Payroll Taxes	178,689	25,118	3,375	-	-	-	569,042	563,551
Life Insurance	6,662	2,150	538	-	-	-	25,378	69,698
State Defined Contribution- Group A	-	2,826	427	-	-	-	23,800	366,711
State Defined Contribution - Group B	536	-	-	-	-	-	2,770	32,539
State Defined Contribution - Group C	-	-	-	-	-	-	-	21,621
Other Benefits- Group A	90,392	-	-	-	-	-	188,351	144,035
Other Benefits- Group B	-	-	-	-	-	-	-	1,271
Other Benefits- Group C	-	-	-	-	-	-	-	470
Local Defined Benefit Pension- Group A	8,000	-	-	-	-	-	708,000	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	2,074
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	1,723
State Defined Benefit Pension- Group A	442,149	21,387	3,365	-	-	-	554,891	2,123,790
State Defined Benefit Pension - Group B	4,226	-	-	-	-	-	19,879	172,592
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	67,307
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	18,201	-	27,287	-	-	-	639,425	6,225,340
Materials/Supplies	59,520	-	-	-	-	-	328,498	704,999
Software Licenses	37,073	-	-	-	-	-	93,378	85,982
Capital Outlays	495,481	-	-	-	-	-	808,561	584,147
Insurance	-	-	-	-	-	-	408,168	187,607
Maintenance	46,722	-	-	-	-	-	88,514	141,183
Vehicle Operations	95,422	-	-	-	-	-	252,326	49,500
Utilities	64,655	-	-	-	-	-	237,959	706,600
Contingency	-	-	-	-	-	-	38,142	-
Street Lighting	-	-	-	-	-	-	27,891	-
Revaluation	-	-	-	-	-	-	84,205	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	42,031	-
Trash Removal & Recycling	-	-	-	-	-	-	738,400	-
Claims & Settlements	-	-	-	-	-	-	65,000	104
Community Support	-	-	-	-	-	-	25,649	-
Other Operation Expenditures	27,913	-	291	-	-	-	853,317	37,539
Tipping Fees	-	-	-	-	-	-	-	-
Local Appropriation for Education	-	-	-	24,651,752	-	-	24,651,752	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	216,000	-	-	216,000	-
Municipal Debt- Principal	-	-	-	-	960,000	-	960,000	-
Municipal Debt- Interest	-	-	-	-	235,103	-	235,103	-
School Debt- Principal	-	-	-	-	2,173,280	-	2,173,280	-
School Debt- Interest	-	-	-	-	1,363,862	-	1,363,862	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	9,704
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	198
OPEB Contribution- Total	-	-	-	-	-	964,761	964,761	107,058
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 4,606,920	\$ 430,795	\$ 101,522	\$ 24,867,752	\$ 4,732,245	\$ 964,761	\$ 47,295,426	\$ 34,947,003

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2020

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ -	\$ -
Net Change in Fund Balance¹	442,428	(833,472)
Fund Balance¹- beginning of year	4,544,844	1,542,885
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	-	(1)
Fund Balance¹ - beginning of year adjusted	4,544,844	1,542,884
Rounding		
Fund Balance¹ - end of year	\$ 4,987,272	\$ 709,412

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, 2020

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2019						\$ 4,544,844	\$ -	\$ 4,544,844	
<i>No funds removed from RGS for fiscal 2020</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2020</i>						-	-	-	
<i>No misc. adjustments made for fiscal 2020</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2019 adjusted						<u>\$ 4,544,844</u>	<u>\$ -</u>	<u>\$ 4,544,844</u>	
General Fund	\$46,695,270	\$ 174,149	\$ 21,559,239	\$ 24,867,752	\$ 442,428	\$ 4,544,844	\$ -	\$ 4,544,844	\$ 4,987,272
Totals per audited financial statements	<u>\$46,695,270</u>	<u>\$ 174,149</u>	<u>\$ 21,559,239</u>	<u>\$ 24,867,752</u>	<u>\$ 442,428</u>	<u>\$ 4,544,844</u>	<u>\$ -</u>	<u>\$ 4,544,844</u>	<u>\$ 4,987,272</u>
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Dept as expenditure on MTP2	\$ -	\$ -	\$ 24,867,752	\$(24,867,752)	\$ -	\$ -	\$ -	\$ -	\$ -
Reclassify Library Aid reported as expenditure credits on F/S but revenue on MTP2	126,071	-	126,071	-	-	-	-	-	-
Police/Fire Detail reported as expenditure credits on F/S but revenue on MTP2	742,364	-	742,364	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$47,563,705</u>	<u>\$ 174,149</u>	<u>\$ 47,295,426</u>	<u>\$ -</u>	<u>\$ 442,428</u>	<u>\$ 4,544,844</u>	<u>\$ -</u>	<u>\$ 4,544,844</u>	<u>\$ 4,987,272</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, 2020

Per Audited Fund Financial Statements Fund Description	Total Other		Total Other		Net Change in Fund Balance ¹	Beginning Fund	Prior Period Adjustment	Restated Beginning	Ending
	Total Revenue	Financing Sources	Total Expenditures	Financing Uses		Fund Balance ¹ (Deficit)		Fund Balance ¹ (Deficit)	Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2019						\$ 1,542,885	\$ -	\$ 1,542,885	
<i>Misc. adjustments made for fiscal 2020</i>						(1)	-	(1)	
Fund Balance¹ - per MTP-2 at June 30, 2019 adjusted						<u>\$ 1,542,884</u>	<u>\$ -</u>	<u>\$ 1,542,884</u>	
School Unrestricted Fund	\$ 8,894,632	\$ 24,867,752	\$ 34,404,422	\$ 215,142	\$ (857,180)	\$ 1,350,420	\$ -	\$ 1,350,420	\$ 493,240
Enterprise Fund	603,865	16,199	598,875	-	21,189	96,141	-	96,141	117,330
School Special Revenue Funds	1,580,279	198,943	1,776,703	-	2,519	96,323	-	96,323	98,842
Totals per audited financial statements	<u>\$ 11,078,776</u>	<u>\$ 25,082,894</u>	<u>\$ 36,780,000</u>	<u>\$ 215,142</u>	<u>\$ (833,472)</u>	<u>\$ 1,542,884</u>	<u>\$ -</u>	<u>\$ 1,542,884</u>	<u>\$ 709,412</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	\$ 24,867,752	\$ (24,867,752)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(1,771,329)	-	(1,771,329)	-	-	-	-	-	-
Cap Proj transfer b/w unrestricted and SRF on F/S	-	(198,943)	-	(198,943)	-	-	-	-	-
For financial statements, indirect cost charges and recovery are reported in federal grant funds and also actual expenditures & reimbursement reported in School Unrestricted Fund.	(61,668)	-	(61,668)	-	-	-	-	-	-
Transfer to Early Risers (Enterprise Fund) from G.Fund	-	(16,199)	-	(16,199)	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 34,113,531</u>	<u>\$ -</u>	<u>\$ 34,947,003</u>	<u>\$ -</u>	<u>\$ (833,472)</u>	<u>\$ 1,542,884</u>	<u>\$ -</u>	<u>\$ 1,542,884</u>	<u>\$ 709,412</u>
<u>Reconciliation from MTP2 to UCOA</u>									
OPEB net changes in investments in validation totals	\$ 18,117		\$ -						
Misc adjustent between MTP and UCOA	3		25						
Totals per UCOA Validated Totals Report	<u>\$ 34,131,651</u>		<u>\$ 34,947,028</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, 2020

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, 2020

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, 2020

Tax Roll Year	Balance		Abatements &		Amount to be collected	Current Year		Balance June 30, 2020
	July 1, 2019	Assessment	Additions	Adjustments		Collections	Refunds	
2019	\$ -	\$ 37,827,845	\$ 95,349	\$ (10,118)	37,913,076	\$ 37,329,797	\$ 30,791	614,070
2018	738,871	-	-	57,689	796,560	433,639	120	363,041
2017	406,831	-	-	(5,133)	401,698	244,114	-	157,584
2016	155,438	-	-	(6,218)	149,220	11,743	-	137,477
2015	130,906	-	-	(825)	130,081	4,423	-	125,658
2014	123,809	-	-	-	123,809	1,736	-	122,073
2013	106,810	-	-	-	106,810	683	-	106,127
2012	112,303	-	-	-	112,303	130	-	112,173
2011	120,408	-	-	-	120,408	747	-	119,661
2010	111,815	-	-	-	111,815	762	-	111,053
2009	85,238	-	-	470	85,708	2,091	-	83,617
2008 and prior	171,776	-	-	-	171,776	490	-	171,286
	<u>\$ 2,264,205</u>	<u>\$ 37,827,845</u>	<u>\$ 95,349</u>	<u>\$ 35,865</u>	<u>\$ 40,223,264</u>	<u>\$ 38,030,355</u>	<u>\$ 30,911</u>	<u>\$ 2,223,820</u>
Less: Allowance for Uncollectible accounts	-							-
	<u>\$ 2,264,205</u>							<u>\$ 2,223,820</u>

TOWN OF TIVERTON, RHODE ISLAND

Tax Collector's Annual Report

For the Year Ended June 30, 2019

FY 2020 Cash Collections Summary			60 days accrual
July - August 2019 Collections Subject to 60-day FY19 Accrual	September - June-20 Collections	Total FY 2020 Cash Collections	July - August 2020 (FY 21) Cash Collections Subject to 60-day FY20 Accrual
\$ -	\$ 37,329,797	37,329,797	\$ 198,486
164,418	415,427	579,845	82,216
86,760	157,354	244,114	815
205	11,538	11,743	613
44	4,379	4,423	704
452	1,284	1,736	340
-	683	683	423
-	130	130	200
176	571	747	482
-	762	762	221
1,422	669	2,091	-
-	490	-	280
<u>\$ 253,477</u>	<u>\$ 37,923,084</u>	<u>\$ 38,176,071</u>	<u>\$ 284,780</u>

Schedule of property valuation assessed as of December 31, 2019:

	Valuation	Levy
Real property	\$ 2,265,206,883	\$ 35,767,605
Motor vehicles	134,245,468	2,569,458
Tangible personal property	64,774,624	1,022,791
Total	<u>2,464,226,975</u>	<u>39,359,854</u>
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	\$ 38,030,355
60-day FY20 Accrual	284,780
<i>July-August 2020 Collections</i>	
60-day FY19 Accrual	<u>(253,477)</u>
<i>July-August 2019 Collections</i>	
Current Year Property Tax Revenue	<u>\$ 38,061,658</u>

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Long-Term Liabilities

For the Year Ended June 30, 2020

	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized</u>	<u>Outstanding July 1, 2019</u>	<u>Additions</u>	<u>Maturities During the Year</u>	<u>Outstanding June 30, 2020</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	\$ 5,235,000	\$ -	\$ 485,000	\$ 4,750,000	\$ 237,700
Pocasset 10.1 million bond (Refi)	6/22/2017	3.00% - 5.00%	5/15/2038	6,075,000	6,060,000	-	505,000	5,555,000	271,350
Tax increment bond (Refi)	9/1/2013	3.530%	6/30/2022	5,310,000	1,925,000	-	620,000	1,305,000	67,953
RIHEBC Sereis 2015D	12/15/2015	3.00% - 5.00%	5/15/2027	8,025,000	6,365,000	-	755,000	5,610,000	272,800
Library bond	12/3/2014	3.00%-3.50%	10/1/2034	6,785,000	5,515,000	-	340,000	5,175,000	167,150
Public school bond	6/22/2017	3.00%-3.50%	5/15/2038	13,760,000	13,300,000	-	470,000	12,830,000	582,013
Total General Obligation Bonds				55,760,000	38,400,000	-	3,175,000	35,225,000	1,598,966
Bond premium				-	3,742,308	-	427,812	3,314,496	-
Total general obligation payable				55,760,000	42,142,308	-	3,602,812	38,539,496	1,598,966
Capital leases				-	971,123	-	287,010	684,113	29,973
Landfill closure and postclosure care costs				-	9,100,000	-	-	9,100,000	-
Other general long-term obligations				-	10,071,123	-	287,010	9,784,113	29,973
Other long term liabilities									
Accrued compensated absences					1,291,117	68,231	-	1,359,348	n/a
Net pension liability - police					6,148,962	-	390,745	5,758,217	n/a
Net pension liability - ERS					22,942,334	703,604	-	23,645,938	n/a
Net pension liability - MERS					4,507,883	-	-	4,507,883	n/a
Net OPEB liability					24,826,508	1,339,724	-	26,166,232	n/a
Total other long term liabilities					59,716,804	2,111,559	390,745	61,437,618	
Total long-term liabilities					\$ 111,930,235	\$ 2,111,559	\$ 4,280,567	\$ 109,761,227	

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Debt Service Requirements to Maturity

For the Year Ended June 30, 2020

<u>Year Ending June 30,</u>	<u>Percentage of Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	9.25%	\$ 3,260,000	\$ 1,493,379	\$ 4,753,379
2022	18.74%	3,340,000	1,397,262	4,737,262
2023	26.54%	2,750,000	1,280,588	4,030,588
2024	34.63%	2,850,000	1,149,988	3,999,988
2025	43.08%	2,975,000	1,014,388	3,989,388
2026-2030	75.49%	11,415,000	3,048,488	14,463,488
2031-2035	91.85%	5,765,000	1,355,581	7,120,581
2036-2038	100.00%	2,870,000	291,750	3,161,750
		<u>\$ 35,225,000</u>	<u>\$ 11,031,424</u>	<u>\$ 46,256,424</u>

** excluding debt premium of \$3,314,496

TOWN OF TIVERTON, RHODE ISLAND

Legal Debt Margin

For the Year Ended June 30, 2020

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>35,225,000</u>
Legal debt margin	<u><u>\$ 33,699,020</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 Tiverton, RI, as of and for the year ended June 30, 2020, 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 January 13, 2021.

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.

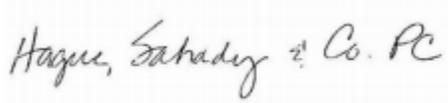
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Handwritten signature in cursive script that reads "Hague, Sabady & Co. PC".

Fall River, Massachusetts

January 13, 2021

TOWN OF TIVERTON, RHODE ISLAND

Photo Credit

For the Year Ended June 30, 2020

Photo Credit:

David Robert