
TOWN OF COVENTRY

***ANNUAL
FINANCIAL REPORT***

***FOR THE FISCAL YEAR ENDED
JUNE 30, 2017***

***Robert Thibeault
FINANCE DIRECTOR***

Prepared by: Finance Department

COVENTRY, RHODE ISLAND

**TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTORY SECTION	
<i>LIST OF TOWN OFFICIALS</i>	i
II. FINANCIAL SECTION	
<i>INDEPENDENT AUDITORS' REPORT</i>	1
<i>MANAGEMENT'S DISCUSSION AND ANALYSIS</i>	4
<i>BASIC FINANCIAL STATEMENTS</i>	
<i>Government Wide Financial Statements</i>	
Statement of Net Position	14
Statement of Activities	15
<i>Fund Financial Statements</i>	
Balance Sheet – Governmental Funds	16
Statement of Revenues, Expenditures and Changes in Unreserved Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Unreserved Fund Balances of the Governmental Funds to the Statement of Activities	18
Statement of Net Position – Proprietary Funds	19
Statement of Revenue, Expenses, and Changes in Net Position – Proprietary Funds	20
Statement of Cash Flows – Proprietary Funds	21
Statement of Fiduciary Net Position	22
Statement of Changes in Fiduciary Net Position	23
<i>Notes to the Financial Statements</i>	
Required Disclosures and Other Information	24
<i>REQUIRED SUPPLEMENTARY INFORMATION (RSI)</i>	
Budgetary Comparison Schedule – Schedule of Revenues, and Expenditures– General Fund	89
Budgetary Comparison Schedule – Schedule of Revenues Budget and Actual (Budgetary Basis) - General Fund	90
Budgetary Comparison Schedule – Schedule of Expenditures Budget and Actual (Budgetary Basis) - General Fund	92

(continued)

TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS
(continued)

PAGE

REQUIRED SUPPLEMENTARY INFORMATION (RSI) (continued)

Budgetary Comparison Schedule – Statement of Revenues, Expenditures and – School Unrestricted Fund	94
Notes to Required Supplementary Information – Reconciliation of Budgetary Basis to GAAP –General Fund and School Unrestricted Fund	95
Schedule of Changes in Net Pension Liability and Related Ratios-Town Plan	96
Schedule of Town Contributions and Investment Returns	97
Schedule of Changes in Net Pension Liability and Related Ratios-Police Plan	98
Schedule of Town Police Plan Contributions and Investment Returns	99
Schedule of Contributions Teacher’s Retirement Plan and Schedule of Proportionate Share of Net Pension Liability – ERS	100
Schedule of Contributions Teacher’s Survivor Benefit Plan and Schedule of Proportionate Share of Net Pension Liability (Asset) – ERS	101
Schedule of Changes in Net Pension Liability and Related Ratios-School Plan	102
Schedule of Town Contributions and Investment Returns- School Plan	103

Supplementary Information

Combining Balance Sheet – Non-major Governmental Funds	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	105
Combining Balance Sheet – Restricted Special Revenue Funds Town	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Restricted Special Revenue Funds Town	113
Combining Balance Sheet – Restricted Special Revenue Funds School	120
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Restricted Special Revenue Funds School	128
Combining Balance Sheet – Capital Project Funds	136
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Capital Project Funds	139
Combining Balance Sheet – Private Purpose Trust Funds	142
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Private Purpose Trust Funds	143
Combining Statement of Changes in Assets and Liabilities – Agency Funds	144
Town General Fund Balance Sheet – Funds Combined with the Town General Fund for GASB 54 Reporting Purposes	149
Town General Fund Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance - Funds Combined with the General Fund for GASB 54 Reporting Purposes	153
School Unrestricted Fund Balance Sheet – Funds Combined with the School Unrestricted Fund for GASB 54 Reporting Purposes	157
School Unrestricted Fund Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Changes in Fund Balance - Funds Combined with the School Unrestricted Fund for GASB 54 Reporting Purposes	158

(continued)

TOWN OF COVENTRY, RHODE ISLAND
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

TABLE OF CONTENTS
(continued)

	<u>PAGE</u>
<i>Supplementary Information - continued</i>	
Annual Supplemental Transparency Reports (MTP2)	159
Notes to Supplementary Information	164
III. STATISTICAL SECTION	
Schedule of Tax Collections	166
Schedule of Assessed Property Valuations	167
Tax Collectors Annual Report	168
Schedule of Long-term Liabilities – Primary Government	169
Computation of Legal Debt Margin	170
IV. SINGLE AUDIT SECTION	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	171
Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance as Required by the Uniform Guidance	173
Schedule of Expenditures of Federal Awards	176
Schedule of Findings and Questioned Costs	177
Schedule of Prior Year Findings and Questioned Costs	181
Notes to Schedule of Expenditures of Federal Awards	182

(concluded)

INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF COVENTRY, RHODE ISLAND

As of June 30, 2017

TOWN COUNCIL

Glenford Shibley – President
Gregory Laboissonniere – Vice-President
Karen M. Carlson
Debra Bacon
Kerry L. McGee

TOWN MANAGER

Graham Waters

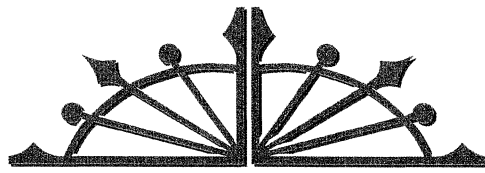
FINANCE DIRECTOR

Robert Thibeault

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



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Town Council
Town of Coventry
Coventry, 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 Coventry, Rhode Island (Town) as of and for the year ended June 30, 2017, 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 Coventry, Rhode Island as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 15 to the financial statements, during the fiscal year ended June 30, 2017, the Town recognized the Net Pension Liability of the Coventry Teacher's Alliance School Related Personnel (CTASRP) Pension Plan and its related Trust Fund as a component of the Town's financial statements. The Town has reported this new adopted plan under the accounting guidance, of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The net position of the Town as of June 30, 2016 has been restated to recognize the net pension liability required to recognize this plan retroactively. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-13 and 89-95 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 Coventry, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other supplementary information, schedules, the Annual Supplemental Transparency Report (MTP2) and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, other supplementary information, the Annual Supplementary Transparency Report (MTP2) and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, other supplementary information, the Annual Supplementary Transparency Report, MTP2 and the schedule of expenditures of federal awards 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 April 17, 2018, on our consideration of the Town of Coventry, 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 Coventry, Rhode Island's internal control over financial reporting and compliance.



Baxter Dansereau & Associates, LLP

West Warwick, Rhode Island

April 17, 2018

Management's Discussion and Analysis

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Management of the Town of Coventry provides this Management's Discussion and Analysis of the Town of Coventry's Annual Financial Report for the readers of the Town's financial statements. This narrative overview and analysis of the financial statements of the Town of Coventry is for the fiscal year ended June 30, 2017. We encourage readers to consider this information in conjunction with the Town's financial statements that follow.

Financial Highlights

- ❖ The net position of the Town's primary government increased by \$37,789 as a result of current year's operations. On a government-wide basis the liabilities and deferred inflows of resources of the Town of Coventry exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$120,964,188. The net position of the Town's business activities decreased by \$89,417 or .78%, and the net position of Governmental Activities increased by \$127,206 or less than 1% in the current period. As discussed in Note 15 to the financial statements, during the fiscal year ended June 30, 2017, the Town recognized the Net Pension Liability of the Coventry Teacher's Alliance School Related Personnel (CTASRP) Pension Plan and its related Trust Fund as a component of the Towns financial statements. The Town has reported this new adopted plan under the accounting guidance, of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The net position of the Town as of June 30, 2016 has been restated to recognize the net pension liability required to recognize this plan retroactively. The effect of the change caused the unrestricted net position to decrease by (\$18,307,950).
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$112,879,298 a .001% increase from the prior year, while revenues collected were \$112,707,754 a .15% increase from the prior year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$23,636,758. Over 21.7% of this amount, \$6,410,210 is unassigned and available for use within the Town's specific designations and fiscal policies or subject to outside restrictions.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$7,458,506 or 10% of the total general fund expenditures for the fiscal year. The current fiscal year's revenues and transfers in exceeded expenditures and transfers out by \$33,991. On a budgetary basis revenues exceeded expenditures and transfers by \$107,765.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Overview of the Financial Statements

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

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

In addition to the basic financial statements, this report also contains other supplementary information.

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

Government-wide financial statements - are designed to provide readers with a broad overview of the Town's finances in a manner, which is similar to a private-sector business. They are presented on the accrual basis of accounting where revenues and expenditures are recognized on the date they occurred rather than on the date they were collected or paid.

The *Statement of Net Position* presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between these items 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 the Town's net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods. Examples are uncollected taxes and earned but unused compensated absences.

Both of the 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, public safety, education, public works, community and economic development services, health and human services, cultural and recreational services and interest on long-term debt. The Town's business activities include the Sewer Fund.

The government wide financial statements are reported on pages 14 through 15.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

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

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains various governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, School Special Revenue Unrestricted Fund and Coventry Landfill Fund which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds - The Town's proprietary fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town has one enterprise fund. The Coventry Sewer Fund, which accounts for the Town's sewer system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Coventry Sewer Fund since it is considered to be a major fund of the Town.

The basic proprietary fund financial statements are presented on pages 19 through 21.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

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 basic fiduciary fund financial statements can be found on pages 22 and 23.

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 24 through 88.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required Supplementary information is presented on pages 89 through 103.

The combining statements referred to earlier in connection with non-major governmental funds, are presented on pages 104 through 158.

Government-wide Financial Analysis

Analysis of the Town of Coventry'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 of Coventry, governmental activities liabilities and deferred inflows of resources exceeded assets and deferred outflow of resources by \$132,254,495 as of June 30, 2017. The cumulative deficit in the governmental activities net position decreased by \$127,206 from current year activity.

Listed on the following page is a comparison of the current and prior fiscal years.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Town of Coventry
Net Position

	<i>June 30, 2017</i>			<i>June 30, 2016</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Current and Other Assets	\$ 38,563,604	\$ 14,001,306	\$ 52,564,910	\$ 35,392,054	\$ 14,347,951	\$ 49,740,005
Capital assets	44,191,449	28,027,902	72,219,351	44,966,370	26,913,522	71,879,892
Total Assets	<u>82,755,053</u>	<u>42,029,208</u>	<u>124,784,261</u>	<u>80,358,424</u>	<u>41,261,473</u>	<u>121,619,897</u>
Deferred outflows of resources	17,162,272	-	17,162,272	12,321,325	-	12,321,325
Other Liabilities	5,457,658	2,927,370	8,385,028	6,922,228	1,334,917	8,257,145
Long-Term Liabilities	217,058,268	19,482,727	236,540,995	190,719,238	19,435,847	210,155,085
Total Liabilities	<u>222,515,926</u>	<u>22,410,097</u>	<u>244,926,023</u>	<u>197,641,466</u>	<u>20,770,764</u>	<u>218,412,230</u>
Deferred inflows of resources	9,655,894	8,328,804	17,984,698	8,797,741	9,110,985	17,908,726
Net Position:						
Net investment in capital assets	7,689,162	11,141,342	18,830,504	7,856,695	9,896,915	17,753,610
Restricted for:						
Education programs	1,046,486	-	1,046,486	919,508	-	919,508
Public safety programs	393,231	-	393,231	218,284	-	218,284
Culture and recreation	42,492	-	42,492	39,492	-	39,492
Health & human services	175,947	-	175,947	75,643	-	75,643
Unrestricted	<u>(141,601,813)</u>	<u>148,965</u>	<u>(141,452,848)</u>	<u>(122,869,080)</u>	<u>1,482,809</u>	<u>(121,386,271)</u>
Total Net Position	<u>\$ (132,254,495)</u>	<u>\$ 11,290,307</u>	<u>\$ (120,964,188)</u>	<u>\$ (113,759,458)</u>	<u>\$ 11,379,724</u>	<u>\$ (102,379,734)</u>

The largest portion of the Town's Governmental net position, \$7,689,162 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.

The remaining balance of the Town's unrestricted net position may be used to meet the government's ongoing obligations to its citizens and creditors. The unrestricted net position for governmental activities reported a \$141,601,813 deficit while the business-type activities reported a \$148,965 surplus balance.

As of June 30, 2017 the Town of Coventry reports positive balances in the net investment in capital assets category and restricted items.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Analysis of the Town of Coventry's Operations

The following analysis provides a summary of the Town's operations for the year ended June 30, 2017. The Town first implemented GASB Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments for the fiscal year June 30, 2003. Prior year comparative data is available and is presented in the following schedules. Governmental activities increased the Town's net position by \$127,206 for the current period accounting for a less than 1% increase in the Town's governmental net position, while business-type activities decreased the Town's net position by \$89,417 or .78% for the current period. Overall the Town's increase in net position was \$37,789 for current year's activity.

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

<i>Town of Coventry</i>						
<i>Changes in Net Position</i>						
	June 30, 2017			June 30, 2016		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
<i>Revenues</i>						
<i>Program revenues</i>						
Charges for services	\$ 4,488,409	\$ 2,788,347	\$ 7,276,756	\$ 5,435,977	\$ 2,436,608	\$ 7,872,585
Federal/State grants	32,763,017	209,333	32,972,350	33,464,125	-	33,464,125
<i>General Revenues</i>						
Property taxes	71,157,398	-	71,157,398	68,444,330	-	68,444,330
Investment earnings	620,005	2,053	622,058	256,047	1,508	257,555
Miscellaneous	888,525	-	888,525	1,033,540	-	1,033,540
Total revenues	109,917,354	2,999,733	112,917,087	108,634,019	2,438,116	111,072,135
<i>Expenses</i>						
General government	6,707,887	-	6,707,887	7,389,205	-	7,389,205
Public safety	12,926,648	-	12,926,648	12,801,326	-	12,801,326
Education	78,507,798	-	78,507,798	77,694,675	-	77,694,675
Public works	6,095,250	-	6,095,250	6,978,570	-	6,978,570
Community and economic development	395,229	-	395,229	585,619	-	585,619
Health and human services	1,778,433	-	1,778,433	1,299,650	-	1,299,650
Culture and recreation	2,440,262	-	2,440,262	2,180,046	-	2,180,046
Interest on long-term debt	1,375,098	-	1,375,098	1,247,960	-	1,247,960
Sewer Fund Expenses	-	2,652,693	2,652,693	-	2,573,209	2,573,209
Total expenses	110,226,605	2,652,693	112,879,298	110,177,051	2,573,209	112,750,260
Transfers	436,457	(436,457)	-	(2,805,068)	2,805,068	-
Change in net position	127,206	(89,417)	37,789	(4,348,100)	2,669,975	(1,678,125)
Net position - beginning restated	(132,381,701)	11,379,724	(121,001,977)	(109,411,358)	8,709,749	(100,701,609)
Net position - ending	\$ (132,254,495)	\$ 11,290,307	\$ (120,964,188)	\$ (113,759,458)	\$ 11,379,724	\$ (102,379,734)

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Financial Analysis of the Town of Coventry's Funds

Governmental Funds - The focus of the Town of Coventry'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 unreserved 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 \$23,636,758. Over 27% of this amount, \$6,410,218 is unassigned and available for use within the Town's specific designations and fiscal policies.

TOWN OF COVENTRY, RHODE ISLAND
Fund Balance Categories

<i>Non-spendable for:</i>	
Sewer fund inter fund receivable	\$ 2,286,086
<i>Restricted for:</i>	
Educational programs	1,046,486
Public safety programs	393,231
Culture and recreation	42,492
Health & human services	175,947
<i>Committed for:</i>	
Public works programs	10,911,717
Public safety programs	19,516
Culture and recreation	2,351,065
<i>Unassigned:</i>	6,410,218
Total fund balances	<u><u>\$ 23,636,758</u></u>

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

The unrestricted net position of the Sewer Fund was \$148,965.

General Fund Budgetary Highlights

Revenues:

Total Revenues – were under budget by \$170,517.

General Property Taxes – were under budget by \$134,674 because of lower than anticipated collection of the same.

Licenses and Permit Revenues – were over budget by \$113,809 primarily because of the higher than anticipated collection of Plumbing, Heating, and Electrical permits.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

General Fund Budgetary Highlights – (continued)

Other Revenue – was under budget by \$215,699 mainly because of lower than anticipated collection of Miscellaneous Receipts and Police Car Rentals.

Expenses:

Total Expenses – were under budget by \$544,604.

Public Works – was under budget by \$405,071 mainly because of salaries and fringe benefits savings from employee turnover as well as lower than anticipated refuse disposal expenses.

Public Safety – was under budget by \$162,021 primarily due to lower than budgeted Overtime, Vacation Pay and Fuel expenses.

The Town of Coventry's Capital Assets

The Town of Coventry's investment in capital assets for its governmental and business-type activities amounts to \$72,219,351 net of accumulated depreciation at June 30, 2017. Included are land, building and improvements, motor vehicles, furniture, machinery and equipment and infrastructure.

Additional information on the Town of Coventry's capital assets is located in Note 6 of the notes to the financial statements.

Town of Coventry
Capital Assets (Net of Accumulated Depreciation)

	June 30, 2017			June 30, 2016		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Land	9,688,933	-	9,688,933	9,688,933	-	9,688,933
Construction in progress	152,101	1,685,150	1,837,251	539,933	21,185	561,118
Infrastructure	3,055,454	-	3,055,454	842,973	-	842,973
Buildings & Improvements	27,129,143	-	27,129,143	29,471,061	-	29,471,061
Machinery and equipment	325,457	-	325,457	238,781	-	238,781
Office equipment and furniture	298,636	-	298,636	331,117	-	331,117
Vehicles	3,541,725	-	3,541,725	3,853,572	-	3,853,572
Wastewater collection system	-	26,342,752	26,342,752	-	26,892,337	26,892,337
Total	44,191,449	28,027,902	72,219,351	44,966,370	26,913,522	71,879,892

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

The Town of Coventry's Debt Administration

At the end of the current fiscal year, the Town of Coventry's Governmental Activities had a total bonded debt of \$46,451,028. 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.

Town of Coventry
Outstanding Debt
General Obligation & Notes Payable

	<i>June 30, 2017</i>			<i>June 30, 2016</i>		
	Govern- mental Activities	Business Type Activities	Total	Govern- mental Activities	Business Type Activities	Total
Bonds Payable	46,451,028	-	46,451,028	44,289,336	-	44,289,336
Notes Payable	1,051,009	19,482,727	20,533,736	717,880	19,435,848	20,153,728
Totals	47,502,037	19,482,727	66,984,764	45,007,216	19,435,848	64,443,064

Additional information on the Town's long-term debt can be found in Note 9 of the Notes to the Financial Statements and on pages 169 and 170.

Economic Factors and Next Year's Budgets and Rates

The Town of Coventry's total budget for fiscal year 2018 amounts to \$102,227,455, which reflects an increase of \$1,892,736 over fiscal 2017's budget of \$100,334,719. Of the Town's 2018 budget, \$69,088,324, or 67.6% is budgeted for educational purposes, \$26,987,780 or 26.4% for municipal government, \$5,157,861 or 5.0% for debt service and \$993,490 or 1.0% for library resource sharing.

The State of Rhode Island is budgeted to contribute \$23,202,975 toward the Town's educational expenses for the fiscal year 2018. This is an increase of \$359,052 over the \$22,843,923 contributed by the State in the fiscal year 2017.

For fiscal 2018 the Town's residential and commercial property tax rates were \$20.977 and \$25.285, respectively, with 61.6% allocated for education, 33.1% for municipal government, 5.3% for debt service, capital improvements and library resource sharing. The Town's residential and commercial property tax rates for fiscal 2017 are \$21.411 and \$25.805, respectively, with 63.0% allocated for education, 32.4% for municipal government, 4.6% for debt service and capital improvements & library resource sharing.

TOWN OF COVENTRY, RHODE ISLAND
Management's Discussion and Analysis
For the Year Ended June 30, 2017
(Un-audited)

Request for Information

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact the Finance Director's Office, Town of Coventry, 1670 Flat River Road, Coventry RI 02816.

Robert Thibeault
Finance Director/Treasurer

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

TOWN OF COVENTRY
Statement of Net Position
June 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets:			
Current Assets:			
Cash and cash equivalents	\$ 25,409,510	\$ 17,393	\$ 25,426,903
Real estate and personal property tax receivable, net	2,575,158	-	2,575,158
Water and sewer use fees receivable, net	-	1,023,784	1,023,784
Due from federal and state government	1,045,382	2,596,167	3,641,549
Net pension asset	7,059,124	-	7,059,124
Prepaid expenses	1,055,099	-	1,055,099
Other receivables, net	1,419,331	209,333	1,628,664
Total current assets	38,563,604	3,846,677	42,410,281
Noncurrent assets:			
Sewer assessments receivable	-	8,398,615	8,398,615
Capital assets:			
Land	9,688,933	-	9,688,933
Construction in progress	152,101	1,685,150	1,837,251
Property, plant & equipment - net	34,350,415	26,342,752	60,693,167
Capital assets, net	44,191,449	28,027,902	72,219,351
Other assets, net	-	1,756,014	1,756,014
Total noncurrent assets	44,191,449	38,182,531	82,373,980
Total assets	82,755,053	42,029,208	124,784,261
Deferred outflow of resources	17,162,272	-	17,162,272
Liabilities:			
Accounts payable and accrued liabilities	6,944,340	641,284	7,585,624
Internal balances	(2,286,086)	2,286,086	-
Unearned revenues	188,164	-	188,164
Other	611,240	-	611,240
Total current liabilities	5,457,658	2,927,370	8,385,028
Long-term liabilities:			
Due within one year	3,744,000	1,280,218	5,024,218
Due in more than one year	213,314,268	18,202,509	231,516,777
Total noncurrent liabilities	217,058,268	19,482,727	236,540,995
Total liabilities	222,515,926	22,410,097	244,926,023
Deferred inflows of resources	9,655,894	8,328,804	17,984,698
Net Position:			
Net investment in capital assets	7,689,162	11,141,342	18,830,504
Restricted for:			
Education programs	1,046,486	-	1,046,486
Public safety programs	393,231	-	393,231
Culture and recreation	42,492	-	42,492
Health & human services	175,947	-	175,947
Unrestricted	(141,601,813)	148,965	(141,452,848)
Total net position	\$ (132,254,495)	\$ 11,290,307	\$ (120,964,188)

See auditor's report and accompanying notes to these financial statements

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

	Program revenues		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total
Functions/ Programs						
Governmental Activities:						
Governmental activities:						
General government	\$ 6,707,887	\$ 849,704	\$ 1,633,907	\$ (4,224,276)		\$ (4,224,276)
Public safety	12,926,648	80,005	-	(12,846,643)		(12,846,643)
Education	78,507,798	2,322,162	31,011,805	(45,173,831)		(45,173,831)
Public works	6,095,250	155,401	-	(5,939,849)		(5,939,849)
Community and economic development	395,229	768,827	82,305	455,903		455,903
Health and human services	1,778,433	-	-	(1,778,433)		(1,778,433)
Culture and recreation	2,440,262	312,310	35,000	(2,092,952)		(2,092,952)
Interest on long-term debt	1,375,098	-	-	(1,375,098)		(1,375,098)
Total governmental activities	110,226,605	4,488,409	32,763,017	(72,975,179)		(72,975,179)
Business type activities:						
Sewer Fund	2,652,693	2,788,347	209,333	-	\$ 344,987	344,987
Total business-type activities	2,652,693	2,788,347	209,333	-	344,987	344,987
Total	\$ 112,879,298	\$ 7,276,756	\$ 32,972,350	(72,975,179)	344,987	(72,630,192)
General revenues:						
Real estate and personal property taxes				71,157,398	-	71,157,398
Interest on property taxes				499,097	-	499,097
Investment earnings				620,005	2,053	622,058
Miscellaneous				389,428	-	389,428
Transfers				436,457	(436,457)	-
Total general revenues				73,102,385	(434,404)	72,667,981
Change in net position				127,206	(89,417)	37,789
<i>Net position-beginning</i>				<i>(132,381,701)</i>	<i>11,379,724</i>	<i>(121,001,977)</i>
Net position-ending				\$ (132,254,495)	\$ 11,290,307	\$ (120,964,188)

See auditor's report and accompanying notes to these financial statements

Fund Financial Statements

TOWN OF COVENTRY, RHODE ISLAND

Balance Sheet
Governmental Funds
June 30, 2017

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 12,061,890	\$ 1,212,068	\$ 12,135,552	\$ 25,409,510
Accounts receivable:				
Real estate and personal property taxes	2,575,158	-	-	2,575,158
Due from federal and state governments	-	73,336	972,046	1,045,382
Other receivables	894,567	191,773	41,595	1,127,935
Due from other funds	3,841,066	4,493,220	1,875,428	10,209,714
Prepays	-	1,021,154	-	1,021,154
Total assets	<u>\$ 19,372,681</u>	<u>\$ 6,991,551</u>	<u>\$ 15,024,621</u>	<u>\$ 41,388,853</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenditures	\$ 144,606	\$ 5,838,381	\$ 712,966	\$ 6,695,953
Due to other funds	4,636,570	608,369	2,387,293	7,632,232
Unearned revenues	-	-	188,164	188,164
Other liabilities	611,240	-	-	611,240
Total liabilities	<u>5,392,416</u>	<u>6,446,750</u>	<u>3,288,423</u>	<u>15,127,589</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable tax revenue	2,624,506	-	-	2,624,506
Fund balances:				
<i>Non-spendable for:</i>				
Sewer inter-fund receivable	2,286,086	-	-	2,286,086
<i>Restricted for:</i>				
Educational programs	-	544,801	501,685	1,046,486
Public safety programs	-	-	393,231	393,231
Culture and recreation	-	-	42,492	42,492
Health & human services	-	-	175,947	175,947
<i>Committed for:</i>				
Public works programs	51,335	-	10,860,382	10,911,717
Public safety programs	19,516	-	-	19,516
Culture and recreation	1,540,316	-	810,749	2,351,065
<i>Unassigned:</i>	7,458,506	-	(1,048,288)	6,410,218
Total fund balances	<u>11,355,759</u>	<u>544,801</u>	<u>11,736,198</u>	<u>23,636,758</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,372,681</u>	<u>\$ 6,991,551</u>	<u>\$ 15,024,621</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. (Note 7) 44,191,449

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. (Note 7) 2,376,119

Some liabilities, including bonds payable, pension liabilities and deferred inflows and outflows of resources, are not due and payable in the current period and therefore are not reported in the funds. (Note 7) (202,458,821)

Net position of governmental activities \$(132,254,495)

See auditor's report and accompanying notes to these financial statements

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

	<i>General Fund</i>	<i>School Unrestricted Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
Revenues				
Real estate and personal property taxes	\$ 69,985,564	\$ -	\$ -	\$ 69,985,564
Other taxes	974,821	-	-	974,821
Penalties and interest on taxes	499,097	-	-	499,097
Licenses, fees and permits	892,336	-	-	892,336
Investment income	186,529	-	433,476	620,005
Intergovernmental	1,838,699	27,129,405	4,493,661	33,461,765
Contributions and private grants	-	-	11,288	11,288
Charges for services	478,984	886,101	809,954	2,175,039
Miscellaneous	720,405	7,775	308,646	1,036,826
Total revenues	<u>75,576,435</u>	<u>28,023,281</u>	<u>6,057,025</u>	<u>109,656,741</u>
Expenditures				
Current:				
General government	6,056,865	-	48,615	6,105,480
Public safety	12,326,651	-	86,474	12,413,125
Education	-	71,599,780	4,231,861	75,831,641
Public works	5,036,458	-	368,547	5,405,005
Community and economic development	373,617	-	21,612	395,229
Health and human services	825,832	-	880,126	1,705,958
Culture and recreation	2,310,837	-	-	2,310,837
Capital outlay	-	-	2,459,846	2,459,846
Debt service				
Principal payments	3,269,000	-	-	3,269,000
Interest and fiscal charges	1,325,449	-	-	1,325,449
Total expenditures	<u>31,524,709</u>	<u>71,599,780</u>	<u>8,097,081</u>	<u>111,221,570</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>44,051,726</u>	<u>(43,576,499)</u>	<u>(2,040,056)</u>	<u>(1,564,829)</u>
Other financing sources (uses)				
Issuance of debt	-	-	5,522,129	5,522,129
Debt issuance cost	-	-	(158,596)	(158,596)
Premium on issue of debt	-	-	305,292	305,292
Transfers from other funds	122,323	43,927,323	806,945	44,856,591
Transfers to other funds	(44,140,058)	(65,814)	(214,262)	(44,420,134)
Total other financing sources (uses)	<u>(44,017,735)</u>	<u>43,861,509</u>	<u>6,261,508</u>	<u>6,105,282</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>33,991</u>	<u>285,010</u>	<u>4,221,452</u>	<u>4,540,453</u>
Fund balances - beginning restated	<u>11,321,768</u>	<u>259,791</u>	<u>7,514,746</u>	<u>19,096,305</u>
Fund balances - ending	<u>\$ 11,355,759</u>	<u>\$ 544,801</u>	<u>\$ 11,736,198</u>	<u>\$ 23,636,758</u>

See auditor's report and accompanying notes to these financial statements

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

Net change in fund balances-total governmental funds \$ 4,540,453

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds reported 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. Also, other various capital activity is not recognized in the governmental funds but is recognized in the Statement of Activities.

Capital Outlays	2,958,037
Depreciation expense	<u>(3,718,055)</u>
Change to Net Position	<u>(760,018)</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 182,110

Interest expenses in the statement of activities includes accrued interest calculated for bonds payable (49,649)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current 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 bond premiums are deferred and amortized in the statement of activities. These amounts is the net effect of these differences in the treatment of long-term debt and related items.

Bond principal payments	3,269,000
Issuance of debt	(5,522,129)
Bond premium amortization	63,600
Premium on issuance of debt	(305,292)
Prepaid bond insurance	(2,121)

Changes in the Town's Net Pension Assets, Deferred Outflows of Resources related to pension plans or Net Pension Liability and Deferred Inflows of Resources related to pension plans result in an increase or decrease to the pension expense reported in the Statement of Activities. The effect of these adjustments resulted in a decrease in pension expense reported in the Statement of Activities. (628,193)

Other certain accrued expenditures that do not use current financial resources are not reported in the fund financial statements. However, in the statement of activities these accrued expenses are recognized and charged to current activities. (660,555)

Change in net position of governmental activities. \$ 127,206

Please see Note 8 for a more detailed explanation of the differences between the Government-Wide Financial Statements and the Fund Financial Statements

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Net Position
Proprietary Fund
June 30, 2017

	Enterprise Fund
	Sewer Fund
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 17,393
Accounts receivable, net:	
Water and sewer use fees	1,023,784
Due from borrowing sources	2,596,167
Grants receivable	209,333
Total current assets	3,846,677
Non-current assets:	
Capital assets	
Construction in progress	1,685,150
Depreciable assets - net	26,342,752
Sewer assessments	8,398,615
Other assets, net	1,756,014
Total noncurrent assets	38,182,531
Total assets	42,029,208
LIABILITIES & DEFERRED INFLOWS	
Current liabilities:	
Accounts payable and accrued expenses	641,284
Due to other funds	2,286,086
Current portion of long term debt	1,280,218
Total current liabilities	4,207,588
Non-current liabilities:	
Bonds and loans payable	18,202,509
Total noncurrent liabilities	18,202,509
Total liabilities	22,410,097
Deferred Inflows	
Deferred sewer assessment fees	8,095,531
Other deferred revenue	233,273
Total deferred inflows of resources	8,328,804
NET POSITION	
Invested in Capital assets, net of related debt	11,141,342
Unrestricted	148,965
Total net position	\$ 11,290,307

See auditor's report and accompanying notes to these financial statements

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

	Enterprise Funds
	Sewer Fund
<i>Operating revenues</i>	
Assessments and user fees	\$ 2,773,467
Other revenues	14,880
<i>Total operating revenues</i>	2,788,347
<i>Operating expenses</i>	
Contract services	22,498
Operations & Maintenance	1,537,683
Depreciation and amortization	549,585
<i>Total operating expenses</i>	2,109,766
<i>Operating income (loss)</i>	678,581
<i>Non-operating revenues (expenses)</i>	
Interest and dividend income	2,053
Interest expense	(542,927)
Grant proceeds	209,333
<i>Total non-operating revenues (expenses)</i>	(331,541)
Income (loss) before transfers	347,040
Transfers	
Transfers out	(436,457)
<i>Total transfers</i>	(436,457)
Change in Net Position	(89,417)
Total Net Position	11,379,724
Total Net Position - Ending	\$ 11,290,307

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Enterprise Funds
	Sewer Fund
Cash flows from operating activities	
Cash received from customers	\$ 2,726,238
Cash payments to suppliers for goods and services	(1,178,297)
Other operating receipts	14,880
Net cash provided by (used for) operating activities	1,562,821
Cash flows from non-capital financing activities	
Interfund loans	1,210,569
Net cash provided by (used for) non-capital financing activities	1,210,569
Cash flows from capital and related financing activities	
Additions to capital assets	(1,663,964)
Principal paid on bonds, notes and loans	(1,153,121)
Note drawdowns	1,023,073
Capitalized bond cost	(2,051)
Transfer to other funds	(436,457)
Interest paid on notes	(542,927)
Net cash provided (used for) capital and related financing activities	(2,775,447)
Cash flows from investing activities	
Interest and dividends on investment	2,053
Net cash provided by (used for) investing activities	2,053
Net increase (decrease) in cash and cash equivalents	(4)
Cash and cash equivalents at beginning of year	17,397
Cash and cash equivalents at end of year	\$ 17,393
Reconciliation of operating income to net cash provided by operating activities	
Operating income (Loss)	\$ 678,581
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	549,585
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(47,229)
Increase (decrease) in accounts payable	381,884
Total adjustments	884,240
Net cash provided by operating activities	\$ 1,562,821

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2017

	<u>Police Pension Fund</u>	<u>Municipal Pension Fund</u>	<u>School SRP Pension Fund</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS					
Cash	\$ 749,988	\$ 199,315	\$ 1,202,182	\$ 461,807	\$ 2,030,622
Receivables:					
Internal balances	-	-	-	296,445	-
Other	-	-	-	-	82,016
Total receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,445</u>	<u>82,016</u>
Investments, at fair value:					
Fixed income	4,083,939	2,900,720	1,174,081	34,741	-
Mutual funds	7,489,405	5,321,101	3,160,054	1,610,289	-
Equities	1,389,266	985,440	6,926,422	803,630	-
Total investments	<u>12,962,610</u>	<u>9,207,261</u>	<u>11,260,557</u>	<u>2,448,660</u>	<u>-</u>
Total Assets	<u>13,712,598</u>	<u>9,406,576</u>	<u>12,462,739</u>	<u>3,206,912</u>	<u>\$ 2,112,638</u>
LIABILITIES					
Internal balances	-	-	-	90,000	\$ 497,841
Deposits held in custody for others	-	-	-	-	1,614,797
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,000</u>	<u>\$ 2,112,638</u>
NET POSITION					
Restricted for:					
Employees' pension benefits	13,712,598	9,406,576	12,462,739		
Held in trust other purposes	-	-	-	3,116,912	
TOTAL NET PENSION	<u>\$13,712,598</u>	<u>\$ 9,406,576</u>	<u>\$ 12,462,739</u>	<u>\$ 3,116,912</u>	

See auditor's report and accompanying notes to these financial statements

TOWN OF COVENTRY, RHODE ISLAND
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2017

	<u>Police Pension Fund</u>	<u>Municipal Pension Fund</u>	<u>School SRP Pension Fund</u>	<u>Private Purpose Trust Funds</u>
Additions				
Contributions				
Employer contributions	\$ 4,715,528	\$ 835,741	\$ 1,157,788	\$ -
Plan members contributions	397,750	488,725	463,321	-
Total contributions	<u>5,113,278</u>	<u>1,324,466</u>	<u>1,621,109</u>	<u>-</u>
Investment earnings				
Interest and dividends	128,445	105,226	207,306	48,502
Net increase (decrease) in fair value of investments	1,026,173	728,763	1,340,947	205,836
Total investment earnings	<u>1,154,618</u>	<u>833,989</u>	<u>1,548,253</u>	<u>254,338</u>
Total additions	<u>6,267,896</u>	<u>2,158,455</u>	<u>3,169,362</u>	<u>254,338</u>
Deductions				
Benefits paid	3,932,029	911,875	1,778,082	-
Operating expenses	60,975	40,716	129,890	23,611
Total deductions	<u>3,993,004</u>	<u>952,591</u>	<u>1,907,972</u>	<u>23,611</u>
Change in net position	2,274,892	1,205,864	1,261,390	230,727
Net position - beginning of year	11,437,706	8,200,712	11,201,349	2,886,185
Net position - end of year	<u>\$ 13,712,598</u>	<u>\$ 9,406,576</u>	<u>\$ 12,462,739</u>	<u>\$ 3,116,912</u>

See auditor's report and accompanying notes to these financial statements

Notes to Financial Statements

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Town of Coventry was incorporated in 1741. The Town is governed largely under the 1973 Coventry Home Rule Charter. In some matters, including the issuance of short and long-term debt, the general laws of the State of Rhode Island govern the Town. The Town operates under a Council/Manager form of government and provides the following services as authorized by its charter: Public Safety (police, fire alarm, animal control and inspections) Public Works (sanitation, roads and bridges, engineering and building maintenance), Parks and Recreation, Education, Social Services, and General Administrative Services.

Members of the Town Council are elected by district for a term of four years. The Town Council is granted all powers to enact, amend or repeal ordinances relating to the Town's property, affairs and government, including the power to create offices, departments or agencies of the Town, preserving the public peace, health and safety, establishing personnel policies, giving effect to any vote of the Financial Town Meeting authorizing the issuance of bonds and providing for an annual audit of the Town's accounts.

This report includes all of the funds and account groups of the Town of Coventry. The reporting entity for the town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (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 entity, the Town applied the criteria prescribed by GASB Statement No. 14, as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." 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. Through the application of GASB Statement Nos. 14 and 39 criteria, no separate entities have been determined to be component units of the Town. Component units are legally separate entities that meet any one of the following three tests:

Test 1- the primary government appoints the voting majority of the board of the potential Component unit and

- * Is able to impose its will on the potential component unit and/or
- * Is in a relationship of financial benefit or burden with the potential component unit;

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Test 2- the potential component unit is fiscally dependent upon the primary government; or

Test 3 - the financial statements would be misleading if data from the potential component unit was not included.

The following entity was considered for classification as component units for fiscal year 2017:

- * Coventry School System

Although the Coventry School System met certain criteria of the tests listed above, this entity is not deemed to have separate legal status apart from the Town. As a result, the financial data of this entity has been included as Special Revenue Fund within the Town's financial statements and is not considered a component unit of the Town.

BASIS OF PRESENTATION

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, net position, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds to demonstrate legal compliance and to aid management by segregating transactions related to specific Town functions or activities.

Recently Issued Accounting Standards

The Town implemented the following accounting pronouncements for the year ended June 30, 2017:

- GASB Statement No. 74 – Financial Reporting for Postemployment Benefit Plans Other than Pension Plans - effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 77 – Tax Abatement Disclosures - effective for the Town's fiscal year ending June 30, 2017.
- GASB Statement No. 78 – Pensions Provided through Certain Multiple-Employer Defined Pension Plans - effective for the Town's fiscal year ending June 30, 2017.

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

- GASB Statement No. 75 – Accounting for Postemployment Benefit Plans Other than Pension Plans - effective for the Town's fiscal year ending June 30, 2018.
- GASB Statement No. 82 – Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73 – effective for the Town's fiscal year ending June 30, 2018
- GASB Statement No. 85 – Omnibus 2017 – effective for the Town's fiscal year ending June 30, 2018

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-Wide Financial Statements

The statement of Net Position and the statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for *fiduciary funds* (the activity of these funds are reported in the statements of fiduciary Net Position and changes in fiduciary Net Position). The government-wide financial statements 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.

Fund Financial Statements

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

- (a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and
- (b) Total assets, liabilities, 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.

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users (for example, because of public interest or consistency) may be reported as a major fund.

GOVERNMENTAL FUND TYPES

These are the funds through which most governmental functions are typically financed. The funds included in this category are as follows:

General Fund - is used to account for resources devoted to financing the general services that the Town performs for its citizens. General tax revenues and other sources of revenues used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

Special Revenue Funds - are used to account for restricted or committed revenues that comprise a substantial portion of the *inflows* of a fund.

Capital Projects Funds - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust funds).

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

PROPRIETARY FUND TYPE

This fund type accounts for operations that are organized to be self-supporting through user charges. The fund included in this category is as follows:

Enterprise Funds - are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy management control, accountability, or other purposes.

FIDUCIARY FUND TYPES

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.

Private Purpose Trust Funds – These funds account for assets held by the Town under various trust arrangements for the benefit of certain individuals and groups.

Pension Trust Funds - is established to provide pension benefits to various employees of the Town. The principal revenue source for this fund is employer and employee contributions and investment income.

BASIS OF ACCOUNTING

Measurement Focus – Government Wide Financial Statements

In the government wide financial statements the Statement of Net Position and Statement of Activities (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, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Revenues, expense, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions should be recognized in accordance with the requirements of Section N50.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF ACCOUNTING

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, permits, and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accounting and financial reporting treatment applied to the *fund financial statements* is determined by its measurement focus. All Governmental Fund Types are 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 total 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 total position.

All Governmental Fund Types and Agency Funds 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 position, 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.

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.

Cash Equivalents

For the purpose of the Statement of Cash Flows, the Propriety Fund Types consider all highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

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.

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase. No significant inventory balances were on hand at June 30, 2017.

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, bridges, 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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

defines capital assets as assets with an individual cost of more than \$5,000 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). Donated assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are recorded as expenditures as incurred.

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

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

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

<u>Description</u>	<u>Estimated Lives (years)</u>
Building	20
Machinery and equipment	5-10
Improvements	10-20
Other infrastructure	10-50

Unearned Revenues

Unearned revenues represent funds received in advance of being owed or receivables, which will be collected and included in revenues of future fiscal years.

Deferred Outflows of Resources

Represent a consumption of net position or fund balance by a government that is applicable to a future reporting period.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and/or balance sheet can report deferred inflows of resources. Deferred inflows of resources represent the acquisition of net position that applies to a future period and which will not be recognized as an inflow of resources (revenue) until a later date.

Pensions - For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town of Coventry, Rhode Island's various pension plans (described in more detail in Note 15) and additions to/deductions from the pension plans fiduciary net position have been determined on the same basis as they have been reported by the pension plans. 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity Classifications

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 Position with constraints placed on their 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 Position that do not meet the definition of "restricted" or "net investment in capital assets".

Governmental Funds – Equity is classified into five categories:

The Town has adopted the requirements of the Government Accounting Standards Board GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. Acceptance of this statement has changed the Town's presentation of the elements of fund balances, a key indicator of inter-period equity. Listed below are the new fund balance categories and their definitions.

- **Non-spendable** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- **Restricted** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- **Committed** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- **Assigned** – are balances intended for a specific purpose by the government's management and are also appropriations of existing fund balances.
- **Unassigned** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

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's Finance Director and the School Department's Director of Administration are authorized to assign amounts to a purpose and with authorization given by the Town Council and the School Committee.
- 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues, Expenditures 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.

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.

Property Taxes

The Town is permitted by state law to levy property taxes. Current tax collections for the Town were approximately 98.91% of the total December 31, 2015 levy.

The Town's fiscal 2017 property taxes were levied in July of 2016 on assessed valuation as of December 31, 2015. Upon levy, taxes are billed quarterly and are due on August 15, November 15, February 15, and May 15. Failure to mail payments by due dates will result in lien on taxpayer's property. 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.

Vacation, Sick Leave, and Other Compensated Absences

Vacation leave is earned by all full-time Town employees. Upon termination, employees are entitled to receive compensation for their unused accrued vacation leave. Sick leave is earned by all full-time employees as well as part-time employees at the School Department. Unused vacation leave is paid upon an employee's termination. Upon retirement, municipal union employees are entitled to receive their accumulated sick leave up to 480 hours, policemen receive all accumulated unused sick leave up to 120 days, and school employees are entitled to receive compensation for their accrued sick leave balance, up to 140 days for teachers and classified personnel. Part-time employees are eligible to receive one half of the above amounts. Upon termination, the Town's non-union employees are entitled to one half of their accumulated sick leave up to 480 hours. Upon retirement eligible School Department employees are entitled to receive one half of their accumulated sick leave after 15 years of service.

For Governmental Fund Types accrued compensated absences are presented as a current liability for those amounts expected to be paid with current financial resources. For those compensated absences not to be paid with current financial resources the liability is recorded in the Statement of Net Position of the Government-Wide Financial Statements.

Inter-fund Transactions

Quasi-external transactions are accounted for as fund revenues, expenditures or expenses (as appropriate). Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses (as appropriate) in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. All inter-

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

fund transactions, except advances, quasi-external transactions and reimbursements, are accounted for as transfers. Nonrecurring or non-routine transfers of equity between funds are considered equity transfers. All other inter-fund transactions are treated as operating transfers.

Short-Term Inter-fund Receivable/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or serviced rendered. These receivables and payables are classified as “internal balances” on the balance sheet.

Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriations.

Estimates

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

NOTE 2 – BUDGETARY DATA AND BUDGETARY COMPLIANCE

In accordance with the Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund and the School Unrestricted Fund, which is a Special Revenue Fund.

The General Fund is subject to an annual operating budget adopted at the financial Town Meeting. The School Unrestricted Fund is subject to an annual operating budget approved by the School Committee and adopted at the financial Town meeting. 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. Appropriations which are not expended or encumbered lapse at year end.

The School Department has established formal budgetary accounting as a management control for all funds. Annual operating budgets are adopted each fiscal year through the passage of an annual budget. The School Department budgets its expenditures based upon its estimate of state aid and the funding provided by the Town. Federal and state grants, included in the restricted special revenue fund, are not part of the legally adopted Town or School Department budget since their receipt is uncertain at the time the budgeting process is completed.

The General Fund and Special Revenue - School Unrestricted Fund's annual operating budgets are in conformity with generally accepted accounting principles. The budget to actual presentation in the financial statements 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

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 \$98,877,037 based on the December 31, 2015 assessment. As of June 30, 2017 the Town's debt is under the debt limit by \$69,977,037.

In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of Coventry 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.

NOTE 4 – CASH AND INVESTMENTS

Deposits: 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".

Investments: Investment of all idle funds are made through national banks or trust companies, providing that the financial conditions and integrity of these institutions are verifiable and can be monitored. The investment of funds are 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."

Interest Rate Risk: The Town limits its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools.

Concentrations: 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.

Custodial Credit Risk

Deposits: This is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2017, \$3,151,888 of the Town's bank balance of \$28,868,638 was uninsured and uncollateralized.

Investments: This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 – CASH AND INVESTMENTS (continued)

Cash and investments of the Town consist of the following at June 30, 2017

Cash and Cash Equivalents

Deposits with financial institutions	\$	30,070,817
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Investments

Private Purpose Trust Funds:

Fixed Income Pool		34,741
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Mutual Funds		1,610,289
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Equities		803,630
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Total Private Purpose Trust Funds		2,448,660
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Pension Trust Funds:

Fixed Income		1,396,496
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Corporate & Municipal Bonds		6,762,244
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Mutual Funds		15,970,560
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Equities		9,301,128
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Total Pension Trust Funds		33,430,428
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Total Cash and Investments	\$	65,949,905
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Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position

Cash and cash equivalents	\$	25,426,903
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Fiduciary Funds

Cash		4,643,914
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Investments		35,879,088
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		40,523,002
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Total Cash and Investments	\$	65,949,905
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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:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 – CASH AND INVESTMENTS (continued)

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Corporate Bonds	\$ 3,632,235	\$ 393,153	\$ 1,782,104	\$ 1,205,671	\$ 251,307
Government Bonds	3,130,009	41,468	814,853	1,128,267	1,145,421
Total	<u>\$ 6,762,244</u>	<u>\$ 434,621</u>	<u>\$ 2,596,957</u>	<u>\$ 2,333,938</u>	<u>\$ 1,396,728</u>

Credit Risk: Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt investment type.

<u>Average Rating</u>	<u>Municipal & Corporate Bonds</u>
Aaa	\$ 798,697
Aa1	101,313
Aa2	248,149
Aa3	89,666
A1	538,388
A2	389,266
A3	729,835
Baa1	516,742
Baa2	79,480
Baa3	140,699
	<u>\$ 3,632,235</u>

NOTE 5 - 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 un-collectible as per state law.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 6 – CAPITAL ASSETS

The Town defines capital assets as assets with an individual cost of more than \$5,000 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 schedules list prior year balances and current year activity for all Governmental Fund fixed asset transactions and Proprietary Funds.

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

	Primary Government				Ending Balance
	Beginning Balance	Increases	Decreases	Adjustments	
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 9,688,933	\$ -	\$ -	\$ -	\$ 9,688,933
Construction in Progress	539,933	87,730	(460,659)	(14,903)	152,101
Total capital assets not being depreciated	<u>10,228,866</u>	<u>87,730</u>	<u>(460,659)</u>	<u>(14,903)</u>	<u>9,841,034</u>
Depreciable assets					
Infrastructure	33,407,204	2,286,470	-	-	35,693,674
Buildings & improvements	112,412,104	534,802	-	-	112,946,906
Machinery and equipment	1,139,044	183,393	-	-	1,322,437
Office equipment and furniture	6,623,002	51,334	-	-	6,674,336
Vehicles	7,431,600	274,967	-	-	7,706,567
Total other capital assets at historical cost	<u>161,012,954</u>	<u>3,330,966</u>	<u>-</u>	<u>-</u>	<u>164,343,920</u>
Less accumulated depreciation for:					
Infrastructure	32,564,231	73,989	-	-	32,638,220
Buildings & improvements	82,941,043	2,876,720	-	-	85,817,763
Machinery and equipment	900,263	96,717	-	-	996,980
Office equipment and furniture	6,291,885	83,815	-	-	6,375,700
Vehicles	3,578,028	586,814	-	-	4,164,842
Total accumulated depreciation	<u>126,275,450</u>	<u>3,718,055</u>	<u>-</u>	<u>-</u>	<u>129,993,505</u>
Net Depreciable Assets	<u>34,737,504</u>	<u>(387,089)</u>	<u>-</u>	<u>-</u>	<u>34,350,415</u>
Governmental activities capital assets, net	<u>\$ 44,966,370</u>	<u>\$ (299,359)</u>	<u>\$ (460,659)</u>	<u>\$ (14,903)</u>	<u>\$ 44,191,449</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General Government	\$ 119,041
Public safety	124,401
Public Works	752,509
Health and Human Services	72,475
Education	2,497,638
Culture and Recreation	151,991
Total governmental activities depreciation expense	<u>\$ 3,718,055</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 6 – CAPITAL ASSETS (continued)

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

	Primary Government				Ending Balance
	Beginning Balance	Increases	Decreases	Adjustments	
Business-type activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 21,185	\$ 1,663,965	\$ -	\$ -	\$ 1,685,150
Total capital assets not being depreciated	<u>21,185</u>	<u>1,663,965</u>	<u>-</u>	<u>-</u>	<u>1,685,150</u>
Other capital assets:					
Wastewater collection system	32,109,792	-	-	-	32,109,792
Total other capital assets at historical cost	<u>32,109,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,109,792</u>
Less accumulated depreciation for:					
Wastewater collection system	5,217,455	549,585	-	-	5,767,040
Total accumulated depreciation	<u>5,217,455</u>	<u>549,585</u>	<u>-</u>	<u>-</u>	<u>5,767,040</u>
Business-type activities capital assets, net	<u>\$ 26,913,522</u>	<u>\$ 1,114,380</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,027,902</u>

Depreciation expense was charged to functions as follows:

Business-type activities:	
Sewer	\$ 549,585
Total business-type activities depreciation expense	<u>\$ 549,585</u>

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 7 - DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION.

"Total fund balances" of the Town's governmental funds of \$23,636,758 differs from the "net position" of governmental activities of \$(132,254,495) reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The effect of the differences is illustrated below.

Balance Sheet / Statement of Net Position

	Total Governmental Funds	Long-term Assets/ Liabilities (1)	Reclassifications and Eliminations (2)	Statement Net Position Totals
Assets				
Cash and cash equivalents	\$ 25,409,510	\$ -	\$ -	\$ 25,409,510
Accounts receivable:				
Real estate & personal property taxes receivable	2,575,158	-	-	2,575,158
Due from federal and state governments	1,045,382	-	-	1,045,382
Other receivables	1,127,935	-	291,396	1,419,331
Due from other funds	10,209,714	-	(10,209,714)	-
Net pension asset	-	7,059,124	-	7,059,124
Prepaid expenses	1,021,154	33,945	-	1,055,099
Land	-	9,688,933	-	9,688,933
Construction in progress	-	152,101	-	152,101
Depreciable capital assets - net	-	34,350,415	-	34,350,415
Total assets	<u>41,388,853</u>	<u>51,284,518</u>	<u>(9,918,318)</u>	<u>82,755,053</u>
Deferred outflow of resources	<u>-</u>	<u>17,162,272</u>	<u>-</u>	<u>17,162,272</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	6,695,953	248,387	-	6,944,340
Due to other funds	7,632,232	-	(9,918,318)	(2,286,086)
Unearned revenues	188,164	-	-	188,164
Other liabilities	611,240	-	-	611,240
Long-term liabilities				
Due within one year	-	3,744,000	-	3,744,000
Due in more than one year	-	213,314,268	-	213,314,268
Total liabilities	<u>15,127,589</u>	<u>217,306,655</u>	<u>(9,918,318)</u>	<u>222,515,926</u>
Deferred inflow of resources	2,624,506	7,031,388	-	9,655,894
Fund Balances, Deferred Inflows/Net Position				
Total fund balances/net position	23,636,758	(155,891,253)	-	(132,254,495)
Total liabilities, deferred inflows of resources and fund balances/net position	<u>\$ 41,388,853</u>	<u>\$ 68,446,790</u>	<u>\$ (9,918,318)</u>	<u>\$ 99,917,325</u>

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 7 - DIFFERENCES BETWEEN GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION.

- (1) When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the Town as a whole.

Land	\$ 9,688,933
Construction in progress	152,101
Cost of capital assets	164,343,920
Accumulated depreciation	<u>(129,993,505)</u>
	<u>\$ 44,191,449</u>

Because the focus of governmental funds is on short term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example receivables) are offset by deferred revenues in the governmental funds and thus are not included in the fund balance.

Adjustment of unearned revenue	<u>\$ 2,624,506</u>
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Interest on long-term debt is accrued in the statement of net position but is not accrued in governmental funds, rather it is recognized as an expenditure when due.

Adjustment of accrued interest expense	<u>\$ (248,387)</u>
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Long-term liabilities applicable to the city's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the statement of net position.

Bonds & notes payable	\$ 46,256,009
Bond premium	1,246,028
Prepaid bond insurance	(33,945)
Accrued compensated absences	3,956,790
Net pension liability	161,628,882
Net OPEB obligation	<u>3,970,559</u>
	<u>\$ 217,024,323</u>

Town pension plans with a net pension asset balance at the end of the year.

Net pension asset - TSB	<u>\$ (7,059,124)</u>
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Deferred inflows and outflows of resources are amounts used under GASB 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; such as changes of assumptions or differences in expected and actual investment returns. These amounts will be recognized in future periods.

Deferred inflows of resources - pensions	\$ (9,655,894)
Deferred outflows of resources - pensions	\$ 17,162,272

- (2) The elimination of internal balances of governmental and business type activities.

	<u>\$ 9,918,318</u>
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The reclassification of monies owed to and from fiduciary funds

	<u>\$ (291,396)</u>
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TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

The "net change in the fund balances" for governmental funds \$4,540,453 differs from the "change in net position" for governmental activities \$127,206 reported in the statement of activities. The differences are primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences are illustrated below.

Statement of Revenues, Expenditures, and Changes in Fund Balances / Statement of Activities

	Total Governmental Funds	Long-term Revenues/ Expenses & Reclassifications (1)	Capital- related Items (2)	Long-term Debt Transactions (4)	Statement of Activities Totals
Revenues					
Real estate and personal property taxes	\$ 69,985,564	\$ 197,013	\$ -	\$ -	\$ 70,182,577
Other taxes	974,821	-	-	-	974,821
Penalties and interest on taxes	499,097	-	-	-	499,097
Licenses, fees and permits	892,336	-	-	-	892,336
Investment income	620,005	-	-	-	620,005
Intergovernmental	33,461,765	-	-	-	33,461,765
Contributions and private grants	11,288	-	-	-	11,288
Charges for services	2,175,039	-	-	-	2,175,039
Miscellaneous	1,036,826	-	-	63,600	1,100,426
Total revenues	109,656,741	197,013	-	63,600	109,917,354
Expenditures					
Current:					
General government	6,105,480	-	101,801	342,010	6,549,291
Public safety	12,413,125	-	(72,395)	585,918	12,926,648
Education	75,831,641	-	2,313,216	362,941	78,507,798
Public works	5,405,005	-	690,245	-	6,095,250
Community and economic development	395,229	-	-	-	395,229
Health and human services	1,705,958	-	72,475	-	1,778,433
Culture and recreation	2,310,837	-	129,425	-	2,440,262
Capital outlay	2,459,846	-	(2,459,846)	-	-
Debt service					
Principal payments	3,269,000	-	-	(3,269,000)	-
Interest and fiscal charges	1,325,449	49,649	-	-	1,375,098
Total expenditures	111,221,570	49,649	774,921	(1,978,131)	110,068,009
Other financing uses/changes in net position					
Net transfers (to) from other funds	436,457	-	-	-	436,457
Debt issuance cost	(158,596)	-	-	-	(158,596)
Premium on issue of debt	305,292	-	-	(305,292)	-
Issuance of debt	5,522,129	-	-	(5,522,129)	-
Total other financing uses	6,105,282	-	-	(5,827,421)	277,861
Net change for the year	\$ 4,540,453	\$ 147,364	\$ (774,921)	\$ (3,785,690)	\$ 127,206

TOWN OF COVENTRY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

NOTE 8 - DIFFERENCES BETWEEN GOVERNMENTAL FUND OPERATING STATEMENTS AND THE STATEMENT OF ACTIVITIES

(1) Because some property taxes and other receivables will not be collected for several months after fiscal year ends, they are not considered as "available" revenues in the governmental funds.

Unearned revenue property taxes	197,013
	<u>\$ 197,013</u>

Interest expense in the statement of activities differs from the amount reported in governmental funds . Accrued interest was calculated for bonds and notes payable.

Accrued interest expenditure adjustment	\$ (49,649)
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(2) When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decrease by the amount of depreciation expense charged for the year.

Capital outlay	2,958,037
Depreciation expense	(3,718,055)
Difference	<u>\$ (760,018)</u>
 Total (2)	 <u>\$ (14,903)</u>

(3) Other accrued expenditures are not recorded on the funds statement but are shown on the statement of activities in order to present the true financial position of the Town on its long-term liabilities.

Net (increase)/decrease in compensated absences	\$ (141,832)
Net (increase)/decrease in net pension liability	(4,875,704)
Net increase/(decrease) in net pension asset	264,717
Net (increase)/decrease in net OPEB obligation	(518,723)
Net increase/(decrease) in net deferred outflows	4,840,947
Net (increase)/decrease in deferred inflows	(858,153)
Difference	<u>\$ (1,288,748)</u>

Repayment of bond and note principal is reported as an expenditure in the governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. For the town as a whole, however, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

Bond principal payments	3,269,000
Issuance of debt	(5,522,129)
Bond premium amortization	63,600
Premium on issuance of debt	(305,292)
Prepaid bond insurance amortization	(2,121)
Total principal payments made	<u>\$ (2,496,942)</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 –LONG-TERM LIABILITIES

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, 2017 was as follows:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2017</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Governmental Activities					
Bonds Payable	\$ 43,285,000	\$ 5,100,000	\$ 3,180,000	\$ 45,205,000	\$ 3,655,000
Issuance premium on bonds	1,004,336	305,292	63,600	1,246,028	78,865
Total bonds payable	<u>44,289,336</u>	<u>5,405,292</u>	<u>3,243,600</u>	<u>46,451,028</u>	<u>3,733,865</u>
Other liabilities:					
Notes payable	717,880	422,129	89,000	1,051,009	89,000
Accrued compensated absences	3,814,958	141,832	-	3,956,790	-
Net pension liability	156,753,178	4,875,704	-	161,628,882	-
Net OPEB obligation	3,451,836	518,723	-	3,970,559	-
Total other liabilities	<u>164,737,852</u>	<u>5,958,388</u>	<u>89,000</u>	<u>170,607,240</u>	<u>89,000</u>
Governmental Activities long-term liabilities	<u>\$ 209,027,188</u>	<u>\$ 11,363,680</u>	<u>\$ 3,332,600</u>	<u>\$ 217,058,268</u>	<u>\$ 3,822,865</u>
Business-Type Activities					
Rhode Island Infrastructure Bank	19,435,848	1,200,000	1,153,121	19,482,727	1,280,218
Business-Type long-term liabilities	<u>19,435,848</u>	<u>1,200,000</u>	<u>1,153,121</u>	<u>19,482,727</u>	<u>1,280,218</u>

The following schedule summarizes the Town's bonds and notes

	Interest Rates	Principal	Due Dates
Governmental bonds	2.00% - 4.00%	\$ 46,451,028	2018-2037
Enterprise Funds notes payable	.47% - 5.08%	19,482,727	2018-2035
Total All Funds		<u>\$ 65,933,755</u>	

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 –LONG-TERM LIABILITIES (continued)

The debt service through maturity for the Governmental bonds are as follows:

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	3,655,000	1,387,693	5,042,693
2019	3,650,000	1,291,519	4,941,519
2020	3,660,000	1,197,167	4,857,167
2021	3,660,000	1,098,063	4,758,063
2022	3,670,000	995,043	4,665,043
2023	2,395,000	901,336	3,296,336
2024	2,055,000	826,962	2,881,962
Thereafter	22,460,000	4,655,463	27,115,463
TOTALS	<u>\$ 45,205,000</u>	<u>\$ 12,353,246</u>	<u>\$ 57,558,246</u>

The debt service through maturity for the Enterprise funds loans are as follows:

Fiscal Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	1,280,218	608,076	1,888,294
2019	1,318,121	570,120	1,888,241
2020	1,357,213	530,771	1,887,984
2021	1,401,387	487,997	1,889,384
2022	1,443,766	443,771	1,887,537
2023	1,493,361	397,443	1,890,804
2024	1,535,181	349,327	1,884,508
Thereafter	9,653,480	1,078,435	10,731,915
TOTALS	<u>\$ 19,482,727</u>	<u>\$ 4,465,940</u>	<u>\$ 23,948,667</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 –LONG-TERM LIABILITIES (continued)

SEWER FUND INTER-MUNICIPAL AGREEMENT

The Town of Coventry has entered into an Inter-Municipal Agreement with the Town of West Warwick, RI. Under the provisions of this agreement, the Town of Coventry is responsible for certain costs and improvements to the wastewater/sewer treatment facility and operations located in the Town of West Warwick. In addition to its own normal operating costs and outstanding debt obligations, the Town of Coventry is also responsible for portions of the outstanding debt obligations and interest which is due annually on these debt obligations which are presented on the Town of West Warwick’s annual financial statements. The portion of the debt obligations to be paid by the Town of Coventry in accordance with the Inter-Municipal Agreement has been recorded as a special assessments receivable and revenue by the Town of West Warwick when the project was completed and the obligation entered into. The Town of Coventry records the annual related expenses assessed to the town as operating expenses on its Sewer Fund which is accounted for as an enterprise fund on its annual financial statements. The following schedule shows the annual percentage share of the cost related to the Town of West Warwick’s debt service payments the Town of Coventry has contracted to pay.

Fiscal Year	Total
Ended June 30	<u> </u>
2018	\$ 687,243
2019	682,301
2020	677,796
2021	672,319
2022	667,772
2023	663,049
2024	665,060
Thereafter	<u>2,637,628</u>
TOTALS	<u><u>\$ 7,353,168</u></u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 10 – FUND DEFICITS

The following individual funds had deficit fund equity balances as of June 30, 2017:

Governmental Funds

Special Revenue Funds

Anthony Village	\$ 18,882	**
RIRRC Composting Grant	1,935	**
Legislative Grant Police	120	**
Resource Sharing	539	**
RIRCC Composting Grant	1,935	**
Byrne Grant	580	**
RIEMA Maple Valley & Franklin	18,296	**
RIEMA Industrial Drive	7,990	**
RIEMA Hammet Ave	6,462	**
RIEMA Johnson Blvd	24,577	**
Click it or Ticket	7,666	**
63 Isle of Capri	4,320	**
Federal Energy Grant 2	13,088	**
Hazard Mitigation	14,726	**
RIDOT Leap Road	197,267	**
Storm Juno	6,810	**
Blizzard Nemo	21,263	**
Perkins Vocational ED	3,065	**
Western After School Academy	3	**
Teacher Quality Recruitment	65	**
Feinstein Restricted Fund	2,496	**
CPEF Fund	2,779	**
Sports Program	9,114	**
Direct Reimbursement	4,246	*
School Food Service	296,466	*
Wireless Classroom	6,968	**

Capital Project Funds

Bus Yard School	615	**
School Impact Fees	2,089	*
High School AC Unit	3,957	**
Hammett Road/Island Drive	56,342	**
Capital Improvement Fund 2012	372,937	**

Private Purpose Trust Fund

Cemetery Fund	42,813	*
Total	<u>\$ 1,150,411</u>	

* The deficit balance will require a future administration plan to fund this deficit.

** The deficit balance will be eliminated by future reimbursements from either the State, the Federal Government or external financing.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 11 – NOTES RECEIVABLE

As of June 30, 2017, a balance of \$413,290 is due to the Town of Coventry from two mortgage promissory notes. These notes were issued by the Maple Root Corporation and Ramblewood Housing Cooperative Corporation. The original amount of the notes were for \$560,912 and \$439,088 respectively, and were issued on February 3, 2004 with an interest rate of 3.5% per annum. The notes are to be paid with 240 monthly installments of \$3,523.06 and \$2,546.53 respectively, commencing March 1, 2004. The above receivables are secured by land.

NOTE 12 – 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, 2017.

	<u>Due from other funds</u>		<u>Due to other funds</u>
General Fund	\$ 3,841,066		\$ 4,636,570
Special Revenue Funds:			
School Unrestricted	4,493,220		608,369
School Restricted	434,988		692,799
School Food Service	3,331		-
Town Restricted	671,213		362,177
Coventry Landfill Fund	-	5,602,752	-
			1,663,345
Capital Projects:			
School Improvement	284,800		227,425
Town Capital Improvement	481,096	765,896	1,104,892
			1,332,317
Fiduciary Funds:			
Permanent Funds	296,445		90,000
Agency Funds	-	296,445	497,841
			587,841
Proprietary Funds			
Sewer Fund	-		2,286,086
Totals	\$ 10,506,159		\$ 10,506,159

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 13 - FUND EQUITY

The following fund balance category reservations are recorded in the financial statements at June 30, 2017:

- ***Non-spendable*** – are balances that are permanently precluded from conversion to cash such as permanent funds and inventories.
- ***Restricted*** – requires that inflows and outflows of resources and balances be constrained to a specific purpose of enabling legislation, external parties or constitutional provisions.
- ***Committed*** – are balances with constraints imposed by the government using the highest level of decision-making authority. These constraints can only be removed or changed by the same decision making authority taking the same type of action.
- ***Assigned*** – are balances intended for a specific purpose by the government’s management and are also appropriations of existing fund balances.
- ***Unassigned*** – are balances available for any purpose. They are not precluded by a management decision, law constitutional provision in the general fund.

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. Litigation

The Town has been named as a responsible party in connection with the investigation and remediation of the former Coventry landfill owned and operated by the Town and located off Arnold Road in Coventry. The Town is one of a number of persons to whom a Letter of Responsibility was issued in June, 2003 by the Rhode Island Department of Environmental Management requiring such persons to conduct the investigation and remediation of the landfill under applicable state and federal law and regulations. The Town is one of a number of such persons who executed and delivered that certain Partial Consent Decree in 2005 in the case of State of Rhode Island, Department of Environmental Management v. Town of Coventry, pursuant to which the signatories agree to conduct and pay for an environmental investigation of the site.

As a result of that investigation, the Town is obligated to conduct and pay for the remediation of the landfill as approved by the Rhode Island Department of Environmental Management. Pursuant to that certain Settlement Contribution Agreement dated as of March 1, 2010, by and between (i) the Town and (ii) Mallinckrodt, LLC, Oce Imaging Supplies, Inc., Chevron Environmental Management Company, CAN Holdings Inc., Sunoco, Inc. and Teknor Apex Company, the Town Agreed to pay for sixty Percent (60%) of the cost of investigation and remediation of the Landfill, and the other parties thereto agreed to pay the remaining forty percent (40%).

The current estimate of the cost of the remediation of the Landfill is approximately \$6.5 million (of which the Town is obligated under the above Agreement to pay sixty percent (60%) thereof.) The Town continues to participate in the remediation of the site as part of the potentially responsible party (“PRP”) group.

During the ordinary course of its operations, the Town is a party to various claims, other legal actions and complaints. These various legal actions include disputes in property valuations and torts for which the Town has been named as a defendant. In the opinion of the Town's management and legal counsel, other than the matter stated above they do not anticipated any of them to have a material financial impact or at this time their legal counsel has been unable to assess liability, if any, on the part of the Town.

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES (continued)

B. Federally Assisted Programs - Compliance Audits

The Town participates in a number of federally assisted programs. The audits of these programs through the year ended June 30, 2017 were audited in connection with the accompanying financial statements under the Single Audit Concept and the auditor's reports thereon are presented in the Single Audit Report. Management believes that the amounts, if any, of expenditures, which may be disallowed, will not be material to the financial position of the Town.

NOTE 15 - PENSION PLANS

In the fiscal year ended June 30, 2015 the Town adopted the requirements of the Government Accounting Standards Board GASB Statement No. 68 - Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27. The objective of the Statement is to improve financial reporting by state and local governmental pension plans. The Statement resulted from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. The Statement amends Statement No. 27 *Accounting for Pensions by State and Local Governmental Employees*, as it relates to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

Substantially all full-time employees of the Town of Coventry are covered by one of seven separate pension plans, each one of which are discussed below.

1. Municipal Employees Retirement Plan (Town Plan)

Plan Description

The Town of Coventry contributes to the Town's Municipal Employee Retirement Plan, which is a single- employer public employee retirement system (PERS). This plan was established by the Town in accordance with the Town Charter and Federal and State Statutes.

Substantially all employees of the Town, except police, school employees and administrators, and some Town administrators are covered under this defined benefit municipal plan. All members of the Plan contribute specified percentages of their annual compensation to the plan.

As of July 1, 2017, employee membership data related to this plan was as follows:

Active Members	89
Inactive Members	39
Retired Members	<u>76</u>
TOTAL	<u>204</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 – PENSION PLANS – (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Plan Description

Under the provisions of the plan, benefits vest after ten years of creditable service. An employee may retire at age 62 with ten years of creditable service for full benefits, or at age 55 with ten years of creditable services for reduced benefits. This pension plan also provides disability and death benefits. Benefits begin vesting after four years of service and become fully vested after ten years of service. An employee's annual pension is determined by multiplying 2% of his average monthly pay by a benefit service rate. The average monthly pay is determined using the five highest consecutive pay years out of the ten latest pay years which give the highest average. The benefit service rate is the sum of the total periods of service. Under the provisions of the plan, all active employees are required to contribute 10% of total pay.

In addition to pension benefits, this plan also provides disability and death benefits. In order to receive disability benefits an employee must have at least ten years of creditable service when he becomes disabled and the employee must be totally disabled. Monthly disability benefits equal 25% of the employee's average monthly pay. Payments continue for the duration of the disability or until the employee reaches his early or normal retirement date.

Death benefits are available to qualified employees. An employee is a qualified if he/she 1) dies before retirement benefits begin, 2) was married for the full year before his death, and 3) if becoming an active member on or after July 1, 1991, has an account, or if becoming an active member prior to July 1, 1991, has a vesting percentage greater than zero. The death benefit equals the survivor's benefit at 50% survivor form and is payable as of the earliest date the employee could have retired on or after the date of death.

Summary of Significant Accounting Policies

Basis of Accounting

The plan's policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 – PENSION PLANS – (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Plan Description

Contributions

All Active members are required to contribute 10% of compensation to the plan. Any remaining obligation with respect to the pension plan shall be paid by the employer. The Town makes annual contributions to the plan based on its legally adopted budget.

Summary of Significant Accounting Policies

Investments

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the MERP Board by a majority vote of its members. It is the policy of the MERP Board 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, 2017:

Asset Class	Target Allocation
Domestic equity	34.89%
International equity	21.78%
Fixed income	35.83%
Other	7.50%
Total allocation	100.00%

Rate of return: For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net position liability of the Town of Coventry at June 30, 2017, were as follows:

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 – PENSION PLANS – (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Summary of Significant Accounting Policies

Net Pension Liability of the Town

	<u>June 30, 2017</u>
Total pension liability	\$ 23,583,082
Plan fiduciary net position	9,406,576
Town's net pension liability	<u>\$ 14,176,506</u>
Plan fiduciary net position as a percentage of the total pension liability	
	39.89%

Summary of Significant Accounting Policies

Actuarial Assumptions

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2017 measurement date (July 1, 2016 valuation date)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	26 years at July 1, 2016
Actuarial Assumptions	
Amortized Growth Rate	3.40%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.40%
Inflation	2.70%
Mortality	RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA.
Cost of Living Adjustments	None

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Summary of Significant Accounting Policies

The long-term expected rate of return on pension 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 pension plan 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.

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.11% to 6.53%
International equity	5.66% to 8.19%
Fixed income	2.69% to 5.70%
Other	2.17% to 4.16%

Discount rate: The discount rate used to measure the total pension liability was 7.00%. 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.

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 7.00%, 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 (6.00%) or 1-percentage point higher (8.00%) than the current rate: 7.00%

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total pension liability	\$ 26,505,638	\$ 23,583,082	\$ 21,222,987
Fiduciary net position	9,406,576	9,406,576	9,406,576
Net position liability	\$ 17,099,062	\$ 14,176,506	\$ 11,816,411

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Changes in Net Pension Liability
Coventry Municipal Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2016	<u>\$ 22,686,528</u>	<u>\$ 8,200,712</u>	<u>\$ 14,485,816</u>
Changes for the year:			
Service cost	481,938		481,938
Interest on total pension liability	1,590,417		1,590,417
Effect of plan changes	-		-
Effect of economic/demographic gains or losses	(263,915)		(263,915)
Effect of assumptions changes or inputs	-		-
Benefit payments	(911,886)	(911,886)	-
Employer contributions		835,741	(835,741)
Member contributions		488,895	(488,895)
Net investment income		794,530	(794,530)
Administrative expenses		(1,416)	1,416
Net changes	<u>896,554</u>	<u>1,205,864</u>	<u>(309,310)</u>
Balance as of June 30, 2017	<u><u>\$ 23,583,082</u></u>	<u><u>\$ 9,406,576</u></u>	<u><u>\$ 14,176,506</u></u>

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - PENSION PLANS (continued)

1. Municipal Employees Retirement Plan (Town Plan) (continued)

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources Related to the Municipal Employees Retirement Plan

For the year ended June 30, 2017 the Town recognized pension expense of \$888,298. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Town Municipal Plan	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Deferred Inflows / Outflows:		
Differences between expected and actual experience	\$ (611,456)	\$ -
Changes of assumptions	(113,048)	-
Net difference between projected and actual earnings	-	292,831
Total	\$ (724,504)	\$ 292,831

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

	Net Deferred Inflows/Outflows of Resources
Year ended June 30:	
2018	(108,037)
2019	(108,035)
2020	(145,081)
2021	(70,520)
Thereafter	-
Net Total	(431,673)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Town Police Pension Plan

Plan Description

The Retirement Income Plan for the Police Officers of the Town of Coventry Pension Plan is a single-employer defined benefit pension plan. The plan is governed by the Town of Coventry which may amend plan provisions, and which is responsible for the management of the assets.

As of July 1, 2017 employee membership data related to this plan was as follows:

Active members	57
Inactive members	7
Retired members	81
	145

Under the provisions of the plan, benefits vest at various times depending on the date of hire. An employee may retire at age 55 with twenty years of creditable service if employed prior to January 1, 1994 or twenty-three years if employed on or after January 1, 1994. This plan also provides disability and death benefits. A participant's earned benefit is equal to 50% of earnings. A participant's earnings are the compensation received during the preceding twelve month period, including holiday pay, longevity, vacation time and overtime. In addition, participants employed prior to January 1, 1994, may be eligible for a cost-of-living adjustment.

In addition to pension benefits, this plan also provides disability and death benefits. In order to receive disability benefits a participant must become disabled in the line of duty and that disability must be expected to last at least two years. In this situation the participant will receive a 66 2/3% disability retirement benefit on the earlier of the date of completion of ten years of service or the date at which the participant reaches his normal retirement date. If the disability is not in the line of duty, but it is expected that the participant will be unable to return to active duty and the participant has ten years of service with the Town of Coventry, the participant will be entitled to a 25% disability benefit for up to one year. If after one year, the participant is still unable to work, the participant will automatically be retired.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Death benefits are available to qualified employees. If a participant dies before his normal retirement date, his beneficiary will receive a single sum payment of the employee's account, accumulated with interest. If death occurs after the normal retirement date, but before actual retirement, the participants' surviving spouse will receive a monthly benefit equal to the retirement benefit that participant would have received if retired on the date of death. If death occurs after retirement date, a death benefit will be paid to the participant's surviving spouse, dependent child, or beneficiary.

Plan Changes

For members hired after December 31, 2012:

- The employee contribution rate is 12%
- Longevity pay is removed from pensionable compensation.
- Retirement eligibility is 25 years of Credited Service, but no earlier than age 55.
- The final average earnings period is the final 5 years of base compensation.
- The normal benefit equals 50% of the average base pay of the 5 years immediately preceding retirement. For any member who works beyond 25 years, his or her pension benefit shall be increased by 2% for each year worked to a maximum of 60% of the 5-year average base pay.

Basis of Accounting

The plan's policy is to prepare its financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Contributions

Active members hired between January 1, 1994 and December 31, 2012 will continue to contribute 11% of their base pay effective on July 1, 2016 with an increase to 12% effective July 1, 2017 (previously 10% effective on July 1, 2015). All other employees will contribute 9.5% of their total annual compensation effective on July 1, 2016 with an increase to 11% effective on July 1, 2017 (previously 8% effective on 7/1/2000).

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Summary of Significant Accounting Policies

Investments

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board by a majority vote of its members. It is the policy of the Police Pension Board 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, 2016:

Asset Class	Target Allocation
Domestic equity	34.89%
International equity	21.78%
Fixed income	35.83%
Other	7.50%
Total allocation	100.00%

Rate of return: For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.12%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net position liability of the Police Pension Plan at June 30, 2017, were as follows:

Net Pension Liability of the Police Pension Plan

	<u>June 30, 2017</u>
Total pension liability	\$ 78,099,606
Plan fiduciary net position	13,712,629
Town's net pension liability	\$ 64,386,977
Plan fiduciary net position as a percentage of the total pension liability	17.56%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Actuarial Assumptions

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2017 measurement date (July 1, 2016 valuation date)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	22 years at July 1, 2016
Actuarial Assumptions	
Amortized Growth Rate	3.50%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.50%
Inflation	2.70%
Mortality	RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA.
Cost of Living Adjustments	For officers retired prior to July 1, 1986; 1.5% compounded, For officers retired after July 1, 1986 (and hired prior to January 1, 1994) 2.50% compounded, For officers hired on or after January 1, 1994, 2.70% non-compounded

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Summary of Significant Accounting Policies

The long-term expected rate of return on pension 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 pension plan 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 pension plan's target asset allocation are from our actuary firm Milliman's investment consulting practice as of December 31, 2016.

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	5.11% to 6.53%
International equity	5.66% to 8.19%
Fixed income	2.69% to 5.70%
Other	2.17% to 4.16%

Discount rate: The discount rate used to measure the total pension liability was 7.00 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.

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 7.00%, 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 (6.00%) or 1-percentage point higher (8.00%) than the current rate: 7.00%

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total pension liability	\$ 88,927,829	\$ 78,099,606	\$ 69,334,860
Fiduciary net position	13,712,629	13,712,629	13,712,629
Net position liability	\$ 75,215,200	\$ 64,386,977	\$ 55,622,231

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Changes in Net Pension Liability
Coventry Police Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of June 30, 2016	<u>\$ 75,238,765</u>	<u>\$ 11,437,706</u>	<u>\$ 63,801,059</u>
Changes for the year:			
Service cost	903,267		903,267
Interest on total pension liability	5,194,650		5,194,650
Effect of plan changes	(962)		(962)
Effect of economic/demographic gains or losses	695,915		695,915
Effect of assumptions changes or inputs	-		-
Benefit payments	(3,932,029)	(3,932,029)	-
Employer contributions		4,715,528	(4,715,528)
Member contributions		398,040	(398,040)
Net investment income		1,099,468	(1,099,468)
Administrative expenses		(6,084)	6,084
Net changes	<u>2,860,841</u>	<u>2,274,923</u>	<u>585,918</u>
Balance as of June 30, 2017	<u><u>\$ 78,099,606</u></u>	<u><u>\$ 13,712,629</u></u>	<u><u>\$ 64,386,977</u></u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

2. Police Pension Plan

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources Related to the Municipal Employees Retirement Plan

For the year ended June 30, 2017 the Town recognized pension expense of \$4,928,223. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Town Police Plan	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Deferred Inflows / Outflows:		
Differences between expected and actual experience	\$ (692,085)	\$ 579,929
Changes of assumptions	(73,011)	-
Net difference between projected and actual earnings	-	418,354
Total	\$ (765,096)	\$ 998,283

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

	Net Deferred Inflows/Outflows of Resources
Year ended June 30:	
2018	65,267
2019	65,268
2020	(10,256)
2021	(3,077)
2022	115,985
Thereafter	-
Net Total	233,187

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS (continued)

3. Coventry Teacher's Alliance School Related Personnel (CTASRP) Pension Plan

Plan Description

The Coventry Teacher's Alliance School Related Personnel Pension Plan is a single-employer defined benefit pension plan. The plan is governed by the Town of Coventry which may amend plan provisions, and which is responsible for the management of the assets.

As of July 1, 2016 employee membership data related to this plan was as follows:

Active members	205
Inactive members	25
Retired members	<u>152</u>
	<u>382</u>

Under the provisions of the plan, benefits vest at various times depending on the date of hire. The plan covers school related personnel (non-teaching personnel) who are members of the bargaining unit. Each school employee who is a member of the Union shall be a participant of the plan. Participants contribute 8% of their annual compensation received in a Plan year. The Town makes two types of annual contributions to the plan. The first such amount as is set forth under the relevant terms of the collective bargaining agreement between the Employer and the Union and is equal to 12.75% of the regular payroll of employees subject to the Plan. The second such amount shall be annually determined by an actuary for the Plan.

The pension plan is considered to be a single-employer defined benefit pension plan that was administered by an independent board of trustees as of December 31, 2016. This plan, originally established in April 1977, was most recently restated as of February 11, 2016 by the School Committee of the Town of Coventry and the CTA/SRP Local 1075 (the "Union") in accordance with Federal and State Statutes.

Under the provisions of the Plan, benefits vest after ten years of creditable service. A participant may retire at age 65 with ten years of creditable service or upon completion of thirty years of creditable service, regardless of age, for full benefits, or age 60 with fifteen years of creditable service for reduced benefits. Benefits fully vest after ten years of service. An employee's annual pension is determined by multiplying a specified percentage to the employee's annual compensation and the number of years of service.

In addition to pension benefits, this plan also provides disability and death benefits. A participant is entitled to receive disability benefits determined at the date of disability retirement, in an amount equal to the actuarial equivalent of accrued benefit the employee must be separates from service by reason of total and permanent disability. The condition must have existed for a period of at least three months and must prevent the participant from engaging in substantial gainful activity.

Death benefits are available to qualified employees. A participant's beneficiary shall be entitled to death benefits equal to the actuarial equivalent of the participant's accrued benefit, determined as of the date of death. Qualified pre-retirement survivor annuity benefits provide a monthly pension benefit equal to the amount which the spouse would have received if the participant had retired on the day before death and elected a joint and 50% surviving spouse annuity which was the actuarial equivalent of the vested accrued benefit. The Plan does not provide for Cost of Living Adjustments (COLA's).

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

Summary of Significant Accounting Policies

Basis of Accounting

The Plan’s policy is to prepare financial statements on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Valuation of Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Contributions

Active members hired after April 1, 1996 will continue to contribute 8.00% of their base pay.

Investments

The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue and 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, 2017:

<u>Asset Class</u>	<u>June 30, 2017 Asset Allocation</u>	<u>Target Allocation</u>
Large Cap Equity	49.92%	21.00%
Mid Cap Equity	3.07%	7.50%
Small Cap Equity	1.88%	7.50%
Developed International Equity	14.24%	12.00%
Emerging International Equity	1.03%	5.00%
Real Estate/MLPs	0.00%	9.50%
Intermediate Fixed Income	14.95%	26.00%
High Yield Fixed Income	5.26%	6.00%
Emerging Market Bonds	0.00%	3.00%
Commodities/Natural Resources	0.00%	2.50%
Cash Equivalents	9.65%	0.00%
Total allocation	<u>100.00%</u>	<u>100.00%</u>

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

Rate of Return: For the year ended June 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.73%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net position liability of the Coventry Teachers Alliance Pension Plan at June 30, 2017, were as follows:

Net Pension Liability of the Coventry Teachers Alliance School Related Personnel Pension Plan

	<u>June 30, 2017</u>
Total pension liability	\$ 30,134,552
Plan fiduciary net position	(12,462,740)
Town's net pension liability	\$ 17,671,812
Plan fiduciary net position as a percentage of the total pension liability	
	41.36%

**Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability
at the June 30, 2017 measurement date (July 1, 2016 valuation date)**

Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Equivalent Single Remaining Amortization Period	26 years at July 1, 2016
Actuarial Assumptions	
Amortized Growth Rate	4.00%
Investment Rate of Return	7.00%
Projected Salary Increases	Based on service with an ultimate rate of 3.40%
Inflation	2.70%
Mortality	RP-2014 Blue Collar Healthy Annuitant with Scale MP-2017 Generational Improvements from 2006 (Male/Female)
Cost of Living Adjustments	None

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

Summary of Significant Accounting Policies

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 pension plan’s target asset allocation are from our actuary firm’s investment manager.

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Equity	6.90%
Mid Cap Equity	7.30%
Small Cap Equity	7.60%
Developed International Equity	9.10%
Emerging International Equity	11.10%
Real Estate/MLPs	8.10%
Intermediate Fixed Income	4.10%
High Yield Fixed Income	6.40%
Emerging Market Bonds	6.00%
Commodities/Natural Resources	4.50%
Cash Equivalents	2.60%
Total allocation	
 Projected rate of return	 6.73%

Discount Rate: The discount rate used to measure the total pension liability was 7.00%. 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.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net position liability of the Town, calculated using the discount rate of 7.00%, 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 (6.00%) or 1-percentage point higher (8.00%) than the current rate.

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net pension liability	\$ 20,938,167	\$ 17,671,812	\$ 14,896,523

Changes in Net Pension Liability
Coventry Teacher’s Alliance School Related Personnel Pension Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2016	\$ 29,509,299	\$ 11,201,349	\$ 18,307,950
Changes for the year:			
Service cost	350,146		350,146
Interest on total pension liability	2,011,572		2,011,572
Effect of plan changes	-		-
Difference between expected and actual experience	19,969		19,969
Effect of assumptions changes or inputs	-		-
Benefit payments	(1,756,434)	(1,756,434)	-
Employer contributions		1,157,788	(1,157,788)
Member contributions		463,321	(463,321)
Net investment income		1,546,143	(1,546,143)
Administrative expenses		(149,427)	149,427
Net changes	625,253	1,261,391	(636,138)
Balance as of June 30, 2017	\$ 30,134,552	\$ 12,462,740	\$ 17,671,812

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

3. Coventry Teacher’s Alliance School Related Personnel (CTASRP) Pension Plan

Pension Expense and Deferred Outflow of Resources and Deferred Inflow of Resources Related to the Coventry Teacher’s Alliance School Related Personnel Pension Plan

For the year ended June 30, 2017 the Town recognized pension expense of \$1,121,825. At June 30, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	School Resource Personnel Plan	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Deferred Inflows / Outflows:		
Differences between expected and actual experience	\$ 17,140	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings	-	(617,315)
Total	\$ 17,140	\$ (617,315)

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

	Net Deferred Inflows/Outflows of Resources
Year ended June 30:	
2018	(151,500)
2019	(151,500)
2020	(151,500)
2021	(151,499)
Thereafter	5,824
Net Total	(600,175)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

4. Employee's Retirement System of the State of Rhode Island (ERS)

Pensions

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.

General Information about the Pension Plan

Plan description - Certain employees of the Coventry School Department 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 a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments are provided at four-year intervals commencing with the plan year ending June 30, 2016.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

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 2017, Coventry School Department 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 Coventry School Department 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 Coventry School Department; the rates were 9.95% and 13.18% of annual covered payroll for the fiscal year ended June 30, 2017 for the state and Coventry School Department, respectively. The Coventry School Department contributed \$5,708,240, \$5,021,844 and \$4,943,999 for the fiscal years ended June 30, 2017, 2016 and 2015, 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, 2017, the Coventry School Department reported a liability of \$65,393,587 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Coventry School Department 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 Coventry School Department were as follows:

Coventry School Dept's proportionate share of the net pension liability	\$ 65,393,587
State's proportionate share of the net pension liability associated with the Coventry School Dept.	<u>44,785,005</u>
Total net pension liability	<u><u>\$ 110,178,592</u></u>

The net pension liability was measured as of June 30, 2016, 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, 2015 rolled forward to June 30, 2016. The Coventry School Department’s proportion of the net pension liability was based on a projection of the Coventry School Department’s 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, 2016 the Coventry School Department proportion was 2.19%.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

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

For the year ended June 30, 2017 the Coventry School Department recognized gross pension expense of \$9,139,438 and revenue of \$3,748,794 for support provided by the State. At June 30, 2017 the Coventry School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Schedule of Deferred Inflows & Outflows

Deferred outflows of resources:

Net difference between projected and actual investment earnings	\$ 7,399,931
Changes in proportion and difference between employer contributions and proportionate share of contributions	161,400
Contributions made subsequent to the measurement date	<u>4,724,164</u>
Total	<u><u>\$ 7,561,331</u></u>

Deferred inflows of resources:

Difference between expected and actual experience	\$ 1,290,252
Changes in proportion and difference between employer contributions and proportionate share of contributions	627,144
Change of Assumptions	1,354,594
Net difference between projected and actual earnings on pension plan investments	<u>2,296,919</u>
Total	<u><u>\$ 5,568,909</u></u>

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

\$4,724,164 reported as deferred outflows of resources related to pensions resulting from the Coventry School Department’s contributions in fiscal year 2017 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 341,111
2019	341,111
2020	1,489,570
2021	639,605
2022	(572,904)
thereafter	<u>(246,071)</u>
	<u>\$ 1,992,422</u>

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

Inflation	2.75%
Salary increases	3.50% to 13.50%
Investment rate of return	7.50%

Mortality – male and female teachers: 97% and 92%, respectively of rates in a GRS table based on male and female teacher experience, projected with Scale AA from 2000.

The actuarial assumptions used in the June 30, 2015 valuation rolled forward to June 30, 2016 and the calculation of the total pension liability at June 30, 2016 were consistent with the results of an actuarial experience study performed as of June 30, 2013.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 35 sources. The June 30, 2016 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

Type of Investment	Target Allocation	Long-term expected real rate of return
Global Equity	38.0%	-
U.S. Equity	-	6.98%
International Developed	-	7.26%
International Emerging Markets	-	9.57%
Equity Hedge funds	8.0%	4.10%
Private Equity	7.0%	10.15%
Core Fixed Income	15.0%	2.37%
Absolute Return Hedge Fund	7.0%	4.10%
Infrastructure	3.0%	5.58%
Real Estate	8.0%	5.33%
Other Real Return Assets:	11.0%	-
Master Limited Partnerships	-	4.97%
Credit	-	4.97%
Inflation Linked Bonds	-	1.76%
Cash, Overlay, Money Market	3.0%	0.82%
	100%	

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

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - PENSION PLANS – (continued)

4. Employee’s Retirement System of the State of Rhode Island (ERS)

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 7.5 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 (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
\$ 80,755,358	\$ 65,393,587	\$ 52,817,674

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

5. Defined Benefit Pension Plan (Survivors Benefit)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, 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.

Plan description - Certain employees of the Coventry School Department 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.

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>.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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:

Highest Annual Salary	Basic Monthly Spouses' Benefit
\$17,000 or less	\$ 750
\$17,001 to \$25,000	\$ 875
\$25,000 to \$33,000	\$ 1,000
\$33,001 to \$40,000	\$ 1,125
\$40,001 and over	\$ 1,250

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%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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 \$9,600; one-half (1/2) of the cost is contributed by the member by deductions 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 Coventry School Department contributed \$44,919, \$45,534 and \$43,914 for the fiscal years ended June 30, 2017, 2016 and 2015, 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, 2017 the Coventry School Department reported an asset of \$7,059,124 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, 2016, 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, 2016. The Coventry School Department's proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2016 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2016 the Coventry School Department's proportion was 7.09%.

For the year ended June 30, 2017 the Coventry School Department recognized pension expense of \$(80,809) – a increase in the net pension asset. At June 30, 2017 the Coventry School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

Deferred Outflows of resources	
Difference between expected and actual experience	1,343,824
Net difference between projected and actual investment earnings	1,867,931
Changes in proportion and differences between employer contributions and proportionate share of contributions	311,849
Contributions subsequent to the measurement date	44,919
Total	3,568,523
 Deferred inflows of resources	
Net difference between projected and actual investment earnings	576,731
Difference between projected and actual experience	1,403,339
Total	1,980,070

\$44,919 reported as deferred outflows of resources related to pensions resulting from the Coventry School Department's contributions in fiscal year 2017 subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	286,617
2019	286,617
2020	574,982
2021	364,738
2022	55,438
Thereafter	(24,858)
	1,543,534

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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

Inflation	2.75%
Salary increases	3.50% to 13.50%
Investment rate of return	7.50%

Mortality rates for male and female teachers were based on 97% (males) and 92% (females) of rates in a GRS table based on male and female teacher experience, projected with scale AA from 2000.

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

The actuarial assumptions used in the June 30, 2016 valuation and the calculation of the total pension liability at June 30, 2016 were consistent with the results of an actuarial experience study performed as of June 30, 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 collective summary of capital market expectations from 35 sources. The June 30, 2016 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

Type of Investment	Target Allocation	Long-term expected real rate of return
Global Equity	38.0%	-
U.S. Equity	-	6.98%
International Developed	-	7.26%
International Emerging Markets	-	9.57%
Equity Hedge funds	8.0%	4.10%
Private Equity	7.0%	10.15%
Core Fixed Income	15.0%	2.37%
Absolute Return Hedge Fund	7.0%	4.10%
Infrastructure	3.0%	5.58%
Real Estate	8.0%	5.33%
Other Real Return Assets:	11.0%	-
Master Limited Partnerships	-	4.97%
Credit	-	4.97%
Inflation Linked Bonds	-	1.76%
Cash, Overlay, Money Market	3.0%	0.82%
	100%	

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

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 7.5 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 (6.5%)	Current Discount Rate (7.5%)	1.00% Increase (8.5%)
\$ (5,601,496)	\$ (7,059,124)	\$ (8,251,729)

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15 - PENSION PLANS – (continued)

5. Defined Benefit Pension Plan (Survivors Benefit)

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

6. School Administration Pension Plan

The Town of Coventry contributes to the School Administration Pension Plan. This plan is a defined contribution plan that covers certain school administrators who do not qualify for other school pension plans. The plan was established by the Town in accordance with the Town Charter and Federal and State Statues.

The Town makes contributions to this plan based on the Town’s contribution requirements for the Certified School Employees Pension Plan. In addition, participants may contribute a percentage of their annual salary to the plan based on applicable tax law. Under the provisions of the plan, benefits vest in the Town’s contributions after three years of creditable service. This pension plan also provides disability and death benefits.

As of June 30, 2017 employee membership data related to this plan was as follows:

Active members	<u>9</u>
Total	9

Required Contributions:

Fiscal Yr Ended June 30,	Required Pension Cost	Percentage Contributed
2017	69,234	100%
2016	67,797	100%
2015	44,186	100%

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - PENSION PLANS – (continued)

7. Defined Contribution Plan

A. State of Rhode Island Defined Contribution Retirement Plan

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 Coventry School Department recognized pension expense of \$807,205, for the fiscal year ended June 30, 2017.

	EE contribution	ER contribution
ERS members		
ERS - Teachers - contribute to Social Security - less than 20 years of service at 7/1/2012	5%	1% to 1.5% depending on years of service
ERS - Teachers - do not contribute to Social Security - less than 20 years of service at 7/1/2012	7%	3% to 3.5% depending on years of service
ERS - Teachers - more than 20 years of service at 7/1/2012	NO DC plan contributions (ee and er) after July 1, 2015	

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 COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 15 - PENSION PLANS – (continued)

8. Defined Contribution Plan

B. Local Defined Contribution Plan

Plan Description

In fiscal year 2014, the Town created a new defined contribution plan for employees hired after July 1, 2013. The Plan, which is a single-employer public employees defined contribution plan, was established by the Town Council in accordance with the Town charter and Federal and State statutes. Under the provisions of the Plan, all employees hired on or after July 1, 2013 are able to participate in a defined contribution plan in which the Town will match employee contributions, up to 10% of an employee’s annual base wage, the terms of which shall be negotiated by the parties. Employee contributions are 100% vested from day one of employment.

As of June 30, 2017 employee membership data related to this plan was as follows:

Active members	15
Inactive members	<u>2</u>
Total	17

Required Contributions:

Fiscal Yr Ended June 30,	Annual Required Pension Cost	Percentage Contributed
2017	63,002	100%
2016	49,088	100%
2015	24,393	100%

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS

Plan Description

In addition to the pension benefits described above, 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. Retiree medical coverage is only to age 65, while dental continues post-65.

Town Hall Employees

Members of this group are eligible to receive medical and dental benefits for themselves and their spouse at the earlier of age 62 or age 55 with 10 years of service. The cost of benefits is 100% retiree-paid.

Membership as of July 1, 2015

Active members -	77
Retired members -	1
Spouses of retirees -	<u>0</u>
Total	<u>78</u>

Police Employees

Members of this group are eligible to receive medical and dental benefits for themselves and their spouse at the earlier of:

1. Schedule A (hired prior to 1/1/1994): 20 years of service
2. Schedule B (hired after 1/1/1994 but prior to January 1, 2013): 23 years of service
3. Schedule C (hired after 1/1/2013): 25 years of service

The cost of benefits is 100% retiree-paid.

Membership as of July 1, 2015

Active members -	55
Retired members -	10
Spouses of retirees -	<u>6</u>
Total	<u>71</u>

**TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

School Teachers and Administrators

Members of this group who have retired under the Employees' Retirement System of Rhode Island, with a minimum of 15 years of service with the Coventry School District are eligible to receive medical and dental benefits for themselves and their spouse at the earlier of:

1. Schedule A (vested prior to 7/1/05)
 - a. 28 years of service
 - b. Age 60 with 10 years of service
2. Schedule B (vested after 7/1/05)
 - a. Age 65 with 10 years of service
 - b. Age 59 with 29 years of service

The cost of benefits is as follows:

1. Pre-65: The District pays an annual health premium not to exceed \$1,200 for members and their spouses from their date of retirement through age 64.
2. Post-65: The District pays an annual health premium not to exceed \$1,000 for members and their spouses.

Membership as of July 1, 2015

Active members -	412
Retired members -	257
Spouses of retirees -	<u>153</u>
Total	<u>822</u>

School Others

Members who have retired from the Coventry School District shall be eligible to receive medical and dental benefits for themselves and their spouse at the earlier of 30 years of service or age 58 with 10 years of service. The cost of benefits for other school employees is limited. For a period of six years following the member's retirement date, the School District pays an annual health premium not to exceed \$1,200. There are no OPEB benefits beyond the initial six years after retirement.

Membership as of July 1, 2015

Active members -	173
Retired members -	19
Spouses of retirees -	<u>0</u>
Total	<u>192</u>

Funding Policy

The Town pays for the other post-employment benefits on a pay-as-you-go basis. The annual medical & dental benefits premium cost for fiscal year ended June 30, 2016 was \$109,189 for Town employees and \$192,961 for School employees.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

The following chart projects the “Actuarial Required Contribution (“ARC”), Pay-As-You-Go, Annual OPEB cost and the Net OPEB Obligation for the next five years under an unfunded (pay-as-you-go) scenario.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Percentage of Covered Payroll ((b-a)/c)
7/1/2011	-	12,523,000	12,523,000	-	44,622,000	28.06%
7/1/2013	-	16,443,282	16,443,282	-	44,842,305	36.67%
7/1/2015	-	16,318,857	16,318,857	-	45,338,257	35.99%

Annual OPEB Cost and Net OPEB Obligation

Actuarial Methods and Assumptions

The information presented was determined as part of the actuarial valuation. Additional information as of the last valuation follows:

Valuation Date:	July 1, 2015
Discount Rate	4.00%
Inflation Rate	2.75%
Medical Inflation Rate	5.28% - 4.40% over 77 years
Dental Inflation Rate	3.00%
Actuarial Cost Method:	Projected Unit Credit Cost Method
Asset Valuation Method:	Plan is currently unfunded
Payroll Growth Rate:	4.00%
Amortization Method:	Level dollar

THREE YEAR TREND INFORMATION

Fiscal Yr Ended June 30,	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2017	1,471,269	64.74%	3,970,559
2016	1,501,777	57.05%	3,451,836
2015	1,464,049	59.64%	2,806,791

Annual OPEB Cost and Net OPEB Obligation: Below are the required OPEB obligation presentations per GASB 45 for the period ending June 30, 2017:

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 16 – OTHER POST EMPLOYMENT BENEFITS (continued)

	2017
Annual required contribution	\$ 1,605,868
Interest on NOO	138,073
Adjustment to annual required contribution	<u>(272,672)</u>
Annual OPEB cost	1,471,269
Contributions made	(952,546)
Increase (decrease) in NOO	<u>518,723</u>
NOO Beginning of Fiscal year	<u>3,451,836</u>
NOO End of Fiscal Year	<u><u>\$ 3,970,559</u></u>

NOTE 17 - RISK MANAGEMENT

The Town of Coventry is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the Town participates in a non-profit, public entity risk pool (Rhode Island Inter-local Risk Management Trust, Inc.) that provides coverage for property/liability claims and workers' compensation claims. Upon joining the Trust, the Town signed a participation agreement that outlines the rights and responsibilities of both the Trust and the Town. The agreement states that for premiums paid by the Town, the Trust will assume financial responsibility for the Town's losses up to the maximum amount of insurance purchased, minus the Town's deductible amounts. The policy is not retrospectively rated, but rather, premiums are based on the ultimate cost of the groups experience to date. The pool is allowed to make additional assessments for claims that are reasonably possible and estimable.

The Trust provides this insurance coverage through a pooled, self-insurance mechanism, which includes reinsurance purchased by the Trust to protect against large, catastrophic claims above the losses the Trust, retains internally for payment from the pooled contributions of its Members. Under the participation agreement, the Town is insured for a maximum of \$5,000,000 per occurrence. Settled claims resulting from these risks have not exceeded the Trust coverage in any of the past three fiscal years. And it is not anticipated that the risks will exceed the trust coverage in the current year. There were no reductions in the insurance coverage during the fiscal year up and through the report date.

The town insures the entire risk arising from employee related health issues through the purchase of standard health insurance policies for all employees. Policy costs are charged in full to insurance expense in the general, special revenue and enterprise funds on a monthly basis. There are no retrospective adjustments to the monthly premiums charged to the town. The carrier, in advance of the new policy year and to account for the town's historical costs, adjusts the premiums annually.

In February, 2016, the Town of Coventry, Coventry School Committee and the Trustees for the Coventry Support Related Personnel Pension Plan agreed to various Plan Design changes in order to improve the financial position of the privately held SRP Pension Plan. The Plan amendments were mutually agreed upon based on an actuarial valuation that had been performed, showing that the Annual Required Contribution (ARC) would be approximately \$412,000.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 17 - RISK MANAGEMENT (continued)

Upon signing the amended Plan Document, all parties, in good faith complied with all changes, including the Town and School Department's annual funding of the ARC payment in the amount of \$412,000. On April 11, 2018, The Town received the annual valuation for the SRP Pension Plan from Angell Pension Group for the fiscal year ending June 30, 2017. The current valuation presents an ARC of \$720,538, \$308,538 higher than the ARC presented in the initial valuation.

Self-insurance:

The School Department participates in a multi-employer cost reimbursement healthcare self-insurance risk pool managed by West Bay Community Health (WBCH). The School Department pays WBCH monthly premiums based upon "working rates" that are periodically adjusted to reflect changes in actual costs. Funds on deposit with WBCH are made available to pay claims, claim reserves and administrative costs. As of June 30, 2017, the reported expenditures exceeded premiums on deposit by \$594,155. Incurred but not reported (IBNR) claims, of \$166,400 resulted in a \$2,213,742 balance in the net adjusted reserve.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for IBNR claims. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, including retroactive assessments for hospital costs and other settlements occurring after the end of the fiscal year and not determinable at the end of the fiscal year. An excess coverage insurance policy covers individual claims exceeding \$125,000.

Changes in the deposit balance for fiscal year 2017 is as follows:

	Year ended June 30, 2017
Beginning cumulative surplus (deficit)	\$ 2,552,017
Premium deposits	8,943,304
Incurred claims (excluding IBNR)	(9,567,459)
Administrative fees	(62,751)
Ending cash deposit balance	1,865,111
Estimated IBNR (two month estimate)	(166,400)
Run out reserve balance	514,761
Net adjusted reserve	\$ 2,213,472

NOTE 18 – SUBSEQUENT EVENT

Management has evaluated subsequent events through April 17, 2018 the date the financial statements were available to be issued.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 19 – PRIOR PERIOD RESTATEMENT

Government-Wide Financial Statements – Fund Balance

The fund balance in the School Food Service was restated due to the inclusion of prior years' balances owed to the former food service vendor which are not currently due and should not have been included in accounts payable. The School Department is paying off the balance over several years. Another adjustment was made for State of Rhode Island funding that the Town did not receive.

As discussed in Note 15 to the financial statements, during the fiscal year ended June 30, 2017, the Town recognized the Net Pension Liability of the Coventry Teacher's Alliance School Related Personnel (CTASRP) Pension Plan and its related Trust Fund as a component of the Towns financial statements. The Town has reported this new adopted plan under the accounting guidance, of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The net position of the Town as of June 30, 2016 has been restated to recognize the net pension liability required to recognize this plan retroactively.

Beginning net position - Governmental Activities	\$ (113,759,458)
Restatement for:	
State of RI Funding over accrued in prior year Fund 333	(127,713)
Prior years vendor liability recognized	(186,580)
Beginning net pension liability - School Resource Personnel pension pla	(18,307,950)
Total adjustment to net position:	<u>(18,622,243)</u>
Beginning net position - Restated as of 7/1/2016	<u><u>\$ (132,381,701)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule-General Fund
Schedule of Revenues and Expenditures (Budgetary Basis and Actual)
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
General property taxes	\$ 70,120,238	\$ 70,120,238	\$ 69,985,564	\$ (134,674)
Other taxes	968,240	968,240	974,821	6,581
Intergovernmental revenue	1,818,822	1,818,822	1,838,699	19,877
Licenses, fees and permits	776,732	776,732	890,541	113,809
Fines and interest on late payments	532,527	532,527	497,302	(35,225)
Interest on investments	111,715	111,715	186,529	74,814
Other revenue	926,917	926,917	711,218	(215,699)
Total revenues	<u>75,255,191</u>	<u>75,255,191</u>	<u>75,084,674</u>	<u>(170,517)</u>
Expenditures:				
Legislative, judicial and general administrative	1,556,659	1,556,623	1,563,358	(6,735)
Financial administrative	732,072	732,072	745,444	(13,372)
Public safety	12,489,294	12,474,361	12,312,340	162,021
Public works	5,422,767	5,392,520	4,987,049	405,471
Parks & Recreation	2,098,375	2,070,815	2,012,332	58,483
Human resources	798,996	790,451	822,991	(32,540)
Planning & Development	417,061	417,061	367,760	49,301
General government	3,779,537	3,860,858	3,941,427	(80,569)
Debt service:				
Principal payments	3,269,000	3,269,000	3,269,000	-
Interest and fiscal charges	1,327,993	1,327,993	1,325,449	2,544
Total expenditures	<u>31,891,754</u>	<u>31,891,754</u>	<u>31,347,150</u>	<u>544,604</u>
Excess/(deficiency) of revenues over expenditures	<u>43,363,437</u>	<u>43,363,437</u>	<u>43,737,524</u>	<u>374,087</u>
Other financing sources/(uses):				
Premium on issuance of debt	200,910	200,910	-	(200,910)
Use of prior years surplus	292,976	292,976	292,976	-
Transfers (to) other funds	-	-	(187,735)	(187,735)
Transfers from other funds	-	-	122,323	122,323
School appropriation	(43,857,323)	(43,857,323)	(43,857,323)	-
Total other financing sources	<u>(43,363,437)</u>	<u>(43,363,437)</u>	<u>(43,629,759)</u>	<u>(266,322)</u>
Excess/(deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,765</u>	<u>\$ 107,765</u>

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2017

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
General property taxes				
Real Estate Taxes - Current	\$ 61,200,239	\$ 61,200,239	\$ 60,902,580	\$ (297,659)
Real Estate Taxes - Prior	504,392	504,392	394,369	(110,023)
Real Estate Taxes - Debt Service - School	1,450,497	1,450,497	1,450,497	-
Real Estate Taxes - Debt Service - Town	1,755,468	1,755,468	1,755,468	-
Motor Vehicle Excise Tax	5,209,642	5,209,642	5,482,650	273,008
Total general property taxes	<u>70,120,238</u>	<u>70,120,238</u>	<u>69,985,564</u>	<u>(134,674)</u>
Other Taxes				
Telephone Tax	432,985	432,985	450,490	17,505
Hotel Tax	107,608	107,608	98,752	(8,856)
Meal and Beverage Tax	427,647	427,647	425,579	(2,068)
Total other taxes	<u>968,240</u>	<u>968,240</u>	<u>974,821</u>	<u>6,581</u>
Intergovernmental Revenue				
State Aid School Housing	1,390,278	1,390,278	1,390,278	-
State Aid Revaluation	-	-	-	-
State Reimbursement Energy Bond	68,835	68,835	82,305	13,470
Payment in Lieu of Taxes	79,918	79,918	81,627	1,709
State Aid to Libraries	35,000	35,000	35,000	-
Municipal Incentive Aid	-	-	4,698	4,698
State Reimbursement Auto Tax	244,791	244,791	244,791	-
Total Intergovernmental Revenue	<u>1,818,822</u>	<u>1,818,822</u>	<u>1,838,699</u>	<u>19,877</u>
Licenses and Permits				
Building Permits	121,573	121,573	139,362	17,789
Plumbing and Heating	21,186	21,186	68,892	47,706
Electrical Permits	19,918	19,918	56,363	36,445
Recording Fees	326,481	326,481	339,551	13,070
Probate Fees	50,377	50,377	58,566	8,189
Marriage Licenses	1,386	1,386	1,568	182
Dog Licenses	16,355	16,355	12,260	(4,095)
Animal Rescue Fees	9,627	9,627	7,861	(1,766)
Realty Fees	40,000	40,000	40,000	-
Alcoholic Beverage Licenses	23,667	23,667	23,400	(267)
Hunting and Fishing Licenses	25	25	29	4
Library Fees	24,259	24,259	21,324	(2,935)
Planning Commission Fees	8,181	8,181	16,445	8,264
Planning Commission Steno Fees	2,090	2,090	2,702	612
Miscellaneous Fees	111,607	111,607	102,218	(9,389)
Total Licenses and Permits	<u>776,732</u>	<u>776,732</u>	<u>890,541</u>	<u>113,809</u>

(continued)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Revenues - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2017
(continued)

	<u>Original Budget Revenues</u>	<u>Revised Budget Revenues</u>	<u>Actual Revenues</u>	<u>Variance</u>
Fines and Interest on Late Payments				
Interest and Penalties	532,527	532,527	497,302	(35,225)
Total Fines and Interest on Late Payments	<u>532,527</u>	<u>532,527</u>	<u>497,302</u>	<u>(35,225)</u>
Interest on Investments				
Interest Earnings	111,715	111,715	186,529	74,814
Total Interest on Investments	<u>111,715</u>	<u>111,715</u>	<u>186,529</u>	<u>74,814</u>
Other Revenue				
Police Car Rental	200,000	200,000	69,220	(130,780)
Municipal Court	51,250	51,250	93,673	42,423
Westwood Reimbursement	8,000	8,000	9,407	1,407
Land Trust Fees	294,653	294,653	357,020	62,367
Miscellaneous Receipts	373,014	373,014	181,898	(191,116)
Total Other Revenue	<u>926,917</u>	<u>926,917</u>	<u>711,218</u>	<u>(215,699)</u>
Total Revenue	<u>75,255,191</u>	<u>75,255,191</u>	<u>75,084,674</u>	<u>(170,517)</u>
Other Financing Sources and transfers				
Premium on issuance of debt	200,910	200,910	-	(200,910)
Use of prior years surplus	292,976	292,976	292,976	-
Transfer from Other Funds	-	-	122,323	122,323
Total Other Financing Sources	<u>493,886</u>	<u>493,886</u>	<u>415,299</u>	<u>(78,587)</u>
Total Town Revenue	<u>\$ 75,749,077</u>	<u>\$ 75,749,077</u>	<u>\$ 75,499,973</u>	<u>\$ (249,104)</u>

(concluded)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2017

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Legislative, Judicial and General Administrative				
Town Council	\$ 25,918	\$ 25,918	\$ 23,534	\$ 2,384
Town Manager	271,154	271,118	278,881	(7,763)
Citizens Advisory Committee	915	915	586	329
Information Technology	320,035	320,035	316,382	3,653
Town Clerk	319,161	319,161	317,139	2,022
Town Solicitor	416,500	416,500	453,470	(36,970)
Board of Canvassers	141,989	141,989	114,619	27,370
Probate Court	17,873	17,873	16,730	1,143
Municipal Court	43,114	43,114	42,017	1,097
Total Legislative, Judicial and General Administrative	<u>1,556,659</u>	<u>1,556,623</u>	<u>1,563,358</u>	<u>(6,735)</u>
Financial Administration				
Treasurer	322,375	322,375	325,422	(3,047)
Board of Assessment Review	4,298	4,298	3,822	476
Tax Assessor	173,314	173,314	180,233	(6,919)
Tax Collector	232,085	232,085	235,967	(3,882)
Total Financial Administration	<u>732,072</u>	<u>732,072</u>	<u>745,444</u>	<u>(13,372)</u>
Public Safety				
Police	12,201,618	12,176,177	12,018,753	157,424
Animal Control	217,232	227,740	228,057	(317)
Emergency Management	38,730	38,730	33,800	4,930
Town Sergeant	2,335	2,335	2,400	(65)
Crossing Guards	29,379	29,379	29,330	49
Total Public Safety	<u>12,489,294</u>	<u>12,474,361</u>	<u>12,312,340</u>	<u>162,021</u>
Public Works				
Engineering	136,502	128,392	103,554	24,838
Inspection and Permits	256,507	235,692	254,738	(19,046)
Roads and Bridges	2,136,809	2,146,969	1,881,643	265,326
Snow Removal	286,488	321,398	321,278	120
Building Maintenance	456,748	460,914	461,149	(235)
Refuse Collection	784,355	789,835	793,842	(4,007)
Refuse Disposal	507,838	417,613	319,260	98,353
Vehicle Maintenance	857,520	891,707	851,585	40,122
Total Public Works	<u>5,422,767</u>	<u>5,392,520</u>	<u>4,987,049</u>	<u>405,471</u>

(continued)

REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Budgetary Comparison Schedule - General Fund
Schedule of Expenditures - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2017
Continued

	<u>Original Budgeted Expenditures</u>	<u>Revised Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Variance</u>
Human Resources				
Human Services	798,996	790,451	822,991	(32,540)
Total Human Resources	<u>798,996</u>	<u>790,451</u>	<u>822,991</u>	<u>(32,540)</u>
Parks and Recreation				
Public Libraries	987,955	987,955	987,955	-
Recreation	1,110,420	1,082,860	1,024,377	58,483
Total Parks and Recreation	<u>2,098,375</u>	<u>2,070,815</u>	<u>2,012,332</u>	<u>58,483</u>
Planning and Development				
Planning Commission	14,258	19,258	16,690	2,568
Planning Department	383,610	373,610	333,333	40,277
Zoning Board	9,610	14,610	11,602	3,008
Conservation Commission	1,000	1,000	950	50
Land Trust Commission	1,361	1,361	1,216	145
Economic Development	538	538	675	(137)
Historic District Commission	2,615	2,615	-	2,615
Coventry Housing Authority	4,069	4,069	3,294	775
Total Planning and Development	<u>417,061</u>	<u>417,061</u>	<u>367,760</u>	<u>49,301</u>
General Government				
Town General	3,559,805	3,641,126	3,812,107	(170,981)
Capital	219,732	219,732	129,320	90,412
Total General Government	<u>3,779,537</u>	<u>3,860,858</u>	<u>3,941,427</u>	<u>(80,569)</u>
Debt Service				
Principal	3,269,000	3,269,000	3,269,000	-
Interest	1,327,993	1,327,993	1,325,449	2,544
Total Debt Service	<u>4,596,993</u>	<u>4,596,993</u>	<u>4,594,449</u>	<u>2,544</u>
Other Financing Uses				
Transfers to School Unrestricted	43,857,323	43,857,323	43,857,323	-
Transfers to Capital Fund	-	-	90,412	(90,412)
Transfers to Other Funds	-	-	97,323	(97,323)
Total Other Uses	<u>43,857,323</u>	<u>43,857,323</u>	<u>44,045,058</u>	<u>(187,735)</u>
Total Expenditures and Other Financing Uses	<u><u>\$ 75,749,077</u></u>	<u><u>\$ 75,749,077</u></u>	<u><u>\$ 75,392,208</u></u>	<u><u>\$ 356,869</u></u>

(concluded)

**REQUIRED SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues and Expenditures
Budget (Budgetary Basis) and Actual
Special Revenue Funds - School Unrestricted
For the Fiscal Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
State Aid	\$ 22,921,325	\$ 22,921,325	\$ 22,843,923	\$ (77,402)
Federal Aid	650,000	650,000	719,852	69,852
Charges for Service	847,841	847,841	886,101	38,260
Miscellaneous	30,662	30,662	291	(30,371)
Total revenues	<u>24,449,828</u>	<u>24,449,828</u>	<u>24,450,167</u>	<u>339</u>
Expenditures				
Salaries	44,054,024	44,065,524	43,575,007	490,517
Employee benefits	14,825,309	14,825,309	14,539,387	285,922
Purchased services	6,897,136	6,901,450	7,248,030	(346,580)
Supplies and materials	2,057,182	2,037,621	2,077,109	(39,488)
Capital outlay	484,500	488,047	453,592	34,455
Other	59,000	59,200	59,165	35
Total expenditures	<u>68,377,151</u>	<u>68,377,151</u>	<u>67,952,290</u>	<u>(424,861)</u>
Excess of revenues over (under) expenditures before other financing sources	(43,927,323)	(43,927,323)	(43,502,123)	425,200
Other financing sources (uses)				
Operating transfers - Town appropriation	43,857,323	43,857,323	43,857,323	-
Transfer from Cell Tower Fund	70,000	70,000	70,000	-
Transfer to Capital Improvement Fund	(65,814)	(65,814)	(65,814)	-
Budgeted use of Fund Balance	65,814	65,814	65,814	-
Total other financing sources/(uses)	<u>43,927,323</u>	<u>43,927,323</u>	<u>43,927,323</u>	<u>-</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 425,200</u>	<u>\$ 425,200</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

The accompanying Statement of Revenues, Expenditures / Expenses (GAAP or Budgetary Basis Non-GAAP) presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principals applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, entity and timing differences in the excess (deficiency) of revenues and other financial resources over expenditure / expenses and other uses of financial resources for the year ended June 30, 2017 is presented below:

	<u>General Fund</u>	<u>School Unrestricted</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis)	\$ 107,765	\$ 425,200
Excess of revenues and other sources over expenditures and other uses of funds classified with the General Fund for purposes of GASB Statement No. 54	219,202	(74,376)
Use of accumulated fund balance surplus	(292,976)	(65,814)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis)	<u>\$ 33,991</u>	<u>\$ 285,010</u>

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in Net Pension Liability and Related Ratios
Coventry Municipal Employees' Retirement Plan
(in 1,000s)

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service Cost	\$ 482	\$ 519	\$ 546	\$ 539	N/A	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	1,591	1,511	1,477	1,402	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic Gains or Losses	(264)	(509)	(248)	-	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	-	(191)	-	-	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(912)	(803)	(690)	(695)	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Total Pension Liability	897	527	1,085	1,246	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, beginning	22,686	22,159	21,074	19,828	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, ending (a)	\$ 23,583	\$ 22,686	\$ 22,159	\$ 21,074	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position										
Employer Contributions	\$ 836	\$ 864	\$ 829	\$ 1,080	N/A	N/A	N/A	N/A	N/A	N/A
Member Contributions	489	515	446	447	N/A	N/A	N/A	N/A	N/A	N/A
Investment Income Net of Investment Expenses	794	82	55	671	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Expenses	(912)	(803)	(690)	(695)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(1)	(1)	(1)	(1)	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Fiduciary net Position	1,206	657	639	1,502	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, beginning	8,201	7,544	6,905	5,403	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net Position, ending (b)	\$ 9,407	\$ 8,201	\$ 7,544	\$ 6,905	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability, ending = (a) - (b)	14,176	14,485	14,615	14,169	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position as a % of Total Pension Liability	39.89%	36.15%	34.04%	32.77%	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 5,239	\$ 5,412	\$ 5,382	\$ 5,469	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	270.6%	267.6%	271.6%	259.1%	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Town Contributions
Last 10 Fiscal Years
Coventry Municipal Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 821,825	\$ 852,707	\$ 841,584	\$ 991,124	1,068,188	986,087	887,077	806,558	806,558	1,361,081
Contributions in relation to the actuarially determined contribution	835,741	864,293	829,250	1,080,077	773,054	559,077	442,837	550,000	550,000	784,442
Contribution deficiency/(excess)	(13,916)	(11,586)	12,334	(88,953)	295,134	427,010	444,240	256,558	256,558	576,639
Covered payroll per employee	5,239,342	5,412,437	5,382,148	5,469,059	5,289,322	5,486,026	5,275,025	N/A	5,191,876	N/A
Contributions as a percentage of covered-employee payroll	15.95%	15.97%	15.41%	19.75%	14.62%	10.19%	8.39%	N/A	10.59%	N/A

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Schedule of Investment Returns
Last 10 Fiscal Years
Coventry Municipal Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Annual money-weighted rate of return, net of investment expense	9.42%	1.04%	0.77%	11.76%	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

1.) 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.

2.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in Net Pension Liability and Related Ratios
Coventry Police Officers' Retirement Plan
(in 1,000s)

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service Cost	\$ 903	\$ 812	\$ 918	\$ 903	N/A	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	5,195	5,050	4,944	4,844	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Plan Changes	(1)	-	-	(12)	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic Gains or Losses	696	(379)	(938)	-	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	-	(111)	-	-	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(3,932)	(3,842)	(3,495)	(3,437)	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Total Pension Liability	2,861	1,530	1,429	2,298	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, beginning	75,239	73,709	72,280	69,982	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, ending (a)	<u>\$ 78,100</u>	<u>\$ 75,239</u>	<u>\$ 73,709</u>	<u>\$ 72,280</u>	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position										
Employer Contributions	\$ 4,716	\$ 4,620	\$ 4,152	\$ 4,564	N/A	N/A	N/A	N/A	N/A	N/A
Member Contributions	398	363	287	306	N/A	N/A	N/A	N/A	N/A	N/A
Investment Income Net of Investment Expenses	1,099	125	50	784	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Expenses	(3,932)	(3,842)	(3,495)	(3,437)	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(6)	(6)	(6)	(6)	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Fiduciary net Position	2,275	1,260	988	2,211	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, beginning	11,438	10,178	9,190	6,979	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net Position, ending (b)	<u>\$ 13,713</u>	<u>\$ 11,438</u>	<u>\$ 10,178</u>	<u>\$ 9,190</u>	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability, ending = (a) - (b)	\$ 64,387	\$ 63,801	\$ 63,531	\$ 63,090	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position as a % of Total Pension Liability	17.56%	15.20%	13.81%	12.71%	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 3,077	\$ 3,145	\$ 3,047	\$ 3,125	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	2092.5%	2028.6%	2085.0%	2018.9%	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Town Contributions
Last 10 Fiscal Years
Coventry Police Officers Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 4,656,200	\$ 4,565,873	\$ 4,495,252	\$ 4,481,020	4,784,708	3,530,006	3,278,626	3,084,953	3,084,953	4,071,928
Contributions in relation to the actuarially determined contribution	4,715,528	4,619,691	4,148,062	4,563,733	3,260,756	2,274,733	2,274,733	2,274,733	2,274,733	2,769,961
Contribution deficiency/(excess)	(59,328)	(53,818)	347,190	(82,713)	1,523,952	1,255,273	1,003,893	810,220	810,220	1,301,967
Covered payroll per employee	3,076,771	3,144,906	3,047,317	3,124,718	3,246,617	3,513,681	3,378,540	N/A	3,598,495	N/A
Contributions as a percentage of covered-employee payroll	153.26%	146.89%	136.12%	146.05%	100.44%	64.74%	67.33%	N/A	63.21%	N/A

Notes:

1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Schedule of Investment Returns
Last 10 Fiscal Years
Coventry Police Officers Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Annual money-weighted rate of return, net of investment expense	9.12%	1.15%	0.52%	10.81%	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- 1.) 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.
- 2.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Town Contributions
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 4,724,164	\$ 5,021,844	\$ 4,610,827	-	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	4,724,164	5,021,844	4,610,827	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	35,843,399	35,677,230	32,958,819	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	13.18%	14.08%	13.99%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- 1.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year-end.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of Coventry's Proportionate Share of Net Pension Liability
Last 10 Fiscal Years
State of Rhode Island Employees Retirement System

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Coventry proportion of the net pension liability	2.19178440%	2.18519050%	2.21656528%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension liability	\$ 65,393,587	\$ 60,158,353	\$ 53,951,207	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability associated with the school district	44,785,005	41,098,299	36,996,828	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total:	<u>\$ 110,178,592</u>	<u>\$ 101,256,652</u>	<u>\$ 90,948,035</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coventry covered payroll	35,843,399	35,677,230	32,958,819	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension liability as a percentage of it's covered employee payroll	182.44%	168.62%	163.69%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a % of the total pension liability	54.06%	57.55%	61.40%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Town of Coventry's Contributions
Teachers' Survivor Benefit Plan
Last 10 Fiscal Years

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Statutorily determined contribution	\$ 44,919	\$ 43,597	\$ 33,821	-	-	-	-	-	-	-
Contributions in relation to the actuarially determined contribution	44,919	43,597	33,821	-	-	-	-	-	-	-
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	35,843,399	35,677,230	32,958,819	-	-	-	-	-	-	-
Contributions as a percentage of covered-employee payroll	0.13%	0.12%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- 1.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year-end.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

Schedule of Coventry's Proportionate Share of Net Pension Liability (Asset)
Teachers' Survivor Benefit Plan
Last 10 Fiscal Years

	Fiscal Year Ending June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Coventry proportion of the net pension asset	7.08947564%	7.27798561%	7.41898361%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension asset	7,059,124	6,794,407	9,223,335	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coventry covered payroll	35,843,399	35,677,230	32,958,819	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coventry proportionate share of the net pension liability as a percentage of it's covered employee payroll	19.69%	19.04%	27.98%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a % of the total pension liability	153.3%	146.6%	173.3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- 1.) Employers participating in the Teachers' Survivor's Benefit Plan contribute at a rate established by the RI General Laws, Section 16-16-35.
- 2.) This schedule is intended to show information for 10 years - additional years will be displayed as they become available.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Changes in Net Pension Liability and Related Ratios
Coventry School Employees' Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service Cost	\$ 350,146	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on Total Pension Liability	2,011,572	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Differences between expected and actual experience	19,969	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(1,756,434)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Total Pension Liability	<u>625,253</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, beginning	<u>29,509,299</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Pension Liability, ending (a)	<u>\$ 30,134,552</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position										
Employer Contributions	\$ 1,157,788	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Member Contributions	463,321	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Investment Income	1,546,143	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Expenses	(1,756,434)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative Expenses	(149,427)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Fiduciary net Position	<u>1,261,391</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position, beginning	<u>11,201,349</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net Position, ending (b)	<u>\$ 12,462,740</u>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability, ending = (a) - (b)	17,671,812	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position as a % of Total Pension Liability	41.36%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 5,249,633	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of Covered Payroll	336.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:
1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

TOWN OF COVENTRY, RHODE ISLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017

Schedule of Town Contributions
Last 10 Fiscal Years
Coventry School Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 1,429,061	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the actuarially determined contribution	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency/(excess)	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered employee payroll	\$ 5,249,633	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:
1.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Schedule of Investment Returns
Last 10 Fiscal Years
Coventry School Employees Retirement Plan

	Fiscal Year Ending June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Annual money-weighted rate of return, net of investment expense	14.13%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:
1.) 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.
2.) This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2017

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	School Improvement Capital Fund	Town Capital Improvement Funds	Totals
ASSETS						
Cash	\$ 1,030,287	\$ 82,133	\$ 23,382	\$ -	\$ 10,999,750	\$ 12,135,552
Other receivables	-	26,215	15,380	-	-	41,595
Intergovernmental receivables	11,140	821,883	139,023	-	-	972,046
Due from other funds	671,213	434,988	3,331	284,800	481,096	1,875,428
Total assets	\$ 1,712,640	\$ 1,365,219	\$ 181,116	\$ 284,800	\$ 11,480,846	\$ 15,024,621
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 30,253	\$ 19,740	\$ 477,582	\$ -	\$ 5,824	\$ 533,399
Due to other funds	362,177	692,799	-	227,425	1,104,892	2,387,293
Accrued salaries	-	179,567	-	-	-	179,567
Unearned revenue	188,000	164	-	-	-	188,164
Total liabilities	580,430	892,270	477,582	227,425	1,110,716	3,288,423
Fund balances (deficits)						
<i>Restricted for:</i>						
Educational programs	-	501,685	-	-	-	501,685
Public safety programs	393,231	-	-	-	-	393,231
Culture and recreation	42,492	-	-	-	-	42,492
Health & human services	175,947	-	-	-	-	175,947
<i>Committed for:</i>						
Public works programs	54,312	-	-	-	10,806,070	10,860,382
Culture and recreation	810,749	-	-	-	-	810,749
Unassigned	(344,521)	(28,736)	(296,466)	57,375	(435,940)	(1,048,288)
Fund balances (deficits)	1,132,210	472,949	(296,466)	57,375	10,370,130	11,736,198
Total liabilities and fund balances	\$ 1,712,640	\$ 1,365,219	\$ 181,116	\$ 284,800	\$ 11,480,846	\$ 15,024,621

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance - Non-Major Governmental Funds
For the fiscal year ended June 30, 2017

	Special Revenue Restricted Town	Special Revenue Restricted School	School Food Service	School Improvement Capital Fund	Town Capital Improvement Funds	Totals
REVENUES						
Intergovernmental	\$ 1,302,791	\$ 2,492,122	\$ 698,748	\$ -	\$ -	\$ 4,493,661
Charges for service	72,641	-	737,313	-	-	809,954
Investment income	382,728	-	-	-	50,748	433,476
Contributions and private grants	11,288	-	-	-	-	11,288
Other	195,842	112,804	-	-	-	308,646
Total Revenues	1,965,290	2,604,926	1,436,061	-	50,748	6,057,025
EXPENDITURES						
Executive and administration	48,615	-	-	-	-	48,615
Public safety	86,474	-	-	-	-	86,474
Public works	223,069	-	-	-	145,478	368,547
Community and economic development	21,612	-	-	-	-	21,612
Health and human services	880,126	-	-	-	-	880,126
Education	-	2,764,541	1,467,320	-	-	4,231,861
Capital expenditures	86,972	-	-	-	2,372,874	2,459,846
Total Expenditures	1,346,868	2,764,541	1,467,320	-	2,518,352	8,097,081
Excess of revenues over (under) Expenditures	618,422	(159,615)	(31,259)	-	(2,467,604)	(2,040,056)
Other Financing Sources (uses)						
Operating transfers in	436,457	186,939	-	65,814	117,735	806,945
Operating transfers out	(27,323)	(186,939)	-	-	-	(214,262)
Debt issuance cost	-	-	-	-	(158,596)	(158,596)
Premium on issue of debt	-	-	-	-	305,292	305,292
Issuance of debt	-	-	-	-	5,522,129	5,522,129
Total other financing sources	409,134	-	-	65,814	5,786,560	6,261,508
Excess of revenues and other sources over (under) expenditures and other uses	1,027,556	(159,615)	(31,259)	65,814	3,318,956	4,221,452
FUND BALANCE - July 1, 2016	104,654	632,564	(265,207)	(8,439)	7,051,174	7,514,746
FUND BALANCE - June 30, 2017	\$ 1,132,210	\$ 472,949	\$ (296,466)	\$ 57,375	\$ 10,370,130	\$ 11,736,198

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	201 RIRRC Composting Grant	210 Friends of Human Services	211 Project Friends	225 Anthony Village	230 Bramley Grant	298 Legislative Grant Police	246 Mapleroot Cemetery
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	6	-	2,000
Due from other funds	-	4,000	101,666	-	3,239	-	2,100
Total assets	\$ -	\$ 4,000	\$ 101,666	\$ -	\$ 3,245	\$ -	\$ 4,100
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ 1,935	\$ -	\$ -	\$ 18,882	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	39	-	-	120	-
Total liabilities	1,935	-	39	18,882	-	120	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	3,245	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	4,000	101,627	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	4,100
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>							
	(1,935)	-	-	(18,882)	-	(120)	-
Total fund balances (deficits)	(1,935)	4,000	101,627	(18,882)	3,245	(120)	4,100
Total liabilities and fund balances	\$ -	\$ 4,000	\$ 101,666	\$ -	\$ 3,245	\$ -	\$ 4,100

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	255 Document Preservation	262 Drug Seizure Fund	265 Teen Center Operations	267 Byrne Grant	276 Resource Sharing	202 63 Isle of Capri
ASSETS						
Cash	\$ -	\$ 234,332	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-
Due from other funds	8,569	-	6,878	-	26,568	-
Total assets	\$ 8,569	\$ 234,332	\$ 6,878	\$ -	\$ 26,568	\$ -
LIABILITIES AND FUND BALANCES						
Liabilities						
Due to other funds	\$ -	\$ 9,181	\$ -	\$ 580	\$ -	\$ 4,320
Unearned revenue	-	188,000	-	-	-	-
Accounts payable	-	-	-	-	27,107	-
Total liabilities	-	197,181	-	580	27,107	4,320
Fund balances (deficits)						
<i>Restricted for:</i>						
Public safety programs	-	37,151	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Health and human services	8,569	-	6,878	-	-	-
<i>Committed for:</i>						
Public works programs	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
<i>Unassigned</i>						
	-	-	-	(580)	(539)	(4,320)
Total fund balances (deficits)	8,569	37,151	6,878	(580)	(539)	(4,320)
Total liabilities and fund balances	\$ 8,569	\$ 234,332	\$ 6,878	\$ -	\$ 26,568	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	164 Oaks Offsite Resurfacing	281 RIEMA Maple Valley & Franklin	282 RIEMA Industrial Drive	283 RIEMA Hammet Road	285 RIEMA Johnson Blvd Drainage	266 Library Playground	205 Legislative Grant Raptakis
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	50,000	-	-	-	-	2,429	501
Total assets	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 2,429	\$ 501
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ 18,296	\$ 7,990	\$ 6,462	\$ 24,577	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	2,429	500
Total liabilities	-	18,296	7,990	6,462	24,577	2,429	500
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	1
<i>Committed for:</i>							
Public works programs	50,000	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	(18,296)	(7,990)	(6,462)	(24,577)	-	-
Total fund balances (deficits)	50,000	(18,296)	(7,990)	(6,462)	(24,577)	-	1
Total liabilities and fund balances	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 2,429	\$ 501

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	165 National Grid Arnold Rd	290 Health & Wellness	303 Bulletproof Vests	306 DUI/Speed Click it or Ticket	289 Isle of Capri Road	309 US Fish & Wildlife Sandy Acre	310 Laurel Ave/ Anthony Mill River
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	7,374	-	-	-	-
Due from other funds	174,293	1,783	-	-	-	9,508	3,997
Total assets	\$ 174,293	\$ 1,783	\$ 7,374	\$ -	\$ -	\$ 9,508	\$ 3,997
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ -	\$ 7,374	\$ 7,666	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	-	7,374	7,666	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	174,293	-	-	-	-	-	3,997
Culture and recreation	-	-	-	-	-	9,508	-
Health and human services	-	1,783	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>							
	-	-	-	(7,666)	-	-	-
Total fund balances (deficits)	174,293	1,783	-	(7,666)	-	9,508	3,997
Total liabilities and fund balances	\$ 174,293	\$ 1,783	\$ 7,374	\$ -	\$ -	\$ 9,508	\$ 3,997

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	321 Federal Energy Grant I	322 MEDS Grant	109 Recycling Grant	326 Federal Energy Grant 2	327 Federal Energy Grant 3	332 Tropical Storm Irene 2011	204 Dual-Electric Charging Station
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	1,885	31,099	212	-	49,682	11,730	2,648
Total assets	\$ 1,885	\$ 31,099	\$ 212	\$ -	\$ 49,682	\$ 11,730	\$ 2,648
LIABILITIES AND FUND BALANCES							
Liabilities							
Due to other funds	\$ -	\$ -	\$ -	\$ 13,088	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-
Total liabilities	-	-	-	13,088	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Public safety programs	-	-	-	-	49,682	11,730	2,648
Culture and recreation	1,885	31,099	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
<i>Committed for:</i>							
Public works programs	-	-	212	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	(13,088)	-	-	-
Total fund balances (deficits)	1,885	31,099	212	(13,088)	49,682	11,730	2,648
Total liabilities and fund balances	\$ 1,885	\$ 31,099	\$ 212	\$ -	\$ 49,682	\$ 11,730	\$ 2,648

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	333		338		335		336		337		400		404
	RIDOT		Storm		EDA		Hurricane		Blizzard		Food		Fire District
	Leap Road		Juno		Flat River		Sandy		Nemo		Bank		EMA
	Resurfacing				Road								
ASSETS													
Cash	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$
Intergovernmental receivables		-		-		-		-		-		-	
Due from other funds		-		-		6,461		-		53,147		104,024	
Total assets	\$	-	\$	-	\$	6,461	\$	-	\$	53,147	\$	104,024	\$
LIABILITIES AND FUND BALANCES													
Liabilities													
Due to other funds	\$	197,267	\$	6,810	\$	-	\$	-	\$	21,263	\$	-	\$
Unearned revenue		-		-		-		-		-		-	
Accounts payable		-		-		-		-		58		-	
Total liabilities		197,267		6,810		-		-		21,263		58	
Fund balances (deficits)													
<i>Restricted for:</i>													
Public safety programs		-		-		-	6,461		-		-		104,024
Culture and recreation		-		-		-	-		-		-		-
Health and human services		-		-		-	-		-	53,089		-	
<i>Committed for:</i>													
Public works programs		-		-		-	-		-		-		-
Culture and recreation		-		-		-	-		-		-		-
<i>Unassigned</i>		<i>(197,267)</i>		<i>(6,810)</i>		<i>-</i>	<i>-</i>		<i>(21,263)</i>		<i>-</i>		<i>-</i>
Total fund balances (deficits)		(197,267)		(6,810)		-	6,461		(21,263)		53,089		104,024
Total liabilities and fund balances	\$	-	\$	-	\$	6,461	\$	-	\$	53,147	\$	104,024	\$

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Balance Sheet
June 30, 2017

	408 Faith in Action	420 Impact Fees	203,287 291 & 296 CDBG Funds	232 Hazard Mitigation	Total Special Revenue Revenue Town
ASSETS					
Cash	\$ -	\$ 795,955	\$ -	\$ -	\$ 1,030,287
Intergovernmental receivables	-	-	1,760	-	11,140
Due from other funds	10,120	4,674	-	-	671,213
Total assets	<u>\$ 10,120</u>	<u>\$ 800,629</u>	<u>\$ 1,760</u>	<u>\$ -</u>	<u>\$ 1,712,640</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Due to other funds	\$ -	\$ -	\$ 1,760	\$ 14,726	\$ 362,177
Unearned revenue	-	-	-	-	188,000
Accounts payable	-	-	-	-	30,253
Total liabilities	<u>-</u>	<u>-</u>	<u>1,760</u>	<u>14,726</u>	<u>580,430</u>
Fund balances (deficits)					
<i>Restricted for:</i>					
Public safety programs	-	-	-	-	393,231
Culture and recreation	-	-	-	-	42,492
Health and human services	-	-	-	-	175,947
<i>Committed for:</i>					
Public works programs	-	-	-	-	54,312
Culture and recreation	10,120	800,629	-	-	810,749
<i>Unassigned</i>	-	-	-	(14,726)	(344,521)
Total fund balances (deficits)	<u>10,120</u>	<u>800,629</u>	<u>-</u>	<u>(14,726)</u>	<u>1,132,210</u>
Total liabilities and fund balances	<u>\$ 10,120</u>	<u>\$ 800,629</u>	<u>\$ 1,760</u>	<u>\$ -</u>	<u>\$ 1,712,640</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	201 RIRRC Composting Grant	210 Friends of Human Services	211 Project Friends	225 Anthony Village	230 Bramley Grant	298 Legislative Grant Police	246 Mapleroot Cemetary
REVENUES							
Intergovernmental	\$ 6,605	\$ -	\$ 589,787	\$ -	\$ 12,236	\$ -	\$ 2,000
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	6,605	-	589,787	-	12,236	-	2,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	3,969	-	-	-	-	120	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	598,766	-	12,985	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	3,969	-	598,766	-	12,985	120	-
Excess of revenues over (under) Expenditures	2,636	-	(8,979)	-	(749)	(120)	2,000
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	2,636	-	(8,979)	-	(749)	(120)	2,000
FUND BALANCE - July 1, 2016	(4,571)	4,000	110,606	(18,882)	3,994	-	2,100
FUND BALANCE - June 30, 2017	\$ (1,935)	\$ 4,000	\$ 101,627	\$ (18,882)	\$ 3,245	\$ (120)	\$ 4,100

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	255 Document Preservation	262 Drug Seizure Fund	265 Teen Center Operations	267 Byrne Grant	276 Resource Sharing	202 62 Isle of Capri
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ 13,795	\$ 210,054	\$ 268,273
Charges for services	52,641	-	-	-	-	-
Investment income	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-
Other	-	20,753	-	-	-	-
Total Revenues	<u>52,641</u>	<u>20,753</u>	<u>-</u>	<u>13,795</u>	<u>210,054</u>	<u>268,273</u>
EXPENDITURES						
Executive and administration	43,957	-	-	-	-	-
Public safety	-	43,548	-	-	-	-
Public works	-	-	-	-	-	35,900
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	209,374	-
Culture & recreation	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-
Total Expenditures	<u>43,957</u>	<u>43,548</u>	<u>-</u>	<u>-</u>	<u>209,374</u>	<u>35,900</u>
Excess of revenues over (under) Expenditures	8,684	(22,795)	-	13,795	680	232,373
Other Financing Sources (uses)						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	8,684	(22,795)	-	13,795	680	232,373
FUND BALANCE - July 1, 2016	(115)	59,946	6,878	(14,375)	(1,219)	(236,693)
FUND BALANCE - June 30, 2017	<u>\$ 8,569</u>	<u>\$ 37,151</u>	<u>\$ 6,878</u>	<u>\$ (580)</u>	<u>\$ (539)</u>	<u>\$ (4,320)</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	164 Oaks Offsite Resurfacing	281 RIEMA Maple Valley & Franklin	282 RIEMA Industrial Drive	283 RIEMA Hammet Road	285 RIEMA Johnson Blvd Drainage	266 Library Playground	205 Legislative Grant Raptakis
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	1,601	-
Other	-	-	-	-	-	-	-
Total Revenues	-	-	-	-	-	1,601	5,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	4,520	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	16,601	5,000
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	4,520	-	-	16,601	5,000
Excess of revenues over (under) Expenditures	-	-	(4,520)	-	-	(15,000)	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(4,520)	-	-	(15,000)	-
FUND BALANCE - July 1, 2016	50,000	(18,296)	(3,470)	(6,462)	(24,577)	15,000	1
FUND BALANCE - June 30, 2017	\$ 50,000	\$ (18,296)	\$ (7,990)	\$ (6,462)	\$ (24,577)	\$ -	1

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	165 National Grid Arnold Rd	290 Health & Wellness	303 Bulletproof Vests	306 DUI/Speed Click it or Ticket	289 Isle of Capri Road	309 US Fish & Wildlife Sandy Acre	310 Laurel Ave/ Anthony Mill River
REVENUES							
Intergovernmental	\$ -	\$ -	\$ 7,374	\$ 28,226	\$ 3,895	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	174,293	-	-	-	-	796	-
Total Revenues	174,293	-	7,374	28,226	3,895	796	-
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	411	33,607	-	-	-
Public works	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	796	-
Total Expenditures	-	-	411	33,607	-	796	-
Excess of revenues over (under) Expenditures	174,293	-	6,963	(5,381)	3,895	-	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	174,293	-	6,963	(5,381)	3,895	-	-
FUND BALANCE - July 1, 2016	-	1,783	(6,963)	(2,285)	(3,895)	9,508	3,997
FUND BALANCE - June 30, 2017	\$ 174,293	\$ 1,783	\$ -	\$ (7,666)	\$ -	\$ 9,508	\$ 3,997

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	321 Federal Energy Grant I	322 MEDS Grant	109 Recycling Grant	326 Federal Energy Grant 2	327 Federal Energy Grant 3	332 Tropical Storm Irene 2011	204 Dual-Electric Charging Station
REVENUES							
Intergovernmental	\$ -	\$ 3,000	\$ 5,000	\$ -	\$ -	\$ -	\$ 15,000
Charges for services	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	-	3,000	5,000	-	-	-	15,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	4,658
Public safety	-	-	-	-	-	-	-
Public works	-	-	14,752	-	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	7,694
Total Expenditures	-	-	14,752	-	-	-	12,352
Excess of revenues over (under) Expenditures	-	3,000	(9,752)	-	-	-	2,648
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	3,000	(9,752)	-	-	-	2,648
FUND BALANCE - July 1, 2016	1,885	28,099	9,964	(13,088)	49,682	11,730	-
FUND BALANCE - June 30, 2017	\$ 1,885	\$ 31,099	\$ 212	\$ (13,088)	\$ 49,682	\$ 11,730	\$ 2,648

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	333 RIDOT Leap Road Resurfacing	338 Storm Juno	335 EDA Flat River Road	336 Hurricane Sandy	337 Blizzard Nemo	400 Food Bank	404 Fire District EMA
REVENUES							
Intergovernmental	\$ -	\$ 1,875	\$ -	\$ 10,358	\$ 76,650	\$ 13,173	\$ -
Charges for services	-	-	-	-	-	-	20,000
Investment income	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Revenues	-	1,875	-	10,358	76,650	13,173	20,000
EXPENDITURES							
Executive and administration	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	8,908
Public works	-	-	-	10,353	-	-	-
Community and economic development	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	27,065	-
Culture & recreation	-	-	-	-	-	-	-
Capital expenditures	-	-	-	-	-	-	-
Total Expenditures	-	-	-	10,353	-	27,065	8,908
Excess of revenues over (under) Expenditures	-	1,875	-	5	76,650	(13,892)	11,092
Other Financing Sources (uses)							
Operating transfers in	-	-	436,457	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	436,457	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	1,875	436,457	5	76,650	(13,892)	11,092
FUND BALANCE - July 1, 2016	(197,267)	(8,685)	(436,457)	6,456	(97,913)	66,981	92,932
FUND BALANCE - June 30, 2017	\$ (197,267)	\$ (6,810)	\$ -	\$ 6,461	\$ (21,263)	\$ 53,089	\$ 104,024

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted Town
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	408 Faith in Action	420 Impact Fees	203,287 291 & 296 CDBG Funds	232 Hazard Mitigation	TOTAL Special Revenue Restricted Town
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 25,581	\$ 4,909	\$ 1,302,791
Charges for services	-	-	-	-	72,641
Investment income	-	382,728	-	-	382,728
Contributions and private grants	9,687	-	-	-	11,288
Other	-	-	-	-	195,842
Total Revenues	<u>9,687</u>	<u>382,728</u>	<u>25,581</u>	<u>4,909</u>	<u>1,965,290</u>
EXPENDITURES					
Executive and administration	-	-	-	-	48,615
Public safety	-	-	-	-	86,474
Public works	-	133,820	-	19,635	223,069
Community and economic development	-	-	21,612	-	21,612
Health and human services	10,335	-	-	-	880,126
Culture & recreation	-	-	-	-	-
Capital expenditures	-	78,482	-	-	86,972
Total Expenditures	<u>10,335</u>	<u>212,302</u>	<u>21,612</u>	<u>19,635</u>	<u>1,346,868</u>
Excess of revenues over (under) Expenditures	(648)	170,426	3,969	(14,726)	618,422
Other Financing Sources (uses)					
Operating transfers in	-	-	-	-	436,457
Operating transfers out	-	(27,323)	-	-	(27,323)
Total other financing sources	<u>-</u>	<u>(27,323)</u>	<u>-</u>	<u>-</u>	<u>409,134</u>
Excess of revenues and other sources over (under) expenditures and other uses	(648)	143,103	3,969	(14,726)	1,027,556
FUND BALANCE - July 1, 2016	10,768	657,526	(3,969)	-	104,654
FUND BALANCE - June 30, 2017	<u>\$ 10,120</u>	<u>\$ 800,629</u>	<u>\$ -</u>	<u>\$ (14,726)</u>	<u>\$ 1,132,210</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	21011100 IDEA Part B	21011200 IDEA Pre School	21021100 Title I	21031100 Title II	21091100 Perkins Vocational Ed.	21091101 Perkins Odd Year	23692000 CS4RI
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Intergovernmental receivables	427,082	22,032	190,816	56,523	86,895	-	-
Due from other funds	-	-	-	-	-	-	1,408
Miscellaneous receivables	-	-	20	-	-	-	-
Total assets	\$ 427,082	\$ 22,032	\$ 190,836	\$ 56,523	\$ 86,895	\$ -	\$ 1,408
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 4,706	\$ -	\$ -	\$ -	\$ 8,670	\$ -	-
Due to other funds	364,001	18,603	124,221	32,867	68,461	-	-
Accrued salaries	58,375	3,429	66,615	23,656	12,829	-	-
Unearned Revenues	-	-	-	-	-	-	-
Total liabilities	427,082	22,032	190,836	56,523	89,960	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	-	-	-	-	-	1,408
<i>Unassigned</i>	-	-	-	-	(3,065)	-	-
Total fund balances (deficits)	-	-	-	-	(3,065)	-	1,408
Total liabilities and fund balances	\$ 427,082	\$ 22,032	\$ 190,836	\$ 56,523	\$ 86,895	\$ -	\$ 1,408

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	23682000	23112003	23523000	24012000	24040196	90000001	21334100
	CLEE Grant	Leg. Grant HH Art Club	Teacher Quality Recruitment	Champlin Advance Place	Environmental Systems Inst.	Direct Reimbursement	Q1 Pre-K Round 1
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ 82,133	\$ -	\$ -	\$ -
Intergovernmental receivables	22,725	-	-	-	-	-	-
Due from other funds	-	164	-	-	800	-	-
Miscellaneous receivables	-	-	-	-	-	5,380	-
Total assets	\$ 22,725	\$ 164	\$ -	\$ 82,133	\$ 800	\$ 5,380	\$ -
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	225	\$ -
Due to other funds	22,725	-	65	-	-	8,077	-
Accrued salaries	-	-	-	-	-	1,324	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	22,725	-	65	-	-	9,626	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	-	164	-	82,133	800	-	-
<i>Unassigned</i>	-	-	(65)	-	-	(4,246)	-
Total fund balances (deficits)	-	164	(65)	82,133	800	(4,246)	-
Total liabilities and fund balances	\$ 22,725	\$ 164	\$ -	\$ 82,133	\$ 800	\$ 5,380	\$ -

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	23671000 English Lang. Categorical	23112004 Leg. Grant WC Wireless	23112006 Western After School Academy	23142000 RISCA	23183000 RISCA Give Me 5	23183001 RISCA Big Yellow Bus	23183002 RISCA Arts Talk HS
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	1,099	-	-	-	-	-	-
Due from other funds	-	12	-	225	800	1,099	2,202
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 1,099	\$ 12	\$ -	\$ 225	\$ 800	\$ 1,099	\$ 2,202
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 710	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	169	-	3	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	879	-	3	-	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	220	12	-	225	800	1,099	2,202
<i>Unassigned</i>	-	-	(3)	-	-	-	-
Total fund balances (deficits)	220	12	(3)	225	800	1,099	2,202
Total liabilities and fund balances	\$ 1,099	\$ 12	\$ -	\$ 225	\$ 800	\$ 1,099	\$ 2,202

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	23523001 CCSS Math	23581000 CTE Categorical Fund	23581001 CTE Categorical Fund - Even Year	23582000 CTE Categorical Fund 2	23582001 CTE Develop. & Implement	24012004 Feinstein	24012005 Feinstein Comm. Support
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	35	160,240	11,326	9,331	13,776	112,230	10,315
Miscellaneous receivables	-	-	-	-	-	2,000	-
Total assets	\$ 35	\$ 160,240	\$ 11,326	\$ 9,331	\$ 13,776	\$ 114,230	\$ 10,315
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ 1,156	\$ 1,102	\$ -	\$ 3,171	\$ -
Due to other funds	-	-	-	-	-	-	-
Accrued salaries	-	-	10,170	-	3,104	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	-	-	11,326	1,102	3,104	3,171	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	35	160,240	-	8,229	10,672	111,059	10,315
<i>Unassigned</i>	-	-	-	-	-	-	-
Total fund balances (deficits)	35	160,240	-	8,229	10,672	111,059	10,315
Total liabilities and fund balances	\$ 35	\$ 160,240	\$ 11,326	\$ 9,331	\$ 13,776	\$ 114,230	\$ 10,315

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	24012009 United Way	24012024 Feinstein Restricted Fund	24012035 Amgen	24012044 CPEF Fund	24012072 Whole Kids Foundation	24030023 Kids Consortium	24030052 Schwab Scholarship
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	436	-	663	-	164	224	575
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 436	\$ -	\$ 663	\$ -	\$ 164	\$ 224	\$ 575
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	2,496	-	2,779	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	164	-	-
Total liabilities	-	2,496	-	2,779	164	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	436	-	663	-	-	224	575
<i>Unassigned</i>	-	(2,496)	-	(2,779)	-	-	-
Total fund balances (deficits)	436	(2,496)	663	(2,779)	-	224	575
Total liabilities and fund balances	\$ 436	\$ -	\$ 663	\$ -	\$ 164	\$ 224	\$ 575

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	24040059 New England Dairy & Food	23682002 RI Learning Champions	24050005 Transportation Fundraiser	24050006 Learn & Serve Raffle	24050008 Athletic Field Fund	24050037 Sports Program	21162100 Fresh Fruits and Vegetables
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	1,211	527	-	-	-	-	-
Due from other funds	4,369	-	2,047	185	7,501	-	-
Miscellaneous receivables	-	-	-	-	-	15,484	3,331
Total assets	\$ 5,580	\$ 527	\$ 2,047	\$ 185	\$ 7,501	\$ 15,484	\$ 3,331
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	527	-	-	-	24,598	3,331
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	-	527	-	-	-	24,598	3,331
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	5,580	-	2,047	185	7,501	-	-
<i>Unassigned</i>	-	-	-	-	-	(9,114)	-
Total fund balances (deficits)	5,580	-	2,047	185	7,501	(9,114)	-
Total liabilities and fund balances	\$ 5,580	\$ 527	\$ 2,047	\$ 185	\$ 7,501	\$ 15,484	\$ 3,331

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	24012006	24012008	32000004	24040172	24030061	60020000	60060000
	Kiducation	RI Foundation	WCI Wireless Class.	NE Secondary Sch. Consortium	LISC	Adult Ed	Remedial Summer School
ASSETS							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivables	-	-	-	-	-	-	-
Due from other funds	258	37	-	265	13	72,114	21,207
Miscellaneous receivables	-	-	-	-	-	-	-
Total assets	\$ 258	\$ 37	\$ -	\$ 265	\$ 13	\$ 72,114	\$ 21,207
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	6,968	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-
Total liabilities	-	-	6,968	-	-	-	-
Fund balances (deficits)							
<i>Restricted for:</i>							
Educational programs	258	37	-	265	13	72,114	21,207
<i>Unassigned</i>	-	-	(6,968)	-	-	-	-
Total fund balances (deficits)	258	37	(6,968)	265	13	72,114	21,207
Total liabilities and fund balances	\$ 258	\$ 37	\$ -	\$ 265	\$ 13	\$ 72,114	\$ 21,207

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Balance Sheet
June 30, 2017

	21092101	24012025	24040010		Total
	VTA Grant Rev.	Feinstein 2014	RI Center	for the Arts	Spec. Revenue
					Restricted School
ASSETS					
Cash	\$ -	\$ -	\$ -	-	82,133
Intergovernmental receivables	12,973	-	-	-	821,883
Due from other funds	-	381	586	-	434,988
Miscellaneous receivables	-	-	-	-	26,215
Total assets	\$ 12,973	\$ 381	\$ 586	-	\$ 1,365,219
 LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	-	\$ 19,740
Due to other funds	12,908	-	-	-	692,799
Accrued salaries	65	-	-	-	179,567
Unearned Revenue	-	-	-	-	164
Total liabilities	12,973	-	-	-	892,270
 Fund balances (deficits)					
<i>Restricted for:</i>					
Educational programs	-	381	586	-	501,685
<i>Unassigned</i>	-	-	-	-	(28,736)
Total fund balances (deficits)	-	381	586	-	472,949
Total liabilities and fund balances	\$ 12,973	\$ 381	\$ 586	-	\$ 1,365,219

(concluded)

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
and Changes in Fund Balance**

	21011100 IDEA Part B	21011200 IDEA Pre School	21021100 Title I	21031100 Title II	21091100 Perkins Vocational Ed.	21091101 Perkins Odd Year	23692000 CS4RI
REVENUES							
Federal Grants	\$ 1,211,917	\$ 36,014	\$ 531,465	\$ 204,550	\$ 230,350	\$ -	\$ -
State Grants	-	-	-	-	-	-	6,840
Other	-	-	-	-	-	126	-
Total revenues	1,211,917	36,014	531,465	204,550	230,350	126	6,840
EXPENDITURES							
Salaries	815,479	17,837	388,575	154,502	74,531	-	-
Employee benefits	288,872	4,679	120,292	50,048	39,333	-	-
Purchased services	36,381	-	4,397	-	75,604	-	5,432
Supplies and materials	66,875	9,568	18,201	-	26,789	-	-
Property and equipment	4,310	3,930	-	-	9,530	-	-
Capital expenses	-	-	-	-	4,407	-	-
Total expenditures	1,211,917	36,014	531,465	204,550	230,194	-	5,432
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	156	126	1,408
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-	-	156	126	1,408
FUND BALANCE - July 1, 2016	-	-	-	-	(3,221)	(126)	-
FUND BALANCE - June 30, 2017	\$ -	\$ -	\$ -	\$ -	\$ (3,065)	\$ -	\$ 1,408

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	23682000	23112003	23523000	24012000	24040196	90000001	21334100
	CLEE Grant	Leg. Grant HH Art Club	Teacher Quality Recruitment	Champlin Advance Place	Environmental Systems Inst.	Direct Reimbursement	Q1 Pre-K Round 1
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	22,725	-	-	-	-	-	-
Other	-	-	-	82,133	1,000	5,382	-
Total revenues	<u>22,725</u>	<u>-</u>	<u>-</u>	<u>82,133</u>	<u>1,000</u>	<u>5,382</u>	<u>-</u>
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	22,725	-	-	-	200	3,593	-
Supplies and materials	-	-	-	-	-	-	209
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>22,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>3,593</u>	<u>209</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	82,133	800	1,789	(209)
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-	82,133	800	1,789	(209)
FUND BALANCE - July 1, 2016	-	164	(65)	-	-	(6,035)	209
FUND BALANCE - June 30, 2017	<u>\$ -</u>	<u>\$ 164</u>	<u>\$ (65)</u>	<u>\$ 82,133</u>	<u>\$ 800</u>	<u>\$ (4,246)</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	23671000 English Lang. Categorical	23112004 Leg. Grant WC Wireless	23112006 Western After School Academy	23142000 RISCA	23183000 RISCA Give Me 5	23183001 RISCA Big Yellow Bus	23183002 RISCA Arts Talk HS
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	1,099	-	-	-	-	1,600	1,880
Other	-	-	-	-	-	-	-
Total revenues	<u>1,099</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,600</u>	<u>1,880</u>
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	1,112	1,065
Supplies and materials	879	-	-	-	-	-	524
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>879</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,112</u>	<u>1,589</u>
Excess (deficiency) of revenues over (under) expenditures	220	-	-	-	-	488	291
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	220	-	-	-	-	488	291
FUND BALANCE - July 1, 2016	-	12	(3)	225	800	611	1,911
FUND BALANCE - June 30, 2017	<u>\$ 220</u>	<u>\$ 12</u>	<u>\$ (3)</u>	<u>\$ 225</u>	<u>\$ 800</u>	<u>\$ 1,099</u>	<u>\$ 2,202</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	23523001 CCSS Math	23581000 CTE Categorical Fund	23581001 CTE Categorical Fund - Even Yr.	23582000 CTE Categorical Fund 2	23582001 CTE Develop. & Implement	24012004 Feinstein	24012005 Feinstein Comm. Support
REVENUES							
Federal Grants	\$ -	\$ 195,238	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	-	195,238	-	-	-	-	-
EXPENDITURES							
Salaries	-	-	44,761	100	21,394	160	-
Employee benefits	-	-	19,436	1	4,168	7	-
Purchased services	-	-	7,500	3,600	34,246	31,070	-
Supplies and materials	-	-	-	16,053	8,730	25,781	-
Property and equipment	-	-	-	63,231	133,353	20,623	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	-	-	71,697	82,985	201,891	77,641	-
Excess (deficiency) of revenues over (under) expenditures	-	195,238	(71,697)	(82,985)	(201,891)	(77,641)	-
Other Financing Sources (uses)							
Operating transfers in	-	-	34,998	-	149,241	-	-
Operating transfers out	-	(34,998)	-	(149,241)	-	(2,700)	-
Total other financing sources	-	(34,998)	34,998	(149,241)	149,241	(2,700)	-
Excess of revenues and other sources over (under) expenditures and other uses	-	160,240	(36,699)	(232,226)	(52,650)	(80,341)	-
FUND BALANCE - July 1, 2016	35	-	36,699	240,455	63,322	191,400	10,315
FUND BALANCE - June 30, 2017	\$ 35	\$ 160,240	\$ -	\$ 8,229	\$ 10,672	\$ 111,059	\$ 10,315

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	24012009 United Way	24012024 Feinstein Restricted Fund	24012035 Amgen	24012044 CPEF Fund	24012072 Whole Kids Foundation	24030023 Kids Consortium	24030052 Schwab Scholarship
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-
EXPENDITURES							
Salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Purchased services	-	-	-	-	-	-	-
Supplies and materials	-	-	-	994	-	-	-
Property and equipment	-	2,496	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	-	2,496	-	994	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	(2,496)	-	(994)	-	-	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	(2,496)	-	(994)	-	-	-
FUND BALANCE - July 1, 2016	436	-	663	(1,785)	-	224	575
FUND BALANCE - June 30, 2017	\$ 436	\$ (2,496)	\$ 663	\$ (2,779)	\$ -	\$ 224	\$ 575

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	24040059 New England Diary & Food	23682002 RI Learning Champions	24050005 Transportation Fundraiser	24050006 Learn & Serve Raffle	24050008 Athletic Field Fund	24050037 Sports Program	21162100 Fresh Fruits and Vegetables
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,817
State Grants	-	527	-	-	-	-	-
Other	3,000	-	-	-	-	12,508	-
Total revenues	<u>3,000</u>	<u>527</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,508</u>	<u>7,817</u>
EXPENDITURES							
Salaries	-	490	-	-	-	9,601	-
Employee benefits	-	37	-	-	-	563	-
Purchased services	-	-	-	-	-	4,376	-
Supplies and materials	-	-	-	-	-	527	7,817
Property and equipment	1,849	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	141	-
Total expenditures	<u>1,849</u>	<u>527</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,208</u>	<u>7,817</u>
Excess (deficiency) of revenues over (under) expenditures	1,151	-	-	-	-	(2,700)	-
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	2,700	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	1,151	-	-	-	-	-	-
FUND BALANCE - July 1, 2016	4,429	-	2,047	185	7,501	(9,114)	-
FUND BALANCE - June 30, 2017	<u>\$ 5,580</u>	<u>\$ -</u>	<u>\$ 2,047</u>	<u>\$ 185</u>	<u>\$ 7,501</u>	<u>\$ (9,114)</u>	<u>\$ -</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	24012006	24012008	32000004	24040172	24030061	60020000	60060000
	Kiducation	RI Foundation	WCI Wireless Class.	NE Secondary Sch. Consortium	LISC	Adult Education	Remedial Summer School
REVENUES							
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Grants	-	-	-	-	-	-	-
Other	225	-	-	-	-	8,430	-
Total revenues	<u>225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,430</u>	<u>-</u>
EXPENDITURES							
Salaries	-	-	-	6,210	-	-	-
Employee benefits	-	-	-	469	-	-	-
Purchased services	-	-	-	4,407	-	-	-
Supplies and materials	-	-	-	141	-	-	230
Property and equipment	-	-	-	-	-	-	-
Capital expenses	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,227</u>	<u>-</u>	<u>-</u>	<u>230</u>
Excess (deficiency) of revenues over (under) expenditures	225	-	-	(11,227)	-	8,430	(230)
Other Financing Sources (uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	225	-	-	(11,227)	-	8,430	(230)
FUND BALANCE - July 1, 2016	33	37	(6,968)	11,492	13	63,684	21,437
FUND BALANCE - June 30, 2017	<u>\$ 258</u>	<u>\$ 37</u>	<u>\$ (6,968)</u>	<u>\$ 265</u>	<u>\$ 13</u>	<u>\$ 72,114</u>	<u>\$ 21,207</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Special Revenue Restricted School
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	<u>21092101</u>	<u>24012025</u>	<u>24040010</u>	<u>Total</u>
	<u>VTA Grant Rev.</u>	<u>Feinstein 2014</u>	<u>RI Center</u>	<u>Special Revenue</u>
			<u>for the Arts</u>	<u>Restricted School</u>
REVENUES				
Federal Grants	\$ 40,100	\$ -	\$ -	\$ 2,457,451
State Grants	-	-	-	34,671
Other	-	-	-	112,804
Total revenues	<u>40,100</u>	<u>-</u>	<u>-</u>	<u>2,604,926</u>
EXPENDITURES				
Salaries	34,474	-	-	1,568,114
Employee benefits	751	-	-	528,656
Purchased services	336	-	-	236,044
Supplies and materials	4,539	-	-	187,857
Property and equipment	-	-	-	239,322
Capital expenses	-	-	-	4,548
Total expenditures	<u>40,100</u>	<u>-</u>	<u>-</u>	<u>2,764,541</u>
Excess (deficiency) of revenues over				
(under) expenditures	-	-	-	(159,615)
Other Financing Sources (uses)				
Operating transfers in	-	-	-	186,939
Operating transfers out	-	-	-	(186,939)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over				
(under) expenditures and other uses	-	-	-	(159,615)
FUND BALANCE - July 1, 2016	<u>-</u>	<u>381</u>	<u>586</u>	<u>632,564</u>
FUND BALANCE - June 30, 2017	<u>\$ -</u>	<u>\$ 381</u>	<u>\$ 586</u>	<u>\$ 472,949</u>

(concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2017

	184 Police Human Services	128 Capital Improvement Fund 17	122 Capital Improvement Fund 12	124 RIHEBC Capital Fund	125 2013-2014 School Capital	185 Bus Yard School	123 Capital Improvement Fund 14	175 High School AC Unit
ASSETS								
Cash	\$ 5,154,239	\$ -	\$ -	\$ 76,396	\$ -	\$ -	\$ -	\$ -
Due from other funds	-	90,412	-	-	19,356	-	90,606	-
Total assets	\$ 5,154,239	\$ 90,412	\$ -	\$ 76,396	\$ 19,356	\$ -	\$ 90,606	\$ -
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 615	\$ -	\$ -
Due to other funds	-	-	372,937	-	-	-	-	3,957
Total liabilities	-	-	372,937	-	-	615	-	3,957
Fund balances (deficits)								
<i>Committed for:</i>								
Public works programs	5,154,239	90,412	-	76,396	19,356	-	90,606	-
<i>Reserved for:</i>								
Education programs	-	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	(372,937)	-	-	(615)	-	(3,957)
Total fund balances (deficits)	5,154,239	90,412	(372,937)	76,396	19,356	(615)	90,606	(3,957)
Total liabilities and fund balances	\$ 5,154,239	\$ 90,412	\$ -	\$ 76,396	\$ 19,356	\$ -	\$ 90,606	\$ -

continued

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2017**

	126 Capital Program Fund 15-16	127 Capital Improvement Fund 2016	179 Road Bond Fund 2016	180 Automated Collection Bond Fund 2016	181 Upper Pond Dam Repair 2016	563 Landfill Remediation Bond 2016	297 Hammet Road Island Drive	32000005 School Impact Fees
ASSETS								
Cash	\$ -	\$ -	\$ 3,257,275	\$ 47,024	\$ 526,735	\$ 1,017,880	\$ -	\$ -
Due from other funds	23,983	86,513	-	-	-	-	-	-
Total assets	<u>\$ 23,983</u>	<u>\$ 86,513</u>	<u>\$ 3,257,275</u>	<u>\$ 47,024</u>	<u>\$ 526,735</u>	<u>\$ 1,017,880</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,209	\$ -	\$ -
Due to other funds	-	-	-	45,403	-	538,532	56,342	2,089
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,403</u>	<u>-</u>	<u>543,741</u>	<u>56,342</u>	<u>2,089</u>
Fund balances (deficits)								
<i>Committed for:</i>								
Public works programs	23,983	86,513	3,257,275	1,621	526,735	474,139	-	-
<i>Reserved for:</i>								
Education programs	-	-	-	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	-	-	(56,342)	(2,089)
Total fund balances (deficits)	<u>23,983</u>	<u>86,513</u>	<u>3,257,275</u>	<u>1,621</u>	<u>526,735</u>	<u>474,139</u>	<u>(56,342)</u>	<u>(2,089)</u>
Total liabilities and fund balances	<u>\$ 23,983</u>	<u>\$ 86,513</u>	<u>\$ 3,257,275</u>	<u>\$ 47,024</u>	<u>\$ 526,735</u>	<u>\$ 1,017,880</u>	<u>\$ -</u>	<u>\$ -</u>

continued

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Balance Sheet
June 30, 2017**

	<u>176 Energy Bond</u>	<u>177 Road Bond</u>	<u>178 Refuse Collection Bond</u>	<u>182 Automated Collection Bond</u>	<u>Total Capital Projects</u>
ASSETS					
Cash	\$ 222,848	\$ 584,206	\$ 98,098	\$ 15,049	\$ 10,999,750
Due from other funds	-	170,226	-	-	481,096
Total assets	<u>\$ 222,848</u>	<u>\$ 754,432</u>	<u>\$ 98,098</u>	<u>\$ 15,049</u>	<u>\$ 11,480,846</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,824
Due to other funds	-	-	85,632	-	1,104,892
Total liabilities	<u>-</u>	<u>-</u>	<u>85,632</u>	<u>-</u>	<u>1,110,716</u>
Fund balances (deficits)					
<i>Committed for:</i>					
Public works programs	222,848	754,432	12,466	15,049	10,806,070
<i>Reserved for:</i>					
Education programs	-	-	-	-	-
<i>Unassigned</i>	-	-	-	-	(435,940)
Total fund balances (deficits)	<u>222,848</u>	<u>754,432</u>	<u>12,466</u>	<u>15,049</u>	<u>10,370,130</u>
Total liabilities and fund balances	<u>\$ 222,848</u>	<u>\$ 754,432</u>	<u>\$ 98,098</u>	<u>\$ 15,049</u>	<u>\$ 11,480,846</u>

concluded

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	184 Police Human Services	128 Capital Improvement Fund 17	122 Capital Improvement Fund 12	124 RIHEBC Capital Fund	125 2013-2014 School Capital	185 Bus Yard School	123 Capital Improvement Fund 14	175 High School AC Unit
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	7,590	-	-	-	-	-	-	-
Total revenues	<u>7,590</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Non- capital	-	-	-	250	2,112	615	-	-
Capital	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>2,112</u>	<u>615</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) Expenditures	7,590	-	-	(250)	(2,112)	(615)	-	-
Other Financing Sources (uses)								
Operating transfers in	-	90,412	-	-	-	-	-	-
Cost of issuance	(152,657)	-	-	-	-	-	-	-
Premium on issue	299,306	-	-	-	-	-	-	-
Issuance of debt	5,000,000	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>5,146,649</u>	<u>90,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	5,154,239	90,412	-	(250)	(2,112)	(615)	-	-
FUND BALANCE - July 1, 2016	<u>-</u>	<u>-</u>	<u>(372,937)</u>	<u>76,646</u>	<u>21,468</u>	<u>-</u>	<u>90,606</u>	<u>(3,957)</u>
FUND BALANCE - June 30, 2017	<u>\$ 5,154,239</u>	<u>\$ 90,412</u>	<u>\$ (372,937)</u>	<u>\$ 76,396</u>	<u>\$ 19,356</u>	<u>\$ (615)</u>	<u>\$ 90,606</u>	<u>\$ (3,957)</u>

continued

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	126 Capital Program Fund 15-16	127 Capital Improvement Fund 2016	179 Road Bond Fund 2016	180 Automated Collection Bond Fund 2016	181 Upper Pond Dam Repair 2016	563 Landfill Remediation Bond 2016	297 Hammet Road Island Drive	32000005 School Impact Fees
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	21,103	47	3,477	6,921	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>21,103</u>	<u>47</u>	<u>3,477</u>	<u>6,921</u>	<u>-</u>	<u>-</u>
EXPENDITURES								
Non- capital	-	-	-	-	10,599	71,909	-	7,586
Capital	-	71,200	-	-	-	-	478,471	-
Total expenditures	<u>-</u>	<u>71,200</u>	<u>-</u>	<u>-</u>	<u>10,599</u>	<u>71,909</u>	<u>478,471</u>	<u>7,586</u>
Excess of revenues over (under) Expenditures	-	(71,200)	21,103	47	(7,122)	(64,988)	(478,471)	(7,586)
Other Financing Sources (uses)								
Operating transfers in	-	-	-	-	-	-	-	27,323
Cost of issuance	-	-	-	-	-	-	-	-
Premium on issue	-	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	422,129	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>422,129</u>	<u>27,323</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	(71,200)	21,103	47	(7,122)	(64,988)	(56,342)	19,737
FUND BALANCE - July 1, 2016	<u>23,983</u>	<u>157,713</u>	<u>3,236,172</u>	<u>1,574</u>	<u>533,857</u>	<u>539,127</u>	<u>-</u>	<u>(21,826)</u>
FUND BALANCE - June 30, 2017	<u>\$ 23,983</u>	<u>\$ 86,513</u>	<u>\$ 3,257,275</u>	<u>\$ 1,621</u>	<u>\$ 526,735</u>	<u>\$ 474,139</u>	<u>\$ (56,342)</u>	<u>\$ (2,089)</u>

continued

TOWN OF COVENTRY, RHODE ISLAND
Capital Project Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017

	176 Energy Bond	177 Road Bond	178 Refuse Collection Bond	182 Automated Collection Bond	TOTAL Capital Projects
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	1,526	9,965	98	21	50,748
Total revenues	<u>1,526</u>	<u>9,965</u>	<u>98</u>	<u>21</u>	<u>50,748</u>
EXPENDITURES					
Non- capital	13,707	-	-	38,700	145,478
Capital	7,725	1,815,478	-	-	2,372,874
Total expenditures	<u>21,432</u>	<u>1,815,478</u>	<u>-</u>	<u>38,700</u>	<u>2,518,352</u>
Excess of revenues over (under) Expenditures	(19,906)	(1,805,513)	98	(38,679)	(2,467,604)
Other Financing Sources (uses)					
Operating transfers in	-	-	-	-	117,735
Cost of issuance	-	-	-	(5,939)	(158,596)
Premium on issue	-	-	-	5,986	305,292
Issuance of debt	-	-	-	100,000	5,522,129
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,047</u>	<u>5,786,560</u>
Excess of revenues and other sources over (under) expenditures and other uses	(19,906)	(1,805,513)	98	61,368	3,318,956
FUND BALANCE - July 1, 2016	<u>242,754</u>	<u>2,559,945</u>	<u>12,368</u>	<u>(46,319)</u>	<u>7,051,174</u>
FUND BALANCE - June 30, 2017	<u>\$ 222,848</u>	<u>\$ 754,432</u>	<u>\$ 12,466</u>	<u>\$ 15,049</u>	<u>\$ 10,370,130</u>

concluded

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Private Purpose Trust Funds
Combining Balance Sheet
June 30, 2017

	Waterman Fund	Fiske Fund	Cemetery Fund	Total
ASSETS				
Cash	\$ 453,582	\$ 4,079	\$ 4,146	\$ 461,807
Investments	2,139,929	265,690	43,041	2,448,660
Due from other funds	293,348	3,097	-	296,445
Total assets	\$ 2,886,859	\$ 272,866	\$ 47,187	\$ 3,206,912
LIABILITIES				
Due to other funds	\$ -	\$ -	\$ 90,000	\$ 90,000
Total liabilities	-	-	90,000	90,000
FUND BALANCES				
Unreserved	2,886,859	272,866	(42,813)	3,116,912
Total fund balances (deficits)	2,886,859	272,866	(42,813)	3,116,912
Total liabilities and fund balances	\$ 2,886,859	\$ 272,866	\$ 47,187	\$ 3,206,912

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Private Purpose Trust Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the fiscal year ended June 30, 2017**

	600 Waterman Fund	601 Fiske Fund	602 Cemetery Fund	Total
REVENUES				
Investment income	\$ 44,721	\$ 3,781	\$ -	\$ 48,502
Net increase(decrease) in fair value of investments	175,730	21,806	8,300	205,836
Total Revenues	<u>220,451</u>	<u>25,587</u>	<u>8,300</u>	<u>254,338</u>
EXPENDITURES				
Social services	22,622	989	-	23,611
Total Expenditures	<u>22,622</u>	<u>989</u>	<u>-</u>	<u>23,611</u>
Excess of revenues over (under) Expenditures	197,829	24,598	8,300	230,727
Other Financing Sources (Uses)				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	197,829	24,598	8,300	230,727
FUND BALANCE - July 1, 2016	<u>2,689,030</u>	<u>248,268</u>	<u>(51,113)</u>	<u>2,886,185</u>
FUND BALANCE - June 30, 2017	<u>\$ 2,886,859</u>	<u>\$ 272,866</u>	<u>\$ (42,813)</u>	<u>\$ 3,116,912</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds - Town
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
PARKS & RECREATION				
Assets				
Cash	\$ 15,006	\$ 215,307	\$ 101,497	\$ 128,816
Total assets	<u>\$ 15,006</u>	<u>\$ 215,307</u>	<u>\$ 101,497</u>	<u>\$ 128,816</u>
Liabilities				
Deposits held in custody for others	\$ 15,006	\$ 215,307	\$ 101,497	\$ 128,816
Total liabilities	<u>\$ 15,006</u>	<u>\$ 215,307</u>	<u>\$ 101,497</u>	<u>\$ 128,816</u>
 PERFORMANCE BONDS				
Assets				
Cash	\$ 1,175,147	\$ 97,431	\$ -	\$ 1,272,578
Total assets	<u>\$ 1,175,147</u>	<u>\$ 97,431</u>	<u>\$ -</u>	<u>\$ 1,272,578</u>
Liabilities				
Deposits held in custody for others	\$ 1,175,147	\$ 97,431	\$ -	\$ 1,272,578
Total liabilities	<u>\$ 1,175,147</u>	<u>\$ 97,431</u>	<u>\$ -</u>	<u>\$ 1,272,578</u>
 TOTAL				
Assets				
Cash	\$ 1,190,153	\$ 312,738	\$ 101,497	\$ 1,401,394
Total assets	<u>\$ 1,190,153</u>	<u>\$ 312,738</u>	<u>\$ 101,497</u>	<u>\$ 1,401,394</u>
Liabilities				
Deposits held in custody for others	\$ 1,190,153	\$ 312,738	\$ 101,497	\$ 1,401,394
Total liabilities	<u>\$ 1,190,153</u>	<u>\$ 312,738</u>	<u>\$ 101,497</u>	<u>\$ 1,401,394</u>

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
COVENTRY HIGH SCHOOL				
Assets				
Cash	\$ 143,186	\$ 275,964	\$ 265,984	\$ 153,166
Total assets	<u>\$ 143,186</u>	<u>\$ 275,964</u>	<u>\$ 265,984</u>	<u>\$ 153,166</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	143,186	275,964	265,984	153,166
Total liabilities	<u>\$ 143,186</u>	<u>\$ 275,964</u>	<u>\$ 265,984</u>	<u>\$ 153,166</u>
FEINSTEIN MIDDLE SCHOOL				
Assets				
Cash	\$ 121,179	\$ 195,189	\$ 220,560	\$ 95,808
Total assets	<u>\$ 121,179</u>	<u>\$ 195,189</u>	<u>\$ 220,560</u>	<u>\$ 95,808</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	121,179	195,189	220,560	95,808
Total liabilities	<u>\$ 121,179</u>	<u>\$ 195,189</u>	<u>\$ 220,560</u>	<u>\$ 95,808</u>
CULINARY ARTS SCHOLARSHIP FUND				
Assets				
Cash	\$ 11,925	\$ 28	\$ -	\$ 11,953
Total assets	<u>\$ 11,925</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 11,953</u>
Liabilities				
Deposits held in custody for others	\$ 11,925	\$ 28	\$ -	\$ 11,953
Total liabilities	<u>\$ 11,925</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 11,953</u>
HOPKINS HILL				
Assets				
Cash	\$ 15,774	\$ 23,779	\$ 18,415	\$ 21,138
Total assets	<u>\$ 15,774</u>	<u>\$ 23,779</u>	<u>\$ 18,415</u>	<u>\$ 21,138</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	15,774	23,779	18,415	21,138
Total liabilities	<u>\$ 15,774</u>	<u>\$ 23,779</u>	<u>\$ 18,415</u>	<u>\$ 21,138</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
BLACK ROCK				
Assets				
Cash	\$ 16,590	\$ 21,135	\$ 13,591	\$ 24,134
Total assets	<u>\$ 16,590</u>	<u>\$ 21,135</u>	<u>\$ 13,591</u>	<u>\$ 24,134</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	16,590	21,135	13,591	24,134
Total liabilities	<u>\$ 16,590</u>	<u>\$ 21,135</u>	<u>\$ 13,591</u>	<u>\$ 24,134</u>
OAK HAVEN				
Assets				
Cash	\$ 1,020	\$ -	\$ -	\$ 1,020
Total assets	<u>\$ 1,020</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,020</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	1,020	-	-	1,020
Total liabilities	<u>\$ 1,020</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,020</u>
REGIONAL CAREER & TECH CTR				
Assets				
Cash	\$ 49,104	\$ 106,307	\$ 101,125	\$ 54,286
Total assets	<u>\$ 49,104</u>	<u>\$ 106,307</u>	<u>\$ 101,125</u>	<u>\$ 54,286</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	49,104	106,307	101,125	54,286
Total liabilities	<u>\$ 49,104</u>	<u>\$ 106,307</u>	<u>\$ 101,125</u>	<u>\$ 54,286</u>
TIOGUE SCHOOL				
Assets				
Cash	\$ 12,540	\$ 28,376	\$ 32,004	\$ 8,912
Total assets	<u>\$ 12,540</u>	<u>\$ 28,376</u>	<u>\$ 32,004</u>	<u>\$ 8,912</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	12,540	28,376	32,004	8,912
Total liabilities	<u>\$ 12,540</u>	<u>\$ 28,376</u>	<u>\$ 32,004</u>	<u>\$ 8,912</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
WESTERN COVENTRY				
Assets				
Cash	\$ 21,220	\$ 41,520	\$ 41,045	\$ 21,695
Total assets	<u>\$ 21,220</u>	<u>\$ 41,520</u>	<u>\$ 41,045</u>	<u>\$ 21,695</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	21,220	41,520	41,045	21,695
Total liabilities	<u>\$ 21,220</u>	<u>\$ 41,520</u>	<u>\$ 41,045</u>	<u>\$ 21,695</u>
WASHINGTON OAK SCHOOL				
Assets				
Cash	\$ 40,553	\$ 38,463	\$ 47,403	\$ 31,613
Total assets	<u>\$ 40,553</u>	<u>\$ 38,463</u>	<u>\$ 47,403</u>	<u>\$ 31,613</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	40,553	38,463	47,403	31,613
Total liabilities	<u>\$ 40,553</u>	<u>\$ 38,463</u>	<u>\$ 47,403</u>	<u>\$ 31,613</u>
PHYSICAL PLANT				
Assets				
Cash	\$ 993	\$ 348	\$ 329	\$ 1,012
Total assets	<u>\$ 993</u>	<u>\$ 348</u>	<u>\$ 329</u>	<u>\$ 1,012</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	993	348	329	1,012
Total liabilities	<u>\$ 993</u>	<u>\$ 348</u>	<u>\$ 329</u>	<u>\$ 1,012</u>
LITTLE OAKERS PRE SCHOOL				
Assets				
Cash	\$ 95,556	\$ 57,442	\$ 94,611	\$ 58,387
Total assets	<u>\$ 95,556</u>	<u>\$ 57,442</u>	<u>\$ 94,611</u>	<u>\$ 58,387</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deposits held in custody for others	95,556	57,442	94,611	58,387
Total liabilities	<u>\$ 95,556</u>	<u>\$ 57,442</u>	<u>\$ 94,611</u>	<u>\$ 58,387</u>

(continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Agency Funds School Department
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
BENEFITS				
Assets				
Cash	\$ 183,878	\$ 807,824	\$ 878,896	\$ 112,806
Due from Retirees	70,006	82,016	70,006	82,016
Total assets	<u>\$ 253,884</u>	<u>\$ 889,840</u>	<u>\$ 948,902</u>	<u>\$ 194,822</u>
Liabilities				
Due to other funds	\$ 402,084	\$ 95,757	\$ -	497,841
Deposits held in custody for others	(148,200)	794,083	948,902	(303,019)
Total liabilities	<u>\$ 253,884</u>	<u>\$ 889,840</u>	<u>\$ 948,902</u>	<u>\$ 194,822</u>
RETIREE MEDICAL				
Assets				
Cash	\$ 22,000	\$ -	\$ -	\$ 22,000
Total assets	<u>\$ 22,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,000</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	-
Deposits held in custody for others	22,000	-	-	22,000
Total liabilities	<u>\$ 22,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,000</u>
ADMIN CHECKING				
Assets				
Cash	\$ 11,595	\$ -	\$ 297	\$ 11,298
Total assets	<u>\$ 11,595</u>	<u>\$ -</u>	<u>\$ 297</u>	<u>\$ 11,298</u>
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	-
Deposits held in custody for others	11,595	-	297	11,298
Total liabilities	<u>\$ 11,595</u>	<u>\$ -</u>	<u>\$ 297</u>	<u>\$ 11,298</u>
TOTAL AGENCY FUNDS				
Assets				
Cash	\$ 747,113	\$ 1,596,375	\$ 1,714,260	\$ 629,228
Due from Retirees	70,006	82,016	70,006	82,016
Total assets	<u>\$ 817,119</u>	<u>\$ 1,678,391</u>	<u>\$ 1,784,266</u>	<u>\$ 711,244</u>
Liabilities				
Due to other funds	\$ 402,084	\$ 95,757	\$ -	\$ 497,841
Deposits held in custody for others	415,035	1,582,634	1,784,266	213,403
Total liabilities	<u>\$ 817,119</u>	<u>\$ 1,678,391</u>	<u>\$ 1,784,266</u>	<u>\$ 711,244</u>

(concluded)

Funds Combined for GASB 54 Reporting Purposes

Town General Fund
School Department

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<u>General Fund</u>	<u>104 Town Gymnasium</u>	<u>106 Personal Watercraft</u>	<u>107 Pilot Program</u>	<u>144 Land Trust</u>	<u>146 Cellphone Tower</u>
ASSETS						
Cash and cash equivalents	\$ 11,941,484	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:						
Real estate and personal property taxes	2,575,158	-	-	-	-	-
Other receivables	894,567	-	-	-	-	-
Due from other funds	3,841,304	-	-	-	-	-
Total assets	<u>\$ 19,252,513</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ 141,795	\$ -	\$ -	\$ -	\$ 1,339	\$ -
Due to other funds	6,130,380	(10,519)	(120)	(10,204)	(1,173,708)	(136,017)
Other liabilities	611,240	-	-	-	-	-
Total liabilities	<u>6,883,415</u>	<u>(10,519)</u>	<u>(120)</u>	<u>(10,204)</u>	<u>(1,172,369)</u>	<u>(136,017)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	2,624,506	-	-	-	-	-
Fund balances:						
Non-spendable for:						
Sewer fund receivable	2,286,086	-	-	-	-	-
Committed for:						
Public works programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	-	-
Culture and recreation	-	10,519	120	10,204	1,172,369	136,017
Unassigned:	7,458,506	-	-	-	-	-
Total fund balances	<u>9,744,592</u>	<u>10,519</u>	<u>120</u>	<u>10,204</u>	<u>1,172,369</u>	<u>136,017</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,252,513</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<i>148</i> <i>Transfer Station</i> <i>DPW</i>	<i>150</i> <i>Scrap Metal</i> <i>DPW</i>	<i>151</i> <i>Scrap Metal</i> <i>Parks & Rec</i>	<i>153</i> <i>Transportation</i> <i>Programs</i>	<i>154</i> <i>Low Income</i> <i>Spay/Neuter</i>	<i>155</i> <i>Animal Care</i> <i>Fund</i>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 120,406	\$ -	\$ -
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	(238)	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,168</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	(14,117)	(22,710)	(10,430)	-	(8,611)	(2,486)
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>(14,117)</u>	<u>(22,710)</u>	<u>(10,430)</u>	<u>-</u>	<u>(8,611)</u>	<u>(2,486)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	-
Fund balances:						
<i>Non-spendable for:</i>						
Sewer fund receivable	-	-	-	-	-	-
<i>Committed for:</i>						
Public works programs	14,117	22,710	-	-	-	-
Public safety programs	-	-	-	-	8,611	2,486
Culture and recreation	-	-	10,430	120,168	-	-
<i>Unassigned:</i>	-	-	-	-	-	-
Total fund balances	<u>14,117</u>	<u>22,710</u>	<u>10,430</u>	<u>120,168</u>	<u>8,611</u>	<u>2,486</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,168</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<u>156</u> <i>Concession Vendor Parks & Rec</i>	<u>157</u> <i>Collection Agency Tax Collector</i>	<u>158</u> <i>Historical Records Trust</i>	<u>159</u> <i>T Shirt Program Parks & Rec</i>	<u>160</u> <i>Donations Police</i>	<u>149</u> <i>Celebrate Coventry</i>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ -	\$ 762	\$ -	\$ 95	\$ -	\$ -
Due to other funds	(4,878)	(3,927)	(37,641)	(5,769)	(2,125)	(1,027)
Other liabilities	-	-	-	-	-	-
Total liabilities	<u>(4,878)</u>	<u>(3,165)</u>	<u>(37,641)</u>	<u>(5,674)</u>	<u>(2,125)</u>	<u>(1,027)</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	-
Fund balances:						
<i>Non-spendable for:</i>						
Sewer fund receivable	-	-	-	-	-	-
<i>Committed for:</i>						
Public works programs	-	-	-	-	-	-
Public safety programs	-	-	-	-	2,125	-
Culture and recreation	4,878	3,165	37,641	5,674	-	1,027
<i>Unassigned:</i>	-	-	-	-	-	-
Total fund balances	<u>4,878</u>	<u>3,165</u>	<u>37,641</u>	<u>5,674</u>	<u>2,125</u>	<u>1,027</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Town General Fund Balance Sheet
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<i>161</i> <i>Library Book</i> <i>Sale</i>	<i>162</i> <i>Spay / Neuter</i> <i>Fund</i>	<i>152</i> <i>Donations</i> <i>Parks & Rec</i>	<i>163</i> <i>Recycling</i> <i>Garb/Waste Mgnt</i>	<i>183</i> <i>Parks & Rec</i> <i>Field Fund</i>	<i>TOTAL</i>
ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,061,890
Accounts receivable:						
Real estate and personal property taxes	-	-	-	-	-	2,575,158
Other receivables	-	-	-	-	-	894,567
Due from other funds	-	-	-	-	-	3,841,066
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,372,681</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued expenditures	\$ 615	\$ -	\$ -	\$ -	\$ -	\$ 144,606
Due to other funds	(23,397)	(6,294)	(245)	(14,508)	(5,077)	4,636,570
Other liabilities	-	-	-	-	-	611,240
Total liabilities	<u>(22,782)</u>	<u>(6,294)</u>	<u>(245)</u>	<u>(14,508)</u>	<u>(5,077)</u>	<u>5,392,416</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable tax revenue	-	-	-	-	-	2,624,506
Fund balances:						
Non-spendable for:						
Sewer fund receivable	-	-	-	-	-	2,286,086
Committed for:						
Public works programs	-	-	-	14,508	-	51,335
Public safety programs	-	6,294	-	-	-	19,516
Culture and recreation	22,782	-	245	-	5,077	1,540,316
Unassigned:	-	-	-	-	-	7,458,506
Total fund balances	<u>22,782</u>	<u>6,294</u>	<u>245</u>	<u>14,508</u>	<u>5,077</u>	<u>11,355,759</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,372,681</u>

(Concluded)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<i>General Fund</i>	<i>104 Town Gymnasium</i>	<i>106 Personal Watercraft</i>	<i>107 Pilot Program</i>	<i>144 Land Trust</i>	<i>146 Cellphone Tower</i>
Revenues						
Real estate and personal property taxes	\$ 69,985,564	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	974,821	-	-	-	-	-
Penalties and interest on taxes	497,302	-	-	-	-	-
Licenses, fees and permits	890,541	-	-	-	-	-
Investment income	186,529	-	-	-	-	-
Intergovernmental	1,838,699	-	-	-	-	-
Charges for services	-	3,950	-	7,030	-	126,642
Miscellaneous	711,218	-	-	-	-	-
Total revenues	75,084,674	3,950	-	7,030	-	126,642
Expenditures						
Current:						
General government	6,250,229	-	-	-	(198,510)	-
Public safety	12,312,340	-	-	-	-	-
Public works	4,987,049	-	-	-	-	-
Community and economic development	367,760	-	-	-	2,186	-
Health and human services	822,991	2,841	-	-	-	-
Culture and recreation	2,012,332	-	-	3,159	-	-
Debt service	-	-	-	-	-	-
Principal payments	3,269,000	-	-	-	-	-
Interest and fiscal charges	1,325,449	-	-	-	-	-
Total expenditures	31,347,150	2,841	-	3,159	(196,324)	-
Excess of revenues over (under) expenditures before other financing sources (uses)	43,737,524	1,109	-	3,871	196,324	126,642
Other financing sources (uses)						
Premium on issuance of debt	-	-	-	-	-	-
Transfers from other funds	122,323	-	-	-	-	-
Transfers to other funds	(44,045,058)	-	-	5,000	-	(70,000)
Total other financing sources (uses)	(43,922,735)	-	-	5,000	-	(70,000)
Excess of revenues and other sources over (under) expenditures and other uses	(185,211)	1,109	-	8,871	196,324	56,642
Fund balances - beginning	9,929,803	9,410	120	1,333	976,045	79,375
Fund balances - ending	\$ 9,744,592	\$ 10,519	\$ 120	\$ 10,204	\$ 1,172,369	\$ 136,017

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<i>148</i> <i>Transfer Station</i> <i>DPW</i>	<i>150</i> <i>Scrap Metal</i> <i>DPW</i>	<i>151</i> <i>Scrap Metal</i> <i>Parks & Rec</i>	<i>153</i> <i>Transportation</i> <i>Programs</i>	<i>154</i> <i>Low Income</i> <i>Spay/Neuter</i>	<i>155</i> <i>Animal Care</i> <i>Fund</i>
Revenues						
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Penalties and interest on taxes	-	-	-	-	-	-
Licenses, fees and permits	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	11,926	39,827	10,365	237,551	1,245	327
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>11,926</u>	<u>39,827</u>	<u>10,365</u>	<u>237,551</u>	<u>1,245</u>	<u>327</u>
Expenditures						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	260	24
Public works	22,449	26,960	-	-	-	-
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	-	259,106	-	-
Debt service	-	-	-	-	-	-
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>22,449</u>	<u>26,960</u>	<u>-</u>	<u>259,106</u>	<u>260</u>	<u>24</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>(10,523)</u>	<u>12,867</u>	<u>10,365</u>	<u>(21,555)</u>	<u>985</u>	<u>303</u>
Other financing sources (uses)						
Premium on issuance of debt	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	(47,000)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(47,000)</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(10,523)</u>	<u>12,867</u>	<u>10,365</u>	<u>(68,555)</u>	<u>985</u>	<u>303</u>
Fund balances - beginning	<u>24,640</u>	<u>9,843</u>	<u>65</u>	<u>188,723</u>	<u>7,626</u>	<u>2,183</u>
Fund balances - ending	<u>\$ 14,117</u>	<u>\$ 22,710</u>	<u>\$ 10,430</u>	<u>\$ 120,168</u>	<u>\$ 8,611</u>	<u>\$ 2,486</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<i>156</i> <i>Concession Vendor</i> <i>Parks & Rec</i>	<i>157</i> <i>Collection Agency</i> <i>Tax Collector</i>	<i>158</i> <i>Historical Records</i> <i>Trust</i>	<i>159</i> <i>T Shirt Program</i> <i>Parks & Rec</i>	<i>160</i> <i>Donations</i> <i>Police</i>	<i>149</i> <i>Celebrate</i> <i>Coventry</i>
Revenues						
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Penalties and interest on taxes	-	1,795	-	-	-	-
Licenses, fees and permits	-	1,795	-	-	-	-
Investment income	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	7,069	-	6,384	1,341	-	1,721
Miscellaneous	-	-	-	-	5,543	-
Total revenues	<u>7,069</u>	<u>3,590</u>	<u>6,384</u>	<u>1,341</u>	<u>5,543</u>	<u>1,721</u>
Expenditures						
Current:						
General government	-	5,146	-	-	-	-
Public safety	-	-	-	-	6,632	-
Public works	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	975	-	-	8,887	-	12,093
Debt service						
Principal payments	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>975</u>	<u>5,146</u>	<u>-</u>	<u>8,887</u>	<u>6,632</u>	<u>12,093</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>6,094</u>	<u>(1,556)</u>	<u>6,384</u>	<u>(7,546)</u>	<u>(1,089)</u>	<u>(10,372)</u>
Other financing sources (uses)						
Premium on issuance of debt	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-
Transfers to other funds	-	-	-	17,000	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,000</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>6,094</u>	<u>(1,556)</u>	<u>6,384</u>	<u>9,454</u>	<u>(1,089)</u>	<u>(10,372)</u>
Fund balances - beginning	<u>(1,216)</u>	<u>4,721</u>	<u>31,257</u>	<u>(3,780)</u>	<u>3,214</u>	<u>11,399</u>
Fund balances - ending	<u>\$ 4,878</u>	<u>\$ 3,165</u>	<u>\$ 37,641</u>	<u>\$ 5,674</u>	<u>\$ 2,125</u>	<u>\$ 1,027</u>

(Continued)

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with Town General Fund for GASB 54 Purposes
June 30, 2017

	<i>161</i> <i>Library Book</i> <i>Sale</i>	<i>162</i> <i>Spay Neuter</i> <i>Fund</i>	<i>152</i> <i>Donations</i> <i>Parks & Rec</i>	<i>163</i> <i>Recycling</i> <i>Garb/Waste Mgmt</i>	<i>183</i> <i>Parks & Rec</i> <i>Field Fund</i>	<i>Total</i>
Revenues						
Real estate and personal property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,985,564
Other taxes	-	-	-	-	-	974,821
Penalties and interest on taxes	-	-	-	-	-	499,097
Licenses, fees and permits	-	-	-	-	-	892,336
Investment income	-	-	-	-	-	186,529
Intergovernmental	-	-	-	-	-	1,838,699
Charges for services	-	3,670	9,758	1,430	8,748	478,984
Miscellaneous	3,644	-	-	-	-	720,405
Total revenues	<u>3,644</u>	<u>3,670</u>	<u>9,758</u>	<u>1,430</u>	<u>8,748</u>	<u>75,576,435</u>
Expenditures						
Current:						
General government	-	-	-	-	-	6,056,865
Public safety	-	7,395	-	-	-	12,326,651
Public works	-	-	-	-	-	5,036,458
Community and economic development	-	-	-	-	3,671	373,617
Health and human services	-	-	-	-	-	825,832
Culture and recreation	4,087	-	10,198	-	-	2,310,837
Debt service						
Principal payments	-	-	-	-	-	3,269,000
Interest and fiscal charges	-	-	-	-	-	1,325,449
Total expenditures	<u>4,087</u>	<u>7,395</u>	<u>10,198</u>	<u>-</u>	<u>3,671</u>	<u>31,524,709</u>
Excess of revenues over (under) expenditures before other financing sources (uses)	<u>(443)</u>	<u>(3,725)</u>	<u>(440)</u>	<u>1,430</u>	<u>5,077</u>	<u>44,051,726</u>
Other financing sources (uses)						
Premium on issuance of debt	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	122,323
Transfers to other funds	-	-	-	-	-	(44,140,058)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,017,735)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(443)</u>	<u>(3,725)</u>	<u>(440)</u>	<u>1,430</u>	<u>5,077</u>	<u>33,991</u>
Fund balances - beginning	<u>23,225</u>	<u>10,019</u>	<u>685</u>	<u>13,078</u>	<u>-</u>	<u>11,321,768</u>
Fund balances - ending	<u>\$ 22,782</u>	<u>\$ 6,294</u>	<u>\$ 245</u>	<u>\$ 14,508</u>	<u>\$ 5,077</u>	<u>\$ 11,355,759</u>

(Concluded)

**SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
School Balance Sheet**

**Funds Combined with School Unrestricted (School General Fund) for GASB 54 Purposes
June 30, 2017**

	SRUF GAAP BASIS	90000005 Chromebook Ins	Total School Unrestricted
ASSETS			
Cash	\$ 1,129,371	\$ 82,697	\$ 1,212,068
Due from General fund	2,903,016		2,903,016
Due from other school funds	1,590,204	-	1,590,204
Intergovernmental receivables	73,336	-	73,336
Other receivables	172,120	19,653	191,773
Prepaid expenses	1,021,154	-	1,021,154
Total assets	\$ 6,889,201	\$ 102,350	\$ 6,991,551
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 358,049	\$ 9,081	\$ 367,130
Due to other funds:	434,988	173,381	608,369
Accrued salaries	5,471,251	-	5,471,251
Total liabilities	6,264,288	182,462	\$ 6,446,750
Fund balance			
Reserved for education	624,913	(80,112)	544,801
Unreserved	-	-	-
Total fund balance	624,913	(80,112)	544,801
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,889,201	\$ 102,350	\$ 6,991,551

SUPPLEMENTARY INFORMATION
TOWN OF COVENTRY, RHODE ISLAND
Schedule of Revenues, Expenditures, Other Financing Sources (Uses) and
Changes in Fund Balance
Funds Combined with School Unrestricted (School General Fund) for GASB 54 Purposes
June 30, 2017

	<u>SRUF</u> <u>GAAP BASIS</u>	<u>90000005</u> <u>Chromebook Ins.</u>	<u>Total</u> <u>School</u> <u>Unrestricted</u>
Revenues			
State Aid	\$ 26,409,553	\$ -	\$ 26,409,553
Federal Aid	719,852	-	719,852
Charges for Service	886,101	-	886,101
Miscellaneous	291	7,484	7,775
Total revenues	<u>28,015,797</u>	<u>7,484</u>	<u>28,023,281</u>
Expenditures			
Salaries	43,575,007	-	43,575,007
Employee benefits	18,105,017	-	18,105,017
Purchased services	7,248,030	-	7,248,030
Supplies and materials	2,077,109	81,860	2,158,969
Capital outlay	453,592	-	453,592
Other	59,165	-	59,165
Total expenditures	<u>71,517,920</u>	<u>81,860</u>	<u>71,599,780</u>
Excess of revenues over (under) expenditures	(43,502,123)	(74,376)	(43,576,499)
Other financing sources (uses)			
Operating transfers - Town appropriation	43,857,323	-	43,857,323
Transfer from Cell Tower Fund	70,000	-	70,000
Transfer out to Restricted Grants	(65,814)	-	(65,814)
Total other financing sources/(uses)	<u>43,861,509</u>	<u>-</u>	<u>43,861,509</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	359,386	(74,376)	285,010
Fund Balance beginning	<u>265,527</u>	<u>(5,736)</u>	<u>259,791</u>
Fund Balance ending	<u>\$ 624,913</u>	<u>\$ (80,112)</u>	<u>\$ 544,801</u>

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)

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

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 69,357,751	\$ -
Last Year's Levy Tax Collection	394,369	-
Prior Years Property Tax Collection	233,445	-
Interest & Penalty	497,302	-
PILOT & Tax Treaty (excluded from levy) Collection	81,627	-
Other Local Property Taxes	-	-
Licenses and Permits	404,091	-
Fines and Forfeitures	-	-
Investment Income	186,529	-
Departmental	1,311,667	-
Rescue Run Revenue	-	-
Police & Fire Detail	69,220	-
Other Local Non-Property Tax Revenues	321,713	-
Tuition	-	868,653
Impact Aid	-	-
Medicaid	-	719,852
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	671,443
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	70,148	2,254,395
MV Excise Tax Reimbursement	244,792	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	245,054	-
Library Construction Aid	-	-
Public Service Corporation Tax	450,490	-
Meals & Beverage Tax / Hotel Tax	524,331	-
LEA Aid	-	22,843,923
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	1,472,583	-
State Food Service Revenue	-	35,122
Incentive Aid	4,698	-
Property Revaluation Reimbursement	-	-
Other State Revenue	616,710	229,910
Other Revenue	-	972,063
Local Appropriation for Education	-	43,857,323
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u>\$ 76,486,521</u>	<u>\$ 72,452,683</u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	122,323	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	<u>\$ 122,323</u>	<u>\$ -</u>

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

<u>EXPENDITURES</u>	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	\$ 586,384	\$ 561,687	\$ 1,032,544	\$ 174,602	\$ 443,806	\$ 667,616	\$ 2,293,590	\$ 683,489	\$ 4,477,486
Compensation - Group B	-	-	-	-	-	-	-	-	329,850
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	3,520	7,754	-	-	-	-	149,430	1,866	409,917
Overtime - Group B	-	-	-	-	-	-	-	-	182
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	73,746	99,976	158,195	21,408	68,573	96,718	612,328	116,040	506,262
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	58,671
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group A	5,268	7,403	9,183	945	4,357	6,099	35,939	6,358	32,662
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	4,647
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	44,310	42,834	77,570	13,001	30,628	50,058	175,535	50,107	387,576
Life Insurance	2,649	1,232	1,476	418	883	937	6,384	1,563	8,889
State Defined Contribution- Group A	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	-
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	26,463	20,356	34,605	6,107	20,356	50,890	97,709	22,392	47,189
Other Benefits- Group B	-	-	-	-	-	-	-	-	14,249
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	57,836	60,445	69,155	28,700	62,237	48,833	341,253	55,509	4,735,130
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	48,059
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	412,000	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	12,887	7,587	6,318	-	6,434	4,970	13,158	11,275	373
Purchased Services	588,673	73,425	8,891	-	30,521	61,251	62,203	34,661	80,895
Materials/Supplies	11,925	2,470	6,053	-	1,958	219,324	208,349	41,841	49,213
Software Licenses	-	-	-	195,140	-	62,562	-	-	-
Capital Outlays	129,320	-	6,293	-	-	-	155,285	9,092	204,335
Insurance	646,493	-	-	-	-	-	-	-	-
Maintenance	2,694	-	22,119	-	-	8,569	55,366	19,652	30,254
Vehicle Operations	-	-	16,420	-	2,174	-	401,312	27,994	149,953
Utilities	112,349	-	43,284	-	5,592	26,515	172,036	77,917	48,606
Contingency	111,476	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Revaluation	-	250,527	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	198,182	-	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-	-
Claims & Settlements	43,049	-	-	-	-	-	-	-	-
Community Support	5,000	-	-	-	-	-	-	-	-
Other Operation Expenditures	25,413	1,987	91,687	42,503	5,172	2,239	372,593	289,305	89,052
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 2,901,454	\$ 1,137,682	\$ 1,583,793	\$ 482,824	\$ 682,691	\$ 1,306,581	\$ 5,350,651	\$ 1,449,060	\$ 11,713,450

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

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ -	\$ 251,527	\$ 186,797	\$ -	\$ -	\$ -	\$ 11,359,526	\$ 35,588,925
Compensation - Group B	-	-	-	-	-	-	329,850	2,932,376
Compensation - Group C	-	-	-	-	-	-	-	6,532,436
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	-	27,492	12,279	-	-	-	612,259	-
Overtime - Group B	-	-	-	-	-	-	182	-
Overtime - Group C	-	-	-	-	-	-	-	89,213
Police & Fire Detail	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	-	54,953	28,196	-	-	-	1,836,395	4,069,629
Active Medical Insurance- Group B	-	-	-	-	-	-	58,671	314,963
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,367,229
Active Dental insurance- Group A	-	2,936	1,547	-	-	-	112,696	378,279
Active Dental Insurance- Group B	-	-	-	-	-	-	4,647	35,756
Active Dental Insurance- Group C	-	-	-	-	-	-	-	197,725
Payroll Taxes	-	21,013	14,836	-	-	-	907,468	1,182,413
Life Insurance	-	755	418	-	-	-	25,605	217,542
State Defined Contribution- Group A	-	-	-	-	-	-	-	750,460
State Defined Contribution - Group B	-	-	-	-	-	-	-	56,744
State Defined Contribution - Group C	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	12,214	18,320	-	-	-	356,601	341,333
Other Benefits- Group B	-	-	-	-	-	-	14,249	2,277
Other Benefits- Group C	-	-	-	-	-	-	-	591
Local Defined Benefit Pension- Group A	-	40,240	23,474	-	-	-	5,522,812	1,348
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	48,059	69,354
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	741,752
State Defined Benefit Pension- Group A	-	-	-	-	-	-	412,000	4,764,722
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	301,464
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	63,002	7,624
Purchased Services	-	385,400	12,803	-	-	-	1,338,723	8,288,964
Materials/Supplies	-	-	3,271	-	-	-	544,404	1,020,898
Software Licenses	-	-	-	-	-	-	257,702	105,920
Capital Outlays	-	-	8,356	-	-	-	512,681	622,492
Insurance	-	-	-	-	-	-	646,493	243,271
Maintenance	-	-	13,670	-	-	-	152,324	203,663
Vehicle Operations	-	-	6,530	-	-	-	604,383	245,192
Utilities	-	5,865	13,063	-	-	-	505,227	1,184,254
Contingency	-	-	-	-	-	-	111,476	-
Street Lighting	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	250,527	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	198,182	-
Trash Removal & Recycling	-	-	-	-	-	-	-	-
Claims & Settlements	-	-	-	-	-	-	43,049	-
Community Support	-	-	-	-	-	-	5,000	2,955
Other Operation Expenditures	-	-	11,014	-	-	-	930,965	121,591
Local Appropriation for Education	-	-	-	43,857,323	-	-	43,857,323	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	979,750	-	979,750	-
Municipal Debt- Interest	-	-	-	-	773,924	-	773,924	-
School Debt- Principal	-	-	-	-	2,299,000	-	2,299,000	-
School Debt- Interest	-	-	-	-	550,775	-	550,775	-
Retiree Medical Insurance- Total	-	-	-	-	-	101,388	101,388	266,672
Retiree Dental Insurance- Total	-	-	-	-	-	5,560	5,560	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	1	1
Total Expenditures	\$ -	\$ 802,395	\$ 354,574	\$ 43,857,323	\$ 4,603,449	\$ 106,948	\$ 76,332,876	\$ 72,250,027

Financing Uses: Transfer to Capital Funds	\$ 90,412	\$ -
Financing Uses: Transfer to Other Funds	192,323	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 282,735	\$ -
Net Change in Fund Balance¹	(6,767)	202,657
Fund Balance¹- beginning of year	\$11,570,063	\$783,463
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	(186,580)
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	11,570,063	596,883
Rounding	-	-
Fund Balance¹ - end of year	\$ 11,563,296	\$ 799,540

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

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

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ² (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ² (Deficit)	Ending Fund Balance ¹ (Deficit)
General Fund	\$ 75,576,435	\$ 122,323	\$ 31,524,709	\$ 44,140,058	\$ 33,991	\$ 11,321,768	\$ -	\$ 11,321,768	\$ 11,355,759
Recycling Grant (RGS Fund)	5,000	-	14,752	-	(9,752)	9,964	-	9,964	212
Senior Center Operations (RGS Fund)	-	-	-	-	-	-	-	-	-
Friends of Human Services (RGS Fund)	-	-	-	-	-	4,000	-	4,000	4,000
Project Friends (RGS Fund)	589,787	-	598,767	-	(8,980)	110,606	-	110,606	101,626
RISAPA Task Force (RGS Fund)	12,236	-	12,985	-	(749)	3,994	-	3,994	3,245
Click it or Ticket (RGS Fund)	-	-	-	-	-	-	-	-	-
Impaired Driving (RGS Fund)	-	-	-	-	-	-	-	-	-
Speed Enforcement (RGS Fund)	-	-	-	-	-	-	-	-	-
Speed Management (RGS Fund)	-	-	-	-	-	-	-	-	-
Impaired Driving (RGS Fund)	-	-	-	-	-	-	-	-	-
Drug Seizure (RGS Fund)	20,753	-	43,548	-	(22,795)	59,946	-	59,946	37,151
Teen Center Operations (RGS Fund)	-	-	-	-	-	6,878	-	6,878	6,878
Byrne Grant (RGS Fund)	13,795	-	-	-	13,795	(14,375)	-	(14,375)	(580)
Grant in Aid/Resource Sharing (RGS Fund)	210,054	-	209,374	-	680	(1,219)	-	(1,219)	(539)
Help America Vote Act (RGS Fund)	-	-	-	-	-	-	-	-	-
Traffic Grant (RGS Fund)	-	-	-	-	-	-	-	-	-
Bulletproof Vests (RGS Fund)	7,374	-	412	-	6,963	(6,963)	-	(6,963)	-
DUI Speed Click or Ticket (RGS Fund)	28,226	-	33,607	-	(5,381)	(2,285)	-	(2,285)	(7,666)
Food Bank (RGS Fund)	13,173	-	27,065	-	(13,892)	66,981	-	66,981	53,089
Faith in Action (RGS Fund)	9,687	-	10,335	-	(648)	10,768	-	10,768	10,120
Totals per audited financial statements	\$ 76,486,520	\$ 122,323	\$ 32,475,554	\$ 44,140,058	\$ (6,768)	\$ 11,570,063	\$ -	\$ 11,570,063	\$ 11,563,295
Reconciliation from financial statements to MTP2									
Other Financing Uses - Amount to School Fund Unrestricted FY 2017 Local Appropriation	\$ -	\$ -	\$ 43,857,323.00	\$ (43,857,323.00)	\$ -	\$ -	\$ -	\$ -	\$ -
Rounding	-	-	(1)	-	1	-	-	-	1
Totals Per MTP2	\$ 76,486,521	\$ 122,323	\$ 76,332,876	\$ 282,735	\$ (6,767)	\$ 11,570,063	\$ -	\$ 11,570,063	\$ 11,563,296

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

Town of Coventry
Combining Schedule of
Reportable Government Services with
Reconciliation to MTP2
Education Department
Fiscal Year Ended June 30, 2017

Per Audited Fund Financial Statements Fund Description	Total Other		Total Other		Net Change	Beginning Fund	Prior Period Adjustment	Restated Beginning	Ending
	Total Revenue	Financing Sources	Total Expenditures	Financing Uses	in Fund Balance ¹	Fund Balance ¹ (Deficit)		Fund Balance ¹ (Deficit)	Fund Balance ¹ (Deficit)
School Unrestricted Fund	\$ 28,023,281	\$ 43,927,323	\$ 71,599,780	\$ 65,814	\$ 285,010	\$ 259,791	\$ -	\$ 259,791	\$ 544,801
School Food Service - reported as Non-Major Governmental Fund	1,436,061	-	1,467,320	-	(31,259)	(78,627)	(186,580)	(265,207)	(296,466)
School Improvement Capital Fund -reported as Non-Major Governmental Fund	-	65814	-	-	65,814	(8,439)	-	(8,439)	57,375
SBA School Capital Project Fund-Impact Fees	-	27,323	7,586	-	19,737	(21,826)	-	(21,826)	(2,089)
School Special Revenue Funds-Restricted	2,604,916	186939	2,764,531	186,939	(159,615)	632,564	-	632,564	472,949
Totals per audited financial statements	\$ 32,064,258	\$ 44,207,399	\$ 75,839,217	\$ 252,753	\$ 179,687	\$ 783,463	\$ (186,580)	\$ 596,883	\$ 776,570

Reconciliation from financial statements to MTP2

Municipal appropriation for Education reported as a transfer on financial statements but as revenue on MTP2	\$ 43,857,323	\$ (43,857,323)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cell Tower Revenue reported as a transfer on financial statements but as revenue on MTP2.	70,000	(70,000)	-	-	-	-	-	-	-
Impact Fees reported as a transfer in School Capital Projects Fund but as revenue on MTP2	27,323	(27,323)	-	-	-	-	-	-	-
State contributions on behalf of teacher pensions reported as revenue and expenditures on financial statements only	(3,565,631)	-	(3,565,631)	-	-	-	-	-	-
Transfer from School Unrestricted Fund to the School Improvement Capital Fund is reported in financial statements but not reported in UCOA file or the MTP2.	-	(65,814)	-	(65,814)	-	-	-	-	-
Transfer from CTE Categorical (23581000) to CTE Categorical (23581001) is reported in financial statements but not reported in UCOA file or the MTP2.	-	(34,998)	-	(34,998)	-	-	-	-	-
Transfer from CTE Categorical Fund 2 to CTE Develop & Implement is reported in financial statements but not reported in UCOA file or the MTP2.	-	(149,241)	-	(149,241)	-	-	-	-	-
Transfer from Feinstein Fund to the Sports Program is reported in financial statements but not reported in UCOA file or the MTP2.	-	(2,700)	-	(2,700)	-	-	-	-	-
Fund 90000001 is recorded as Special Revenue Fund-Restricted in financial statements. The 90000000 series are not included in the MTP2.	(5,352)	-	(3,593)	-	(1,759)	-	-	-	(1,759)
Fund 21091100 expenditures in object code 7000 series are included in financial statements but not in the MTP2.	-	-	(19,510)	-	19,510	-	-	-	19,510
Miscellaneous variances between UCOA file & financial statements	4,763	-	(456)	-	5,219	-	-	-	5,219
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	\$ 72,452,683	\$ -	\$ 72,250,027	\$ -	\$ 202,657	\$ 783,463	\$ (186,580)	\$ 596,883	\$ 799,540

Reconciliation from MTP2 to UCOA

Chromebook Fund Activity included in MTP2, excluded in UCOA file (90000000 series)	(7,484)	(81,860)
Miscellaneous variances between UCOA file & MTP2		338
Totals per UCOA Validated Totals Report	\$ 72,445,199	\$ 72,168,505

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

TOWN OF COVENTRY, RHODE ISLAND
Notes to Supplementary Information
Annual Supplemental Transparency Report (MTP2)
June 30, 2017

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 Town's budget and accounting system. To report these costs, the Town's 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

TOWN OF COVENTRY, RHODE ISLAND
Notes to Supplementary Information
Annual Supplemental Transparency Report (MTP2)
June 30, 2017

- For the remaining departments - all employees' compensation and benefits are reported under Group A

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

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

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

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/>.

STATISTICAL SECTION

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

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Tax Collections
For the Fiscal Year Ended June 30, 2017

Real Estate and Property Tax Assessment of	Total Balance Uncollected 7/1/2016	Assessment	Additions Adjustments	Abatements	Refunds and Adjustments	Total Available for Collection	Collections	(a) Balance Uncollected 6/30/2017
2016	\$ -	\$ 64,756,309	\$ 180,156	\$ (294,987)	\$ 117,924	64,759,402	\$ 64,299,197	460,205
2015	474,860	-	10,754	(6,960)	(2,536)	476,118	299,299	176,819
2014	225,567	-	23,184	(7,985)	474	241,240	37,396	203,844
2013	174,142	-	14,568	(4,523)	165	184,352	19,719	164,633
2012	158,915	-	20,544	(3,515)	-	175,944	22,029	153,915
2011	102,915	-	8,601	(2,582)	877	109,811	12,482	97,329
2010	83,006	-	-	(2,005)	-	81,001	1,694	79,307
2009	63,579	-	-	(7,439)	-	56,140	838	55,302
2008	53,846	-	-	(6,274)	320	47,892	320	47,572
2007	24,029	-	-	(968)	-	23,061	-	23,061
2006	35,441	-	-	(1,283)	-	34,158	-	34,158
2005	34,316	-	-	(338)	-	33,978	-	33,978
2004 and prior	153,296	-	-	(3,142)	-	150,154	166	149,988
TOTAL PROPERTY	\$ 1,583,912	\$ 64,756,309	\$ 257,807	\$ (342,001)	\$ 117,224	\$ 66,373,251	\$ 64,693,140	\$ 1,680,111

Auto Excise Tax Assessment of	Total Balance Uncollected 7/1/2016	Assessment	Additions Adjustments	Abatements	Authorized Transfers and Adjustments	Total Available for Collection	Collections	Balance Uncollected 6/30/2017
2016	\$ -	\$ 5,561,915	\$ 15,153	\$ (12,113)	\$ 11,373	\$ 5,576,328	\$ 5,271,230	\$ 305,098
2015	304,725	-	-	(2,042)	1,839	304,522	190,445	114,077
2014	114,587	-	108	(1,883)	211	113,023	26,254	86,769
2013	89,396	-	142	(1,985)	(43)	87,510	8,339	79,171
2012	79,915	-	-	(1,064)	(22)	78,829	3,029	75,800
2011	74,801	-	-	(1,108)	-	73,693	2,325	71,368
2010	26,619	-	-	(597)	-	26,022	338	25,684
2009	29,205	-	-	(312)	-	28,893	81	28,812
2008	37,120	-	-	-	(45)	37,075	919	36,156
2007	36,282	-	-	(197)	66	36,151	1,110	35,041
2006	34,138	-	-	(740)	-	33,398	209	33,189
2005	32,956	-	-	(30,289)	53	2,720	174	2,546
2004 and prior	24,514	-	-	(23,031)	67	1,550	214	1,336
TOTAL AUTO	\$ 884,258	\$ 5,561,915	\$ 15,403	\$ (75,361)	\$ 13,499	\$ 6,399,714	\$ 5,504,667	\$ 895,047

**TOTAL PROPERTY
TAX AND AUTO
EXCISE TAX**

\$ 2,468,170	\$ 70,318,224	\$ 273,210	\$ (417,362)	\$ 130,723	\$ 72,772,965	\$ 70,197,807	\$ 2,575,158
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TOWN OF COVENTRY , RHODE ISLAND
Supplementary Information
Schedule of Assessed Property Valuations, Exemptions and Tax Levy
For the Year Ended June 30, 2017

	<u>December 31, 2015</u>	<u>December 31, 2014</u>	<u>December 31, 2013</u>	<u>December 31, 2012</u>	<u>December 31, 2011</u>	<u>December 31, 2010</u>	<u>December 31, 2009</u>	<u>December 31, 2008</u>	<u>December 31, 2007</u>	<u>December 31, 2006</u>
Assessed Property Valuations:										
Real Property	\$ 3,003,102,100	\$ 2,973,343,095	\$ 2,952,373,605	\$ 3,176,709,030	\$ 3,146,610,970	\$ 3,098,994,584	\$ 3,688,440,259	\$ 3,679,277,325	\$ 3,661,025,184	\$ 3,315,487,502
Tangibles	67,006,090	64,485,885	63,607,365	61,396,945	60,180,870	94,324,242	114,421,880	116,794,405	116,558,916	27,615,172
Motor Vehicles	339,551,301	328,603,241	321,736,932	320,210,910	318,637,853	309,336,216	298,253,258	250,975,340	283,134,618	271,963,528
	<u>3,409,659,491</u>	<u>3,366,432,221</u>	<u>3,337,717,902</u>	<u>3,558,316,885</u>	<u>3,525,429,693</u>	<u>3,502,655,042</u>	<u>4,101,115,397</u>	<u>4,047,047,070</u>	<u>4,060,718,718</u>	<u>3,615,066,202</u>
Less Exemptions:										
Blindness	395,704	356,872	389,872	455,872	515,722	521,872	488,872	445,500	392,830	409,330
Elderly and Disabled	21,183,296	20,897,200	20,510,000	20,382,000	20,106,268	19,792,580	19,752,580	19,488,580	19,472,580	18,779,111
Gold Star Mothers	6,000	9,000	9,000	9,000	9,000	9,000	15,000	15,000	18,000	15,000
Rectories and Parsonages	-	-	-	-	-	-	-	453,400	453,400	480,150
State Veterans	124,852	123,320	127,587	126,840	118,000	141,426	120,265	125,415	130,795	127,661
Veterans	15,701,466	16,270,500	16,763,300	17,546,300	18,127,946	18,640,480	18,959,180	19,303,080	19,750,880	20,087,370
POW's	15,000	15,000	15,000	15,000	30,000	30,000	30,000	30,000	30,000	30,000
100% Disabled Veterans	55,000	55,000	47,000	136,400	135,400	133,400	130,400	133,400	129,400	125,400
Variable	15,385,144	15,407,406	15,517,906	11,296,810	10,000	10,000	2,085,572	-	-	-
Specially Adapted Housing	-	-	-	-	-	-	-	12,300	30,300	30,300
Motor Vehicle Phase-out	42,773,022	48,306,003	47,830,923	47,139,090	45,879,416	42,749,639	163,838,839	-	-	-
Tax Relief Program	18,118,775	19,106,872	18,978,591	21,537,525	22,183,622	22,943,699	23,471,310	24,368,374	26,616,550	26,196,724
Total Exemptions	<u>113,758,259</u>	<u>120,547,173</u>	<u>120,189,179</u>	<u>118,644,837</u>	<u>107,115,374</u>	<u>104,972,096</u>	<u>228,892,018</u>	<u>64,375,049</u>	<u>67,024,735</u>	<u>66,281,046</u>
NET TAXABLE ASSESSED PROPERTY VALUATIONS	<u>\$ 3,295,901,232</u>	<u>\$ 3,245,885,048</u>	<u>\$ 3,217,528,723</u>	<u>\$ 3,439,672,048</u>	<u>\$ 3,418,314,319</u>	<u>\$ 3,397,682,946</u>	<u>\$ 3,872,223,379</u>	<u>\$ 3,982,672,021</u>	<u>\$ 3,993,693,983</u>	<u>\$ 3,548,785,156</u>
Tax Levy:										
Real and personal property and tangible tax	\$ 64,756,309	\$ 62,359,964	\$ 60,678,892	\$ 59,430,967	\$ 57,215,357	\$ 56,864,263	\$ 57,044,768	\$ 56,830,394	\$ 56,350,234	\$ 53,733,335
Motor vehicle tax	5,561,915	5,253,713	5,133,679	5,118,101	5,112,255	4,995,985	2,518,067	2,183,732	2,756,369	2,558,668
TOTAL TAXES ASSESSED, NET OF EXEMPTIONS	<u>\$ 70,318,224</u>	<u>\$ 67,613,677</u>	<u>\$ 65,812,571</u>	<u>\$ 64,549,068</u>	<u>\$ 62,327,612</u>	<u>\$ 61,860,248</u>	<u>\$ 59,562,835</u>	<u>\$ 59,014,126</u>	<u>\$ 59,106,603</u>	<u>\$ 56,292,003</u>

**TOWN OF COVENTRY, RHODE ISLAND
TAX COLLECTOR'S ANNUAL REPORT
For the Fiscal Year Ended June 30, 2017**

FISCAL YEAR END	BALANCE July 1, 2015	CURRENT YEAR ASSESSMENT	ADDITIONS	ABATEMENTS	REFUNDS/ADJUSTMENTS	AMOUNT TO BE COLLECTED	CURRENT YEAR COLLECTIONS	June 30, 2016
2016	\$ -	\$ 70,318,224	\$ 195,309	\$ (307,100)	\$ 129,297	70,335,730	\$ 69,570,427	765,303
2015	779,585	-	10,754	(9,002)	(697)	780,640	489,744	290,896
2014	340,154	-	23,292	(9,868)	685	354,263	63,650	290,613
2013	263,538	-	14,710	(6,508)	122	271,862	28,058	243,804
2012	238,830	-	20,544	(4,579)	(22)	254,773	25,058	229,715
2011	177,716	-	8,601	(3,690)	877	183,504	14,807	168,697
2010	109,625	-	-	(2,602)	-	107,023	2,032	104,991
2009	92,784	-	-	(7,751)	-	85,033	919	84,114
2008	90,966	-	-	(6,274)	275	84,967	1,239	83,728
2007	60,311	-	-	(1,165)	66	59,212	1,110	58,102
2006	69,579	-	-	(2,023)	-	67,556	209	67,347
2005	67,272	-	-	(30,627)	53	36,698	174	36,524
2004 & Prior	177,810	-	-	(26,173)	67	151,704	380	151,324
	<u>\$ 2,468,170</u>	<u>\$ 70,318,224</u>	<u>\$ 273,210</u>	<u>\$ (417,362)</u>	<u>\$ 130,723</u>	<u>\$ 72,772,965</u>	<u>\$ 70,197,807</u>	<u>\$ 2,575,158</u>

**SCHEDULE OF MOST RECENT NET
ASSESSED PROPERTY VALUE BY CATEGORY**

DESCRIPTION OF PROPERTY	VALUATIONS December 31, 2015	LEVY
Real property	\$ 3,003,102,100	\$ 63,321,731
Motor vehicles	339,551,301	5,561,915
Tangible personal	67,006,090	1,434,578
TOTAL	<u>3,409,659,491</u>	<u>70,318,224</u>
Less exemptions	113,758,259	-
NET ASSESSED VALUE	<u>\$ 3,295,901,232</u>	<u>\$ 70,318,224</u>

**RECONCILIATION OF CURRENT YEAR
PROPERTY TAX REVENUE**

Current year collections	\$ 70,197,807
Less: Refunds, adjustments	<u>(123,268)</u>
July - August 2017 Collections Subject to 60 - day FY 2017 Accrual	<u>207,798</u>
July - August 2016 Collections Subject to 60 - day FY 2016 Accrual	<u>(292,075)</u>
Current Year Property Tax Revenue	<u>\$ 69,990,262</u>

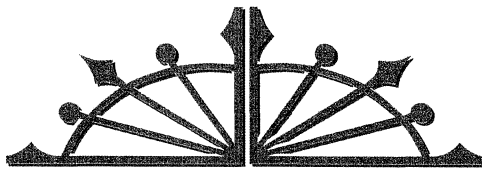
TOWN OF COVENTRY, RHODE ISLAND
Schedule of long-term liabilities - Primary Government
For the fiscal year ended June 30, 2017

	Date of Issuance	Interest Rate	Date of Maturity	Authorized	Outstanding July 1, 2016	Additions	Maturities During Year	Outstanding June 30, 2017	Interest Paid
General Obligation Bonds Payable									
GO Bond Refunding	10/27/11	2.00% to 3.375%	11/01/21	\$ 13,770,000	\$ 8,240,000	\$ -	\$ 1,425,000	\$ 6,815,000	\$ 232,344
GO Bond	3/17/15	2.12% to 4.00%	3/15/35	15,860,000	15,280,000	-	595,000	14,685,000	454,556
RIHEBC GO Bond	4/23/13	2.00% to 4.00%	04/01/27	12,520,000	10,355,000	-	865,000	9,490,000	318,431
GO Bond	4/11/12	3.00% to 4.00%	04/01/27	4,330,000	3,530,000	-	270,000	3,260,000	120,631
GO Bond	3/16/16	3.00%	3/15/36	5,880,000	5,880,000	-	25,000	5,855,000	175,910
GO Bond	3/30/17	3.00% to 4.00%	3/15/37	5,100,000	-	5,100,000	-	5,100,000	-
General obligation bonds payable				57,460,000	43,285,000	5,100,000	3,180,000	45,205,000	1,301,872
Issuance premium on bonds					1,004,336	305,292	63,600	1,246,028	-
Total general obligation bonds payable				57,460,000	44,289,336	5,405,292	3,243,600	46,451,028	1,301,872
Loans Payable									
RI Infrastructure Bank	9/3/14	.26% to 2.01%	9/1/24	340,000	308,000	-	32,000	276,000	5,640
RI Infrastructure Bank	5/28/15	.33% to 2.55%	9/1/29	900,000	409,880	422,129	57,000	775,009	17,186
Total loans payable				1,240,000	717,880	422,129	89,000	1,051,009	22,826
Total general obligation bonds and loans payable				58,700,000	45,007,216	5,827,421	3,332,600	47,502,037	1,324,698
Sewer Loans Payable									
RI Infrastructure Bank	12/6/06	1.33%	9/1/27	3,205,000	2,060,000	-	155,000	1,905,000	34,767
RI Infrastructure Bank	12/12/07	3.75% to 5.08%	9/1/28	5,000,000	3,466,000	-	235,000	3,231,000	56,482
RI Infrastructure Bank	6/28/12	0.47% - 2.99%	9/1/32	2,400,000	2,290,000	-	109,000	2,181,000	65,859
RI Infrastructure Bank	6/6/13	0.82% - 3.23%	9/1/34	2,400,000	2,300,000	-	99,000	2,201,000	51,914
RI Infrastructure Bank	10/6/09	.7%-2.64%	9/1/29	2,564,519	1,919,848	-	115,121	1,804,727	44,293
RI Infrastructure Bank	9/3/13	4.25%	9/1/28	8,225,000	7,400,000	-	440,000	6,960,000	309,466
All American Investment	5/1/17	3.79%	5/15/27	750,000	-	750,000	-	750,000	-
All American Investment	5/1/17	5.25%	5/15/27	450,000	-	450,000	-	450,000	-
Total Sewer loans payable				24,994,519	19,435,848	1,200,000	1,153,121	19,482,727	562,781
Total bonds and loans payable				\$ 83,694,519	64,443,064	7,027,421	4,485,721	66,984,764	1,887,479
Accrued expenses									
Compensated absences					3,814,958	141,832	-	3,956,790	n/a
Net pension liability					156,753,178	4,875,704	-	161,628,882	n/a
Net OPEB obligation					3,451,836	518,723	-	3,970,559	n/a
Total accrued expenses					164,019,972	5,536,259	-	169,556,231	
Total long-term liabilities					\$ 228,463,036	\$ 12,563,680	\$ 4,485,721	\$ 236,540,995	

TOWN OF COVENTRY, RHODE ISLAND
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2017

Grossed assessed value	\$ 3,409,659,491
Less: exemptions and adjustments	(113,758,259)
Total taxable assessed value	\$ 3,295,901,232
Debt Limit - 3 percent of total assessed value	\$ 98,877,037
Amount of debt applicable to debt limit:	
Total bonded debt-governmental bonds	28,900,000
Legal debt margin	\$ 69,977,037

***TOWN OF COVENTRY, RHODE ISLAND
SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2017***



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President
and Members of the Town Council
Town of Coventry, 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, the business type activities, each major fund, and the aggregate remaining fund information of the Town of Coventry, Rhode Island as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town of Coventry's basic financial statements, and have issued our report thereon dated April 17, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Coventry'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of Coventry's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Coventry'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

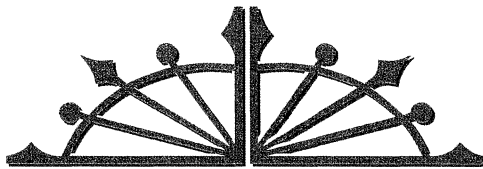
As part of obtaining reasonable assurance about whether Town of Coventry's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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.


Baxter, Dansereau & Associates, LLP
West Warwick, Rhode Island
April 17, 2018



BAXTER DANSEREAU & ASSOCIATES, LLP

Accounting, Consulting & Tax Services

Partners

William J. Baxter, Jr., CPA

Paul L. Dansereau, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for the Major Federal Program

We have audited the Town of Coventry's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Coventry, Rhode Island's major federal programs for the year ended June 30, 2017. The Town of Coventry's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Coventry, Rhode Island's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Coventry, Rhode Island's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of Coventry, Rhode Island's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Coventry, Rhode Island, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items, 2017-001. Our opinion on each major federal program is not modified with respect to these matters.

The Town of Coventry's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Town of Coventry's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Town of Coventry, Rhode Island, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Coventry, Rhode Island's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Coventry, Rhode Island's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items, 2017-001 that we consider to be material weaknesses.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Baxter, Dansereau & Associates, LLP

Baxter, Dansereau & Associates, LLP

West Warwick, Rhode Island

April 17, 2018

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Expenditures</u>
U.S. Department of Agriculture:				
<i>Passed through State of Rhode Island Department of Education:</i>				
<i>Child Nutrition Cluster:</i>				
School Breakfast Program	10.553	N/A	\$ -	\$ 128,011
National School Lunch Program	10.555	N/A	-	587,791
Special School Milk Program for Children	10.556	N/A	-	255
Food Commodity Program - See Note 4	10.555	N/A	-	95,211
<i>Total Child Nutrition Cluster</i>			-	811,268
Fresh Fruit and Vegetable Program	10.582	N/A	-	7,817
Total U.S. Department of Agriculture			<u>\$ -</u>	<u>\$ 819,085</u>
U.S. Department of Housing and Urban Development:				
<i>Pass-Through State of Rhode Island Division of Planning, Office of Housing and Community Development</i>				
Community Development Block Grant	14.228	N/A	\$ -	\$ 21,612
Total U.S. Department of Housing and Urban Development			<u>\$ -</u>	<u>\$ 21,612</u>
U.S. Department of Justice:				
<i>Pass-Through State of Rhode Island Governor's Justice Commission</i>				
Bulletproof Vests Partnership Program	16.607	N/A	\$ -	\$ 411
Total U.S. Department of Justice			<u>\$ -</u>	<u>\$ 411</u>
U.S. Department of Transportation				
<i>Pass-through State of Rhode Department of Transportation</i>				
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	N/A	\$ -	\$ 33,607
Total U.S. Department of Transportation			<u>\$ -</u>	<u>\$ 33,607</u>
U.S. Environmental Protection Agency				
<i>Direct Award</i>				
ARRA - Capitalization Grant for Clean Water State Revolving Fund	66.458	N/A	\$ -	\$ 14,537
Total U.S. Environmental Protection Agency			<u>\$ -</u>	<u>\$ 14,537</u>
U.S. Department of Education:				
<i>Passed through State of Rhode Island Department of Education:</i>				
Title I Grants to Local Education Agencies	84.010	2725-11702-701	\$ -	\$ 531,465
Career & Technical Education - Basic Grants to States	84.048	2725-15302-701	-	270,294
Improving Teacher Quality State Grants	84.367	2725-16402-701	-	204,550
<i>Special Education Cluster:</i>				
Special Education Grants to States	84.027	2725-13202-701	-	1,211,917
Special Education Preschool Grants	84.173	2725-13502-701	-	36,014
<i>Total Special Education Cluster:</i>			-	1,247,931
Total U.S. Department of Education			<u>\$ -</u>	<u>\$ 2,254,240</u>
U.S. Department of Health & Human Services				
<i>Passed-through the State of Rhode Island Department of Behavioral Healthcare</i>				
Medical Assistance Program	93.778	N/A	\$ -	\$ 598,766
Total U.S. Department of Health & Human Services			<u>\$ -</u>	<u>\$ 598,766</u>
U.S. Department of Homeland Security				
<i>Pass-through State of Rhode Island Emergency Management Agency:</i>				
Flood Mitigation Grant	97.029	N/A	\$ -	\$ 35,900
Disaster Grants - Public Assistance	97.036	N/A	-	10,353
Hazard Mitigation Grant	97.039	N/A	-	4,520
Total U.S. Department of Homeland Security			<u>\$ -</u>	<u>\$ 50,773</u>
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 3,793,031</u>

The accompanying notes are an integral part of this schedule.

concluded

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2017

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness (es) identified? yes X no

Significant deficiency (ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness (es) identified? X yes no

Significant deficiency (ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
	<i>Child Nutrition Cluster</i>
10.553	School Breakfast Program
10.555	National School Lunch Program
10.556	Special School Milk Program for Children
93.778	Medical Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low risk auditee? X yes no

SECTION II – FINANCIAL STATEMENT FINDINGS yes X none

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS X yes none

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2017
(continued)

**SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT
AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

A. Significant Deficiency in Internal Control

None Reported.

B. Compliance

None Reported.

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

Finding - 2017-001

Material Weakness – New Finding

MEDICAL ASSISTANCE PROGRAM – 93,778

Federal Award Agency: U.S. Department of Health and Human Services

Passed through – State of Rhode Island Department of Health

Award Year: 2016-2017 Fiscal Year ended 6/30/2017

Condition

During our audit it was noted that some of the final time sheets submitted to the payroll clerk did not agree to the original time sheets prepared by the employee or service provider. In each case the time worked for that employee was increased. Time sheets were altered prior to their final submission to the payroll clerk. Also we noted during our inquiry and testing of compliance program officials could not provide us with documentation that would support the billing for services provided to their clients. This documentation would have been used to bill the State of Rhode Island (BHDDH) for reimbursement and also support the amount of remittance received by the program. It appeared that the program was billing the state for the maximum allowed for each client they serviced.

Criteria

The Town of Coventry maintains a federally funded health care services organization through the Coventry Resource and Senior Center called “Project Friends”. This program works in coordination with the State of Rhode Island Department of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH) and is regulated by the “Rules and Regulations for the Licensing of Developmental Disability Organizations. Under the Federal Uniform Guidance (200.52 Improper Payment) and state laws (Section 9.0 – Program Documentation Requirements of the Rules and Regulations for the Licensing of Developmental Disability Organizations) the provider shall maintain program documentation and records for all services provided and for all request for reimbursement under the program.

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2017
(continued)

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS (continued)

Questioned Cost: Unknown

Cause:

We were not able to discuss the reasons for the missing documentation or for the discrepancies in the employee's timesheets due to the fact that the former program director had since retired and other individuals were not able to provide us with complete answers. It appears from our review of the documentation that was available time sheets were intentionally changed to increase the pay of certain individuals and billing for services were arbitrarily charged for program clients.

Effect:

The State of Rhode Island and the Federal Government program may have been overcharged for program services related to the clients they served.

Auditor's Recommendation:

Town officials should meet with current employees who are running the program and develop written procedural controls that provide for the safeguarding and accurate reporting of federal funds and there request for reimbursement. These controls should follow the federal and state guidelines noted in the *criteria* above. As with any well written internal control procedure it is the execution of the process and its follow up that makes the system work.

Views of Responsible Officials and Planned Corrective Actions:

During the course of the audit, the DHS staff fully cooperated with the auditor; however some documentation was missing and the former director was retired and not available to answer questions that the then-current DHS staff didn't know the answers to. Immediately following the departure of the former DHS Director, Town officials met in early July 2017 with the then Interim Director regarding billing and payroll inconsistencies within the Project Friends program. Written procedures were developed and implemented in July 2017 that includes the following:

- All Project Friends employees will use a time clock at the start and end of their work shift when working during normal work hours. A biometric timeclock was installed in at DHS in August 2017.
- The time clock is not able to be utilized for the family support functions that take place after hours during the week and/or weekends. Employees involved in these support functions are now required to complete case notes on the family support date and sign out sheets for the after hours worked.
- Both the supervisor and coordinator of the Project Friends program shall sign all the case notes to insure the work being claimed has actually been completed.

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2017
(continued)

SECTION III – FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS (continued)

- All program documentation and records for all services provided as well as all requests for reimbursement under the program shall be kept in a manner that is consistent with the requirements set forth by the Federal Uniform Guidance (200.52 Improper Payment) and state laws (Section 9.0 – Program Documentation Requirements of the Rules and Regulations for the Licensing of Developmental Disability Organizations).
- Any deviation from the schedule needs to be authorized by the Project Friends supervisor who also now is responsible for the billing.
- Employees and client families may also receive a call from the administrative assistant or Project Friends supervisor during the family support time to verify the hours are in fact being provided.
- Mileage reimbursement claims submitted by Project Friends employees must be made on an official Town Mileage Reimbursement Request Form. The mileage to and from each individual trip must be stated. When signing the Form, the Project Friends Supervisor and DHS Director (or his/her designee) is attesting that the mileage is accurate.
- All future hiring in the Project Friends program is now subject to approval by the Town of Coventry Human Resources department.

On a go-forward basis, the Town is confident that the creation, implementation, and execution of these new procedures/controls will provide for the safeguarding of information and the accurate reporting of all Project Friends activities.

TOWN OF COVENTRY, RHODE ISLAND
Schedule of Prior Year Findings and Questioned Costs
For the Year Ended June 30, 2017

PRIOR YEAR FINDINGS AND QUESTIONED COST FOR FEDERAL AWARDS

A. Findings

None Reported

B. Questioned Costs

None Reported

TOWN OF COVENTRY, RHODE ISLAND
Notes to Schedule of Expenditures of Federal Awards
June 30, 2017

NOTE 1 - *BASIS OF PRESENTATION*

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the Town of Coventry, Rhode Island under programs of the federal government for the year ended June 30, 2017. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Town of Coventry, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town of Coventry, Rhode Island.

NOTE 2 - *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of the Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - *Indirect Cost Rates*

The Town of Coventry has elected to use the 10 percent de-Minimis indirect cost rate as allowed under the Uniform Guidance when applicable.

NOTE 4 - *Non-Cash Assistance – School Lunch Commodities*

Nonmonetary assistance is reported in the Schedule of Expenditures of Federal Awards at the cost of commodities provided by the School Lunch Program. The total federal share of these commodities was \$95,211 for the fiscal year ended June 30, 2017. The amounts have been included in the schedule of expenditures of federal awards under CFDA 10.555.