

TOWN OF TIVERTON

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2018



Jan H. Reitsma
Town Administrator

Denise G. Saurette
Treasurer

Prepared by: Finance Department

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

TOWN OF TIVERTON, RHODE ISLAND

June 30, 2018

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INTRODUCTORY SECTION

This Section Contains the Following Subsections:

List of Town Officials

TOWN OF TIVERTON, RHODE ISLAND

JUNE 30, 2018

TOWN COUNCIL

Robert Coulter, President
Justin David Katz, Vice President
Donna Cook
Denise M. deMedeiros
Nancy Driggs
Joseph C. Perry, Jr.
Patricia M. Hilton

TOWN ADMINISTRATOR

Jan H. Reitsma

TOWN TREASURER

Denise G. Saurette

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FINANCIAL SECTION

This Section Contains the Following Subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tiverton, Rhode Island (Town) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tiverton, Rhode Island, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(Continued)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, OPEB related disclosure, and Pension related disclosure, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Tiverton, Rhode Island's basic financial statements. The introductory section, other supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules included in the other supplementary information section including the budgetary comparison information for the unrestricted school operating fund and the detailed revenue and expenditures for the general fund, combining and individual nonmajor fund financial statements, and Annual Supplemental Transparency Portal (MTP2) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules included in the other supplementary information section including the budgetary comparison information for the unrestricted school operating fund and the detailed revenue and expenditures for the general fund, combining and individual nonmajor fund financial statements, and Annual Supplemental Transparency Portal (MTP2) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated, January 16, 2019, on our consideration of the Town of Tiverton, Rhode Island's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Tiverton, Rhode Island's internal control over financial reporting and compliance.

Hague, Sabady & Co. PC

Management's Discussion and Analysis

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

The management of the Town of Tiverton, Rhode Island (herein, The Town), offers readers of the Town's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented herein conjunction with additional information found within the financial statements.

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

Financial Highlights

- ❖ The Town's primary governments net position increased \$95,458 as a result of current year operations. This increase is attributable to various factors including a sizeable decrease in taxes paid in advance compared to the prior year of \$2,937,533 as well as the capitalization of library costs of \$9,241,797.
- ❖ The government-wide liabilities and deferred inflows of the Town exceeded their assets and deferred outflows at the close of the most recent fiscal year by \$10,447,121. The net position of business activities decreased by \$73,770, while the net position of Governmental Activities increased by \$169,228.
- ❖ The Town's Government-wide (governmental and business activities) operating expenses were \$52,483,000 a 5.5% decrease from the prior year, while revenues collected were \$52,378,458 an 8.7% decrease compared to the prior year.
- ❖ As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$25,514,641. Of this amount \$2,750,991 or 10.8%, is unassigned in the general fund and available for use within the Town's designation and fiscal policies. \$4,270,625 is available for School expenditures and \$17,348,971 is set aside for the remaining non-major governmental funds.
- ❖ At the end of the current fiscal year, the general fund unassigned fund balance was \$2,750,991 or 5.6% of the total general fund expenditures and transfers out for the fiscal year. The current year's revenues and transfers exceeded expenditures and transfers by \$411,285. On a budgetary basis, revenues exceeded expenditures and transfers by \$523,333. The School department unrestricted fund ended with a combined fund balance of \$4,270,625 or 14.5% of the current year budget. The current year's expenditures exceed the current year revenue by \$158,585.
- ❖ In 2017, the Town of Tiverton obtained a new piece of debt totaling \$15,438,230 (net of issuance costs) through the Rhode Island Health and Education Building Corporation. Approximately \$8.0 million of this was spent down in fiscal year 2018.

Implementation of New Standards:

Effective for the fiscal year ended June 30, 2018, the Town adopted the provisions of Statement No. 75 of the GASB, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB 75 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses and expenditures related to other postemployment benefits ("OPEB") administered through trusts or equivalent arrangements. For defined benefit OPEBs, GASB 75 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. In addition, GASB 75 requires more extensive footnote disclosures in employer financial statements. GASB Statement numbers 81 – Irrevocable Split-Interest Agreements, 85 – Omnibus, and 86 – Certain Debt Extinguishment Issues were implemented in the current year but did not have a material impact.

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TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Overview of the Financial Statements

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

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

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

Government-wide financial statements - are designed to provide readers with a broad overview of the Town's finances in a manner, which is similar to a private-sector business. The statements provide both short-term and long-term information about the Town's financial position, which assists in assessing the Town's economic position at the end of the fiscal year.

The *Statement of Net Position* presents information on all of the Town's assets and liabilities along with any deferred inflows and/or outflows of resources, with the difference between the two reported as Net Position. Over time, increases or decreases in the Town's net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information which shows how the Town's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods. Examples would include uncollected taxes and earned, unused compensated absences.

Both government-wide financial statements distinguish functions of the Town, which are supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town's governmental activities include general government and administration, public safety, development services, cultural and recreational services. The Town's business activities include the Land Acquisition Fund and the Cafeteria Fund.

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TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Government-wide financial statements (Continued)

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

The government wide financial statements are reported on pages 19 through 22.

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

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

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

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

The basic governmental fund financial statements are presented on pages 23 and 24.

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

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

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statements can be found on pages 30 and 31.

Notes to Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are presented on pages 32 through 85.

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TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Governmental Funds (Continued)

Other Required Supplementary Information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information pertinent to the Town's operations. Required supplementary information presents schedules detailing certain pension information, as well as, budgetary comparison schedules for the general fund and the school unrestricted fund to demonstrate compliance with their respective budgets. Required supplementary information is presented on pages 86 through 111.

Supplementary Information - The combining statements referred to earlier in connection with non-major governmental funds, as well as other information, are presented on pages 112 through 163.

Statistical Section - Information contained in the section has not been subject to audit procedures but is included as additional analysis and can be found on pages 164 to 169.

Government-wide Financial Analysis

Analysis of the Town of Tiverton's Net Position

As noted earlier, the Town's net position may serve over time as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. The Town's governmental activities liabilities plus deferred inflows exceeded assets plus deferred outflows by \$14,311,859 as of June 30, 2018. This represents a current years' increase of \$169,228. Listed below is a comparison of the current and prior fiscal years.

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>		<u>\$ Change</u>
	<u>Activities</u>		<u>Activities</u>				
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
Assets							
Current assets	\$ 35,170,781	\$ 50,253,307	\$ 544,057	\$ 622,720	\$ 35,714,838	\$ 50,876,027	\$ (15,161,189)
Long-term assets	63,336,186	56,395,068	3,360,000	3,360,000	66,696,186	59,755,068	6,941,118
Total assets	<u>98,506,967</u>	<u>106,648,375</u>	<u>3,904,057</u>	<u>3,982,720</u>	<u>102,411,024</u>	<u>110,631,095</u>	<u>(8,220,071)</u>
Deferred outflows of resources							
Pension related outflows	12,009,871	12,352,583	-	-	12,009,871	12,352,583	(342,712)
Total deferred outflows of resources	<u>12,009,871</u>	<u>12,352,583</u>	<u>-</u>	<u>-</u>	<u>12,009,871</u>	<u>12,352,583</u>	<u>(342,712)</u>
Liabilities							
Current liabilities	6,867,497	10,760,601	39,319	44,212	6,906,816	10,804,813	(3,897,997)
Long-term liabilities	112,241,779	117,508,283	-	-	112,241,779	117,508,283	(5,266,504)
Total liabilities	<u>119,109,276</u>	<u>128,268,884</u>	<u>39,319</u>	<u>44,212</u>	<u>119,148,595</u>	<u>128,313,096</u>	<u>(9,164,501)</u>
Deferred inflows of resources							
Pension related inflows	4,552,649	3,939,525	-	-	4,552,649	3,939,525	613,124
Gain on debt refunding	1,166,772	1,273,636	-	-	1,166,772	1,273,636	(106,864)
Total deferred inflows of resources	<u>5,719,421</u>	<u>5,213,161</u>	<u>-</u>	<u>-</u>	<u>5,719,421</u>	<u>5,213,161</u>	<u>506,260</u>
Net Position							
Net investment in capital assets	12,647,896	1,271,783	3,360,000	3,360,000	16,007,896	4,631,783	11,376,113
Restricted	2,270,586	3,663,668	139,951	139,951	2,410,537	3,803,619	(1,393,082)
Unrestricted	<u>(29,230,341)</u>	<u>(19,416,538)</u>	<u>364,787</u>	<u>438,557</u>	<u>(28,865,554)</u>	<u>(18,977,981)</u>	<u>(9,887,573)</u>
Total net position	<u>\$ (14,311,859)</u>	<u>\$ (14,481,087)</u>	<u>\$ 3,864,738</u>	<u>\$ 3,938,508</u>	<u>\$ (10,447,121)</u>	<u>\$ (10,542,579)</u>	<u>\$ 95,458</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

The Town's governmental activities net position net investment in capital assets comprises \$12,647,896 of total net position. This amount consists of its investments in capital assets such as land, buildings and improvements, motor vehicles, furniture and equipment and infrastructure, less any debt used to acquire these assets, which is still outstanding. The Town uses these capital assets to provide services to its citizens. Consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are unlikely to be used to liquidate these liabilities.

In addition, a portion of the Town's net position totaling \$2,382,634 represents resources that are subject to external restriction in how they may be used. Unrestricted net position, totals \$ (29,342,389), and represents the remaining amount available to be used to meet the government's ongoing obligation to citizens and creditors.

Changes in Net Position

The following analysis provides a summary of the Town's operations for the year ended June 30, 2018. Governmental activities increased the Town's net position by \$168,228 for the current period, while business-type activities decreased the Town's net position by \$73,770. Overall the Town's current year's net position increase was \$95,458.

In the current fiscal year, the Town's governmental fund financial statements ended with a net decrease in the overall fund balances of \$7,224,003. The decrease in the overall fund balance is primarily a result of capital projects expenditures of \$11,412,742.

In the statement of activities, expenditures for capital items are not recorded as expenses, but shown in the balance sheet as capital assets, with depreciation shown as a current year expense which resulted in a net increase of \$7,960,418. Bond payments are not recorded as expenditures but shown in the balance sheet as a reduction in long-term liabilities; this resulted in an increase to the Town's net position of \$2,774,611. Other material changes include a decrease in the Town's net other postemployment benefits liability of \$1,233,178 and a decrease in the Town's net pension liability of \$349,097. The overall effect was a decrease in the Town's net position of \$95,458.

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Changes in Net Position for the period ending June 30, 2018 and June 30, 2017 (Government-wide level)

	Changes in Net Position						\$ Change
	Governmental		Business-Type		Total		
	Activities	Activities	Activities	Activities	Activities	Activities	
	2018	2017	2018	2017	2018	2017	
Revenues							
Program Revenues:							
Charges for service	\$ 2,824,583	\$ 3,110,641	\$ 319,274	\$ 412,101	\$ 3,143,857	\$ 3,522,742	\$ (378,885)
Operating grants & contributions	9,847,172	2,917,653	254,610	320,165	10,101,782	3,237,818	6,863,964
Capital grants & contributions	1,851,638	306,207	-	-	1,851,638	306,207	1,545,431
General Revenues:							
Property taxes	35,118,669	41,435,177	-	-	35,118,669	41,435,177	(6,316,508)
State aid to town	1,362,962	1,528,058	-	-	1,362,962	1,528,058	(165,096)
State aid to education	-	6,283,966	-	-	-	6,283,966	(6,283,966)
Medicaid reimbursement	200,000	300,000	-	-	-	-	-
Miscellaneous revenue	494,840	865,699	-	-	494,840	865,699	(370,859)
Earnings on investments	304,710	216,615	-	-	304,710	216,615	88,095
Total revenue	<u>52,004,574</u>	<u>56,964,016</u>	<u>573,884</u>	<u>732,266</u>	<u>52,378,458</u>	<u>57,396,282</u>	<u>(5,017,824)</u>
Expenses							
General government	6,226,722	8,490,113	-	-	6,226,722	8,490,113	(2,263,391)
Public safety	5,770,330	7,277,290	-	-	5,770,330	7,277,290	(1,506,960)
Education	34,137,508	33,847,020	-	-	34,137,508	33,847,020	290,488
Public works	2,798,844	3,160,088	-	-	2,798,844	3,160,088	(361,244)
Health and human services	816,695	696,320	-	-	816,695	696,320	120,375
Parks and recreation	222,174	150,055	-	-	222,174	150,055	72,119
Interest on debt	1,863,073	1,271,765	-	-	1,863,073	1,271,765	591,308
Cafeteria fund	-	-	647,654	654,702	647,654	654,702	(7,048)
Total expenses	<u>51,835,346</u>	<u>54,892,651</u>	<u>647,654</u>	<u>654,702</u>	<u>52,483,000</u>	<u>55,547,353</u>	<u>(3,064,353)</u>
Increase(decrease) in net position							
before transfers	169,228	2,071,365	(73,770)	77,564	95,458	2,148,929	(2,053,471)
Transfers in (out)	-	-	-	-	-	-	-
Increase(decrease) in net position	169,228	2,071,365	(73,770)	77,564	95,458	2,148,929	(2,053,471)
Net position, July 1, 2017, restated	<u>(14,481,087)</u>	<u>(16,552,452)</u>	<u>3,938,508</u>	<u>3,860,944</u>	<u>(10,542,579)</u>	<u>(12,691,508)</u>	<u>2,148,929</u>
Net position, June 30, 2018	<u>\$ (14,311,859)</u>	<u>\$ (14,481,087)</u>	<u>\$ 3,864,738</u>	<u>\$ 3,938,508</u>	<u>\$ (10,447,121)</u>	<u>\$ (10,542,579)</u>	<u>\$ 95,458</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Financial Analysis of the Town of Tiverton's Funds

Governmental Funds - The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$25,514,641. Of this amount \$2,332,735 or 9.1% is unassigned and available for use within the Town's designation and fiscal policies. The remainder of the fund balance is categorized at various commitment levels as follows.

	2018	2017	\$ Change
Nonspendable for			
Prepays	\$ 203,445	\$ 599,754	\$ (396,309)
Restricted for			
Educational programs	1,414,087	2,793,987	(1,379,900)
Public safety programs	105,601	108,090	(2,489)
Debt service	362,625	362,625	-
Health and human services	16,983	398,966	(381,983)
Public works programs	371,290	-	371,290
Committed for			
Debt service	8,450,663	16,059,568	(7,608,905)
Public works programs	8,117,959	7,706,870	411,089
General government	317,448	839,075	(521,627)
Capital projects	116,895	24,992	91,903
Various school renovation projects	2,970,936	1,661,973	1,308,963
Health and human services	19,121	3,035	16,086
Culture and recreation	714,853	382,255	332,598
Unassigned	<u>2,332,735</u>	<u>1,797,454</u>	<u>535,281</u>
 Total fund balances	 <u>\$ 25,514,641</u>	 <u>\$ 32,738,644</u>	 <u>\$ (7,224,003)</u>

The Town's General Fund unassigned fund balance increased in the current year from \$1,898,325 to \$2,750,991. Of this increase, \$47,229 of which was related to prior prepaid street lights that were no longer on the books in the current year, a change in prepaid trust insurance bills of \$337,379 and actual current year activity of \$468,058.

General Fund Unassigned Fund Balance

Unassigned fund balance July 1, 2017	\$ 1,898,325
Decrease in street light prepaid items	47,229
Trust insurance bills prepaid in prior year	337,379
Current year activity	468,058
Unassigned fund balance June 30, 2018	<u>\$ 2,750,991</u>

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

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

Unrestricted net position of the proprietary funds are \$364,787.

General Fund Budgetary Highlights:

The original budget for the fiscal year ended June 30, 2018 was adopted at the financial town referendum in the amount of \$49,385,580. No changes were made to the final budget amount however transfers were authorized between expenditure line items.

Actual revenues reported were more than budgeted amounts by \$438,494, due principally to a surplus in licenses, permits, and usage fees in the amount of \$307,725 as well as investment earnings above the budget by \$89,360.

Actual expenditures resulted in a favorable variance over the budget in the amount of \$328,739. The favorable amounts were in varying departments including \$80,460 relating to debt principal and \$68,893 related to public safety.

The total excess of expenditures and other financing sources over revenues and other financing uses on a budgetary basis was \$917,516 of which \$577,985 was encumbered and carried in fiscal year 2019.

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

The Town of Tiverton's Capital Assets

The Town's investment in capital assets for its governmental and business-type activities amounts to \$63,434,055 net of accumulated depreciation at June 30, 2018. Included are land, building and improvements, motor vehicles, furniture and equipment and infrastructure.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>		<u>\$ Change</u>
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
Land	\$ 4,490,592	\$ 4,471,871	\$ 3,360,000	\$ 3,360,000	\$ 7,850,592	\$ 7,831,871	\$ 18,721
Construction in progress	9,650,934	445,014	-	-	9,650,934	445,014	9,205,920
Infrastructure, net	3,722,338	3,762,248	-	-	3,722,338	3,762,248	(39,910)
Building & improvements, net	38,725,899	39,636,292	-	-	38,725,899	39,636,292	(910,393)
Vehicles, net	1,306,430	1,445,535	-	-	1,306,430	1,445,535	(139,105)
Equipment, net	2,177,862	2,352,677	-	-	2,177,862	2,352,677	(174,815)
Total	<u>\$ 60,074,055</u>	<u>\$ 52,113,637</u>	<u>\$ 3,360,000</u>	<u>\$ 3,360,000</u>	<u>\$ 63,434,055</u>	<u>\$ 55,473,637</u>	<u>\$ 7,960,418</u>

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

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

The Town of Tiverton's Debt Administration

At the end of the current fiscal year, the Town's Governmental Activities had a total bonded debt of \$41,030,000 and bond premiums of \$4,185,548. Of this amount, 100% comprises bonded debt backed by the full faith and credit of the government. The following is a summary of the Town's long-term debt.

	Debt Administration						\$ Change
	Governmental Activities		Business-Type Activities		Total		
	2018	2017	2018	2017	2018	2017	
General obligation bonds	\$ 45,215,548	\$ 47,990,159	\$ -	\$ -	\$ 45,215,548	\$ 47,990,159	\$ (2,774,611)
Capital leases	<u>1,043,839</u>	<u>1,347,762</u>	<u>-</u>	<u>-</u>	<u>1,043,839</u>	<u>1,347,762</u>	<u>(303,923)</u>
Total	<u>\$ 46,259,387</u>	<u>\$ 49,337,921</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,259,387</u>	<u>\$ 49,337,921</u>	<u>\$ (3,078,534)</u>

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

The Town of Tiverton's Debt Administration (Continued)

The State of Rhode Island imposes a limit of 3 percent of the fair value of all taxable Town property on the general obligation debt that a municipality can issue. The Town of Tiverton's limit is \$60,399,747 at year-end. The Town's outstanding general obligation debt is \$41,030,000 at year-end, which is \$19,369,747 under the State imposed limitation.

Economic Factors and Next Year's Budgets and Rates

The fiscal year 2018 budget which was recommended by the Budget Committee and adopted by the voters at the FTR, resulted in a decrease in the tax rate of \$.09 per thousand. There was a total budgeted increase over the prior year of \$697,162. This was in large part due to the restoration of the Trash & Recycling line item. Even with an increase in the overall Town's Net Property Valuation, balancing the budget still required a \$98,000 withdrawal from the general fund. After making allowances for the FTR adopted resolutions that set aside restricted funds for elections, revaluations, paving and capital, there was a surplus of unexpended funds, just over \$140,000. By the end of the fiscal year we realized a surplus in overall revenue just over \$300,000. This surplus was largely attributable to building permits, ambulance rescue funds and investment income.

The Town continues to fully fund the Police Pension, and once again, the year- end actuarial valuation results were positive. The Plan continues to grow and remain in a positive status.

The PAYT program continues and the Landfill Closure fund continues to increase; as of this publication, the reserve is over \$7,950,000 million. As the landfill closure date nears, the Council and Landfill committee will be looking for alternate solutions to accommodate the Town's trash and recycling needs.

Fiscal year 2019 will prove to be a challenging year. Budgets were formulated with speculation on potential increases in both expenses and revenue as a result of the impending casino opening. Even with the addition of an estimated receipt of \$768K in Casino gaming revenue and \$202K library sale proceeds to offset the bond, balancing the budget still required a withdrawal from Unreserved General Fund in the amount of \$84,216. FY2019 municipal expense budget of \$21,388,724 includes a capital budget of only \$444,767; a slight increase over last year. The largest increase in the Municipal budget was the Principal payment for the new bond to repair the roofs and HVAC at both the THS and TMS. Additionally, as a result of the most recent town wide statistical revaluation and the increases in property values, property tax bills remained relatively stable, while the tax rate decreased to \$16.39 per thousand. Furthermore, the State of RI passed legislation to phase out the Motor Vehicle excise tax.

TOWN OF TIVERTON, RHODE ISLAND

Management's Discussion and Analysis

For the Year Ended June 30, 2018

Results of the current budget are on target and as expected, and Town officials and department managers are already formulating the FY2020 budget.

Request for Information

The financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the Town's finances and to show the Town's accountability for the tax dollars received. If you have questions about this report or need additional financial information, contact Denise G. Saurette, Town Treasurer, Treasurer's Office, Town of Tiverton, 343 Highland Road, Tiverton RI 02878.

Basic Financial Statements

TOWN OF TIVERTON, RHODE ISLAND

Statement of Net Position

June 30, 2018

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and cash equivalents	\$ 24,499,026	\$ 110,166	\$ 24,609,192
Investments	8,104,416	-	8,104,416
Receivables, net			
Personal property taxes	2,164,714	-	2,164,714
Intergovernmental	458,569	55,091	513,660
Departmental and other	119,411	-	119,411
Internal balances	(378,800)	378,800	-
Prepaid expenses	203,445	-	203,445
Net pension asset	3,262,131	-	3,262,131
Capital assets:			
Land	4,490,592	3,360,000	7,850,592
Construction in progress	9,650,934	-	9,650,934
Infrastructure, net	3,722,338	-	3,722,338
Building and improvements, net	38,725,899	-	38,725,899
Automobiles and vessels, net	1,306,430	-	1,306,430
Machinery and equipment, net	<u>2,177,862</u>	<u>-</u>	<u>2,177,862</u>
Total capital assets	<u>60,074,055</u>	<u>3,360,000</u>	<u>63,434,055</u>
Total assets	<u>98,506,967</u>	<u>3,904,057</u>	<u>102,411,024</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related outflows	<u>12,009,871</u>	<u>-</u>	<u>12,009,871</u>
Total assets and deferred outflows of resources	<u>\$ 110,516,838</u>	<u>\$ 3,904,057</u>	<u>\$ 114,420,895</u>

The accompanying notes are an integral part of this statement.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Statement of Net Position

June 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable and accrued expenses	\$ 2,531,226	\$ 39,319	\$ 2,570,545
Other liabilities	114,886	-	114,886
Accrued interest	373,575	-	373,575
Deposits held	102,160	-	102,160
Unearned revenue	362,151	-	362,151
Current portion of capital leases	272,560	-	272,560
Current portion of bonds and notes payable	3,073,240	-	3,073,240
Current portion of compensated absences	37,699	-	37,699
Portion due or payable in more than one year:			
Capital leases	771,279	-	771,279
Bonds and notes payable	42,142,308	-	42,142,308
Compensated absences	1,212,503	-	1,212,503
Net other post-employment benefit liability	26,378,098	-	26,378,098
Net pension liability	32,637,591	-	32,637,591
Landfill closure and postclosure costs	<u>9,100,000</u>	<u>-</u>	<u>9,100,000</u>
Total liabilities	<u>119,109,276</u>	<u>39,319</u>	<u>119,148,595</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related inflows	4,552,649	-	4,552,649
Gain on bond refunding	<u>1,166,772</u>	<u>-</u>	<u>1,166,772</u>
Total deferred inflows	<u>5,719,421</u>	<u>-</u>	<u>5,719,421</u>
NET POSITION			
Net investment in capital assets	12,647,896	3,360,000	16,007,896
Restricted for debt service	362,625	-	362,625
Restricted for educational purposes	1,414,087	-	1,414,087
Restricted for public safety programs	105,601	-	105,601
Restricted for public works programs	371,290	-	371,290
Restricted for health and human services programs	16,983	-	16,983
Restricted for infrastructure	-	139,951	139,951
Unrestricted	<u>(29,230,341)</u>	<u>364,787</u>	<u>(28,865,554)</u>
Total liabilities, deferred inflows or resources and net position	<u>\$ 110,516,838</u>	<u>\$ 3,904,057</u>	<u>\$ 114,420,895</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Statement of Activities

For the Year Ended June 30, 2018

	<u>Net (Expense) Revenue and Changes in Net Position</u>						
	<u>Expenses</u>	<u>Program Revenues</u>			<u>Primary Government</u>		<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
Governmental Activities							
General government	\$ 6,226,722	\$ 1,723,266	\$ -	\$ -	\$ (4,503,456)	\$ -	\$ (4,503,456)
Public safety	5,770,330	785,732	329,333	8,790	(4,646,475)	-	(4,646,475)
Education	32,476,523	34,504	7,849,822	363,985	(24,228,212)	-	(24,228,212)
Public works	2,798,844	243,913	7,032	1,465,142	(1,082,757)	-	(1,082,757)
Health and human services	816,695	12,425	-	13,721	(790,549)	-	(790,549)
Parks and recreation	222,174	24,743	-	-	(197,431)	-	(197,431)
State contribution to teachers' pension plan	1,660,985	-	1,660,985	-	-	-	-
Interest on debt	1,863,073	-	-	-	(1,863,073)	-	(1,863,073)
Total governmental activities	<u>51,835,346</u>	<u>2,824,583</u>	<u>9,847,172</u>	<u>1,851,638</u>	<u>(37,311,953)</u>	<u>-</u>	<u>(37,311,953)</u>
Business-Type Activities							
Land acquisition fund	-	-	-	-	-	-	-
Cafeteria fund	647,654	319,274	254,610	-	-	(73,770)	(73,770)
Total business-type activities	<u>647,654</u>	<u>319,274</u>	<u>254,610</u>	<u>-</u>	<u>-</u>	<u>(73,770)</u>	<u>(73,770)</u>
Total Town of Tiverton	<u>\$ 52,483,000</u>	<u>\$ 3,143,857</u>	<u>\$ 10,101,782</u>	<u>\$ 1,851,638</u>	<u>\$ (37,311,953)</u>	<u>\$ (73,770)</u>	<u>\$ (37,385,723)</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Statement of Activities

For the Year Ended June 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
General revenues			
Real estate and personal property, net of reserve for abatements	\$ 35,118,669	\$ -	\$ 35,118,669
Fines and interest payments	297,222	-	297,222
Meals and beverage tax	246,884	-	246,884
Public service corp tax	197,618	-	197,618
School housing aid	895,056	-	895,056
Earnings on investments	304,710	-	304,710
State aid to town	221,022	-	221,022
Medicaid reimbursement	200,000	-	200,000
Total general revenues	37,481,181	-	37,481,181
Transfers between funds	-	-	-
Total general revenues, special items, and transfers	37,481,181	-	37,481,181
Changes in net position	169,228	(73,770)	95,458
Net position - July 1, 2017, restated	(14,481,087)	3,938,508	(10,542,579)
Net position - June 30, 2018	\$ (14,311,859)	\$ 3,864,738	\$ (10,447,121)

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Governmental Funds
Balance Sheet

June 30, 2018

	<u>Major Fund</u>		<u>Non-Major</u>	<u>Total</u>
	<u>General</u>	<u>School</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Unrestricted</u>	<u>Funds</u>	<u>Funds</u>
Assets				
Cash and cash equivalents	\$ 15,534,204	\$ 65,683	\$ 8,899,139	\$ 24,499,026
Investments	-	-	8,104,416	8,104,416
Receivables:				
Property taxes, net	2,164,714	-	-	2,164,714
Intergovernmental	-	21,685	436,884	458,569
Other	119,411	-	-	119,411
Due from other funds	-	5,542,900	1,060,110	6,603,010
Prepaid expenses	203,445	-	-	203,445
Total assets	<u>18,021,774</u>	<u>5,630,268</u>	<u>18,500,549</u>	<u>42,152,591</u>
Deferred outflows of resources				
None	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 18,021,774</u>	<u>\$ 5,630,268</u>	<u>\$ 18,500,549</u>	<u>\$ 42,152,591</u>
Liabilities				
Accounts payable and accrued expenses	\$ 1,449,126	\$ 1,082,100	\$ -	\$ 2,531,226
Other liabilities	114,886	-	-	114,886
Deposits held	102,160	-	-	102,160
Due to other funds	5,760,889	277,543	943,378	6,981,810
Unearned revenue	153,951	-	208,200	362,151
Total liabilities	<u>7,581,012</u>	<u>1,359,643</u>	<u>1,151,578</u>	<u>10,092,233</u>
Deferred inflows of resources				
Deferred property tax	2,146,529	-	-	2,146,529
Property taxes paid in advance	4,399,188	-	-	4,399,188
Total deferred inflows of resources	<u>6,545,717</u>	<u>-</u>	<u>-</u>	<u>6,545,717</u>
Fund balances				
Nonspendable	203,445	-	-	203,445
Restricted	362,625	1,299,689	608,272	2,270,586
Committed	577,984	2,970,936	17,158,955	20,707,875
Unassigned	2,750,991	-	(418,256)	2,332,735
Total fund balances	<u>3,895,045</u>	<u>4,270,625</u>	<u>17,348,971</u>	<u>25,514,641</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 18,021,774</u>	<u>\$ 5,630,268</u>	<u>\$ 18,500,549</u>	<u>\$ 42,152,591</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

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

For the Year Ended June 30, 2018

	<u>Major Fund</u>		<u>Non-Major</u>	<u>Total</u>
	<u>General Fund</u>	<u>School Unrestricted</u>	<u>Governmental Funds</u>	<u>Governmental Funds</u>
Revenues				
Real estate and personal property taxes	\$38,223,663	\$ -	\$ -	\$ 38,223,663
Fines and interest on late payments	297,222	-	-	297,222
Intergovernmental	1,882,063	6,730,304	2,307,377	10,919,744
Licenses, permits, and fees	2,534,766	-	-	2,534,766
Investment Income	129,360	-	175,350	304,710
State contribution to teachers' pension plan	-	1,489,954	-	1,489,954
Other Revenue	99,621	14,998	1,053,859	1,168,478
Total revenue	<u>43,166,695</u>	<u>8,235,256</u>	<u>3,536,586</u>	<u>54,938,537</u>
Expenditures				
General government	6,188,105	-	66,647	6,254,752
Public safety	5,803,638	-	341,542	6,145,180
Education	-	30,003,020	9,574,066	39,577,086
Public works	1,869,749	-	1,193,570	3,063,319
Health and human services	707,574	-	109,121	816,695
Parks and recreation	71,676	-	127,796	199,472
State contribution to teachers' pension plan	-	1,489,954	-	1,489,954
Capital outlay	426,747	-	-	426,747
Debt service				
Principal	2,469,540	-	-	2,469,540
Interest	1,719,795	-	-	1,719,795
Total expenditures	<u>19,256,824</u>	<u>31,492,974</u>	<u>11,412,742</u>	<u>62,162,540</u>
Excess (deficiency) of revenues over expenditures	23,909,871	(23,257,718)	(7,876,156)	(7,224,003)
Other financing sources (uses)				
Transfers in	6,530,304	23,362,953	287,405	30,180,662
Transfers out	<u>(29,916,842)</u>	<u>(263,820)</u>	<u>-</u>	<u>(30,180,662)</u>
Other financing sources (uses)	<u>(23,386,538)</u>	<u>23,099,133</u>	<u>287,405</u>	<u>-</u>
Excess of revenue and other sources over expenditures and other uses	523,333	(158,585)	(7,588,751)	(7,224,003)
Fund balance, July 1, 2017	<u>3,371,712</u>	<u>4,429,210</u>	<u>24,937,722</u>	<u>32,738,644</u>
Fund balance, June 30, 2018	<u>\$ 3,895,045</u>	<u>\$ 4,270,625</u>	<u>\$ 17,348,971</u>	<u>\$ 25,514,641</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Reconciliation of Governmental Fund Balances 0
to the Net Position of Governmental Activities

June 30, 2018

Total governmental fund balances	\$ 25,514,641
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	
Net pension asset	3,262,131
Capital assets, net	60,074,055
Other pension related liabilities are not available to pay for current-period expenditures and, therefore, are deferred outflows of resources in the funds	7,457,222
Deferred property taxes and taxes paid in advance are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds	6,545,717
Long term liabilities relating to gain on refunding over the life of the bond	(1,166,772)
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due	(373,575)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds	
Bonds and notes payable	(45,215,548)
Capital leases	(1,043,839)
Compensated absences	(1,250,202)
Net other postemployment benefit liability	(26,378,098)
Net pension liability	(32,637,591)
Landfill closure and postclosure care costs	<u>(9,100,000)</u>
Net position of governmental activities	<u><u>\$(14,311,859)</u></u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes to Fund Balance the Statement of Activities

For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds	\$ (7,224,003)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	7,960,418
Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources	(3,104,994)
The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items	3,078,534
Gains as a result of bond refunding are amortized over the course of the payable but are not reported as an expenditure on governmental fund statements	106,864
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due	(143,278)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds	(111,452)
The net other postemployment benefit liability expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	1,233,178
The net pension related expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds	<u>(1,626,039)</u>
Change in net position of governmental activities	<u>\$ 169,228</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Proprietary Funds
Statement of Net Position

June 30, 2018

	Business-type Activities Enterprise Funds		
	Land Acquisition Fund	Cafeteria Fund	Total Enterprise Funds
Assets			
Current assets			
Cash and cash equivalents	\$ -	\$ 110,166	\$ 110,166
Intergovernmental	-	55,091	55,091
Due from other funds	378,800	-	378,800
Total current assets	378,800	165,257	544,057
Non-current assets			
Land	3,360,000	-	3,360,000
Total non-current assets	3,360,000	-	3,360,000
Total assets	3,738,800	165,257	3,904,057
Deferred outflows of resources			
None	-	-	-
Total assets and deferred outflows of resources	\$ 3,738,800	\$ 165,257	\$ 3,904,057
Liabilities			
Accounts payable	\$ -	\$ 39,319	\$ 39,319
Deferred inflows of resources			
None	-	-	-
Net position			
Net investment in capital assets	3,360,000	-	3,360,000
Restricted for infrastructure	139,951	-	139,951
Unrestricted	238,849	125,938	364,787
Total liabilities, deferred inflows of resources and net position	\$ 3,738,800	\$ 165,257	\$ 3,904,057

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

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

For the Year Ended June 30, 2018

	Business-type Activities Enterprise Funds		
	Land Acquisition Fund	Cafeteria Fund	Total Enterprise Funds
Operating revenues			
Federal and state revenue	\$ -	\$ 254,610	\$ 254,610
Charges for services	-	319,274	319,274
Total operating revenues	-	573,884	573,884
Operating expenses			
General expenses	-	647,654	647,654
Total operating expenses	-	647,654	647,654
Operating income (loss)	-	(73,770)	(73,770)
Nonoperating revenues (expenses)			
None	-	-	-
Income (loss) before transfers	-	(73,770)	(73,770)
Transfers			
Transfer in - operating	-	-	-
Transfers out - operating	-	-	-
Total transfers	-	-	-
Change in net position	-	(73,770)	(73,770)
Net position, July 1, 2017	3,738,800	199,708	3,938,508
Net position, June 30, 2018	\$ 3,738,800	\$ 125,938	\$ 3,864,738

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Proprietary Funds
Statement of Cash Flows

For the Year Ended June 30, 2018

	Business-type Activity Enterprise Fund
	Cafeteria Fund
Cash flows from operating activities	
Cash received from customers	\$ 319,274
Cash received from government	292,869
Payments to suppliers and employees	(652,547)
Net cash provided (used) by operating activities	(40,404)
Cash flows from noncapital financing activities	
Transfers in (out)	-
Net cash provided by noncapital financing activities	-
Net increase in cash and cash equivalents	(40,404)
Cash balances-beginning of the year	150,570
Cash balances-end of the year	\$ 110,166
Displayed as:	
Cash and cash equivalents	\$ 110,166
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (73,770)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in receivables	38,259
Increase (decrease) accounts payable and accrued expenses	(4,893)
Net cash provided (used) by operating activities	\$ (40,404)

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Fiduciary Funds
Statement of Net Position

June 30, 2018

	Employee Benefit Trust Funds	Private Purpose Trust Funds	Agency Funds
Assets			
Cash and cash equivalents	\$ 210,900	\$ 426,489	\$ 247,918
Accounts receivable	-	-	442,935
Investments, at fair value			
Cash management investment fund	430,058	61,238	-
Equities	10,413,313	-	-
Fixed income	1,749,914	-	-
Total investments	12,593,285	61,238	-
Total assets	12,804,185	487,727	690,853
Deferred outflows of resources			
None	-	-	-
Total assets and deferred outflows of resources	\$ 12,804,185	\$ 487,727	\$ 690,853
Liabilities			
Accounts payable	\$ -	\$ 4,286	\$ -
Deposits held	-	-	690,853
Total liabilities	-	4,286	690,853
Deferred inflows of resources			
None	-	-	-
Net position			
Restricted for pension	12,374,127	-	-
Restricted for Town OPEB	137,970	-	-
Restricted for School OPEB	292,088	-	-
Restricted for lots / cemetery	-	483,441	-
Total net position	12,804,185	483,441	-
Total liabilities and net position	\$ 12,804,185	\$ 487,727	\$ 690,853

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Fiduciary Funds
Statement of Changes in Net Position

For the Year Ended June 30, 2018

	Employee Benefit Trust Funds	Private Purpose Trust Funds
Additions		
Employer contributions	\$ 1,077,487	\$ -
Plan member contributions	897,834	-
Investment income (net of related fees)	<u>1,370,197</u>	<u>13,933</u>
Total additions	<u>3,345,518</u>	<u>13,933</u>
Deductions		
Benefits paid	1,945,278	-
Administrative costs	13,735	-
Per trust agreements	<u>-</u>	<u>33,403</u>
Total deductions	<u>1,959,013</u>	<u>33,403</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	1,386,505	(19,470)
Net position, July 1, 2017	<u>11,417,680</u>	<u>502,911</u>
Net position, June 30, 2018	<u>\$ 12,804,185</u>	<u>\$ 483,441</u>

The accompanying notes are an integral part of this statement.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 1. Summary of Significant Accounting Policies:

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

A. Financial Reporting Entity

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

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

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

B. Government-Wide Financial Statements

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

The government-wide statement of activities presents a comparison between expenses and program revenue for each function of the Town's governmental activities. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

C. Fund Financial Statements

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

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

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

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

1. Governmental Funds

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

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

2. Proprietary Funds

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

C. Fund Financial Statements (Continued)

3. Fiduciary Funds

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

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

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

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

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

D. Measurement Focus and Basis of Accounting

1. Government-Wide Financial Statements

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

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

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

D. Measurement Focus and Basis of Accounting (Continued)

2. Fund Financial Statements

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

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

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

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

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

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

D. Measurement Focus and Basis of Accounting (Continued)

2. Fund Financial Statements (Continued)

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

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

E. Financial Statement Amounts

1. Cash and Cash Equivalents

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

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

2. Investments

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

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

3. Receivables

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

4. Property Taxes

The town is permitted by state law to levy property taxes. Current tax collections for the Town were 98.7% of the total December 31, 2016 levy. The Town's fiscal 2018 property tax were levied in July 2017 on assessed valuation as of December 31, 2016.

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

E. Financial Statement Amounts (Continued)

5. Capital Assets

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

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

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

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

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

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

6. Vacation, Sick Leave, and Other Compensated Absences

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

E. Financial Statement Amounts (Continued)

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

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

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

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

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

7. Long-Term Liabilities

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

8. Deferred Inflows of Resources

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

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

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

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

9. Encumbrances

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

E. Financial Statement Amounts (Continued)

10. Equity Classifications

A. Government-Wide Statements

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

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

B. Governmental Fund Financial Statements

Listed below are the fund balance categories and their definitions.

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

E. Financial Statement Amounts (Continued)

10. Equity Classifications (Continued)

B. Governmental Fund Financial Statements (Continued)

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

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

11. Revenues, Expenditure and Expenses

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

12. Program Revenues and Expenses

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

13. Bond Premiums

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

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

14. Interfund Activity

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

E. Financial Statement Amounts (Continued)

15. Pensions

Employees' Retirement System Plan (ERS)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Employees' Retirement System plan (ERS) and the additions to/deductions from ERS' fiduciary net position have been determined on the same basis as they are reported by ERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Municipal Employees' Retirement System (MERS)

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

Teachers' Survivors Benefit Plan (TSB)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Survivors Benefit plan (TSB) and the additions to/deductions from TSB fiduciary net position have been determined on the same basis as they are reported by TSB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Police Pension Plan

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

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

E. Financial Statement Amounts (Continued)

15. Pensions

Police Pension Plan (continued)

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

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

16. Other Post-Employment Benefits

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

17. Use of Estimates

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

F. Implementation of New Accounting Principles

Effective for the fiscal year ended June 30, 2018, the Town adopted the provisions of Statement No. 75 of the GASB, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"). GASB 75 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses and expenditures related to other postemployment benefits ("OPEB") administered through trusts or equivalent arrangements. For defined benefit OPEBs, GASB 75 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. In addition, GASB 75 requires more extensive footnote disclosures in employer financial statements. GASB Statement numbers 81 – Irrevocable Split-Interest Agreements, 85 – Omnibus, and 86 – Certain Debt Extinguishment Issues were implemented in the current year but did not have a material impact on the financial statements.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

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

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

Effective for the fiscal year ending June 30, 2021, the Town will be required to adopt the provisions of Statement No. 87 of the GASB, *Leases* ("GASB 87"). GASB 87 requires recognition of lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources based on the payment provisions of the contract. The Town is currently evaluating the effects of GASB 87 on its financial statements. The following GASB standards will also be evaluated by the Town: 1. GASB 83 – Certain Asset Retirement Obligations, 2. GASB 84 – Fiduciary Activities, 3. GASB 88 - Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements, 4. GASB 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period, and 5. GASB 90 Majority Equity Interests.

Note 2. Budgetary Data and Budgetary Compliance:

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

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

Note 3. Stewardship, Compliance and Accountability:

Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value, which approximates \$60,399,747 based on the December 31, 2017 assessment. As of June 30, 2018, the Town's debt is under the debt limit by \$19,369,747. In addition to the bonding authority granted under §45-12-2 of the RI General Laws, the Town of Tiverton can authorize bond issues pursuant to a special act of the RI General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt. See the statistical section for computation of the legal debt margin.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 4. Cash and Investments:

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

Deposits:

At June 30, 2018, the carrying amount of the Town’s cash and cash equivalents was \$46,253,438 while the bank balance was \$44,972,745. Of the bank balance, \$9,390,817 was covered by federal and depository insurance, \$8,798,195 was collateralized by securities held by financial institution and/or third parties in the name of the Town, and \$9,605,133 was backed by Government securities. The remaining balance of \$17,178,600 was uninsured. Information on the Town’s book balance of \$46,253,438 is provided below.

Cash and investment of the Town consist of the following at June 30, 2018:

Cash and Cash Equivalents		
Deposits with financial institutions	\$	27,225,079
Investments		
Certificate of Deposits	\$	1,136,768
Municipal Bonds		398,553
Corporate bonds		3,679,193
Equity		11,053,118
Fixed Index Annuities		1,010,813
Fixed Income		1,749,914
Total Cash and Investments	\$	46,253,438

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

Statement of Net Position		
Cash and cash equivalents	\$	24,609,192
Investments		8,104,416
Fiduciary Funds		
Cash and cash equivalents		885,307
Investments		12,654,523
Total Cash and Investments	\$	46,253,438

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 4. Cash and Investments (Continued):

Investments:

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

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

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

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

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

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

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

The following table summarizes the assets of the Town for which fair values are determined on a recurring basis as of June 30, 2018.

Investments at Fair Value	June 30, 2018	Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Municipal Bonds	\$ 398,553	\$ 398,553	\$ -	\$ -
Corporate Bonds	3,679,193	3,679,193	-	-
Equity	11,053,118	11,053,118	-	-
Fixed Index Annuity	1,010,813	1,010,813	-	-
Fixed Income	<u>1,749,914</u>	<u>1,749,914</u>	-	-
Total investments measured at fair value	<u>\$ 17,891,591</u>	<u>\$ 17,891,591</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 4. Cash and Investments (Continued):

Interest Rate Risk:

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

Credit Risk:

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

Moody's Average Rating	Municipal Bonds and Corporate Bonds
A1	\$ -
A2	159,655
A3	452,457
Aa3	30,740
Ba2	243,437
Baa1	668,426
Baa2	1,204,464
Baa3	1,318,297
	<u>\$ 4,077,476</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 5. Interfund Receivables and Payables

Inter-fund receivables represent loans to various funds for use in operations. These amounts are expected to be repaid at certain future dates. Below are balances at June 30, 2018.

	Due from Other Funds	Due to Other Funds
Major Governmental Funds		
General Fund	\$ -	\$ 5,760,889
School Unrestricted	5,542,900	277,543
Non-Major Governmental Funds		
Special Revenue Funds	1,051,447	87,658
Capital Projects	-	855,720
Debt Service Fund	8,663	
Proprietary Funds		
Land Acquisition Fund	378,800	-
Totals	\$ 6,981,810	\$ 6,981,810

Transfers are made to provide revenue for annual expenditures of various funds. Transfers are not expected to be repaid to the originating (source) fund. Listed below is the transfer activity for fiscal year ended June 30, 2018.

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	\$ 6,530,304	\$ 29,916,842
School Unrestricted	23,362,953	263,820
Non-Major Governmental Funds		
Capital Projects	23,585	-
School Special Revenue	263,820	-
Totals	\$ 30,180,662	\$ 30,180,662

Note 6. Property Taxes

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 7. Capital Assets

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

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>Governmental Activities:</u>				
Capital assets not being depreciated:				
Land	\$ 4,471,871	\$ 18,721	\$ -	\$ 4,490,592
Construction in progress	<u>445,014</u>	<u>9,205,920</u>	<u>-</u>	<u>9,650,934</u>
Subtotal	<u>4,916,885</u>	<u>9,224,641</u>	<u>-</u>	<u>14,141,526</u>
Other Capital Assets:				
Buildings and improvements	57,530,710	287,037	-	57,817,747
Motor vehicles	6,136,323	190,081	-	6,326,404
Infrastructure	15,840,820	592,879	-	16,433,699
Machinery and equipment	<u>4,686,498</u>	<u>145,646</u>	<u>-</u>	<u>4,832,144</u>
Subtotal	<u>84,194,351</u>	<u>1,215,643</u>	<u>-</u>	<u>85,409,994</u>
Accumulated Depreciation:				
Buildings and improvements	17,894,418	1,197,430	-	19,091,848
Motor vehicles	4,690,788	329,186	-	5,019,974
Infrastructure,	12,078,572	632,789	-	12,711,361
Machinery and equipment	<u>2,333,821</u>	<u>320,461</u>	<u>-</u>	<u>2,654,282</u>
Subtotal	<u>36,997,599</u>	<u>2,479,866</u>	<u>-</u>	<u>39,477,465</u>
Net other capital assets	<u>47,196,752</u>	<u>(1,264,223)</u>	<u>-</u>	<u>45,932,529</u>
Net capital assets	<u>\$ 52,113,637</u>	<u>\$ 7,960,418</u>	<u>\$ -</u>	<u>\$ 60,074,055</u>

Depreciation was charged to functions as follows:

General government	\$ 258,049
Public safety	298,618
Public works	740,404
Parks and recreation	22,702
Education	<u>1,160,093</u>
	<u>\$ 2,479,866</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 8. Long-Term Debt

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

Long-term liability activity for the fiscal year ended June 30, 2018 was as follows:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2018</u>	<u>Due within</u> <u>one year</u>
Governmental activities					
Bonds and notes payable					
Bonds payable	\$ 43,580,000	\$ -	\$ 2,550,000	\$ 41,030,000	\$ 2,630,000
Bond premium	<u>4,410,159</u>	<u>-</u>	<u>224,611</u>	<u>4,185,548</u>	<u>443,240</u>
Total bonds payable	<u>47,990,159</u>	<u>-</u>	<u>2,774,611</u>	<u>45,215,548</u>	<u>3,073,240</u>
Capital leases	1,347,762	-	303,923	1,043,839	272,560
Other post-employment liability	27,611,276	-	1,233,178	26,378,098	-
Net pension liability - police	5,887,527	-	408,443	5,479,084	-
Net pension liability - ERS	23,853,486	-	1,448,642	22,404,844	-
Net pension liability - MERS	3,245,675	1,507,988	-	4,753,663	-
Landfill closure and postclosure care costs	9,100,000	-	-	9,100,000	-
Accrued compensated absences	<u>1,138,750</u>	<u>164,270</u>	<u>52,818</u>	<u>1,250,202</u>	<u>37,699</u>
Total long-term obligations	<u>72,184,476</u>	<u>1,672,258</u>	<u>3,447,004</u>	<u>70,409,730</u>	<u>310,259</u>
Total government-wide obligations	<u>\$ 120,174,635</u>	<u>\$ 1,672,258</u>	<u>\$ 6,221,615</u>	<u>\$ 115,625,278</u>	<u>\$ 3,383,499</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 8. Long-Term Debt (Continued):

Maturities of long-term debt for the year ending June 30, 2019 through 2038 are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	2,630,000	1,699,269	4,329,269
2020	3,175,000	1,598,965	4,773,965
2021	3,260,000	1,493,379	4,753,379
2022	3,340,000	1,397,262	4,737,262
2023	2,750,000	1,280,588	4,030,588
2024-2028	14,385,000	4,346,338	18,731,338
2029-2033	6,240,000	1,798,713	8,038,713
2034-2038	5,250,000	715,144	5,965,144
	\$ 41,030,000	\$ 14,329,656	\$ 55,359,656

The Town and school has entered into capital leases for various equipment. The following is a schedule of the minimum future payments as of June 30, 2018:

Year End	Town & School Lease Payments
2019	\$ 272,560
2020	239,665
2021	159,667
2022	104,877
2023	50,524
Thereafter	216,546
Future minimum rental payments	1,043,839
Interest portion of payments	102,280
Obligation under capital leases	\$ 1,146,119

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(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 9. Landfill Closure and Post-Closure Care Costs

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

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

The most recent study performed by the PARE Corporation in September 2014, had estimated that at the current land filling rate (3,000 tons/year) the Tiverton landfill will reach capacity sometime during 2016 or 2017. PARE's opinion of probable construction cost to cap the landfill, in 2014 dollars, is approximately \$9.1M. This cost accounts for construction materials and labor, engineering fees, permitting, inspection, certification, and storm water management. However, it should be noted that this is an approximate cost, and the actual cost to close the landfill will be based on the availability of materials and economic climate at the time of closure. The cost of many of the materials used in landfill capping, specifically the petroleum-based products like the plastic capping material, are tied to highly volatile commodities markets, and therefore, are very difficult to predict prior to the actual landfill closure.

To fund the landfill closure costs, the Town has restricted all net funds received from the pay-as-you-throw trash bag program. For fiscal years 2017 and 2018, the Town has set aside \$550,496 and \$429,234 respectively. As of June 30, 2018, the Town has accumulated \$7,760,912 in the Landfill Closure Capital Project Fund.

Note 10. Other Post Retirement Benefits

Plan Description

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

Plan Types

Medical: Blue Cross Classic/Blue Cross Blue Shield RI or Health Mate Coast to Coast
Dental: Comprehensive Dental Insurance
Life: \$50,000 Group Term Life Insurance, reduces to \$25,000 at age 70

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 10. Other Post Retirement Benefits (Continued)

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

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

Benefit/Cost Sharing - Dental

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

Eligibility - Life Insurance

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

Town Membership

Description	Active Employees	Inactive or Beneficiaries Receiving Benefits	Total
Number	79	68	147

School Membership

Description	Active Employees	Inactive or Beneficiaries Receiving Benefits	Total
Number	275	60	335

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended through Town ordinances. For the 2018 fiscal year, total Town premium plus implicit costs for the retiree medical program are \$644,951 and the total School premium plus implicit costs for retiree medical programs are \$377,487. The Town is also projected to make an additional contribution to an OPEB Trust of \$34,136 for the 2018 fiscal year for a total contribution of \$679,087. The School made a total contribution for the 2018 fiscal year of \$377,487.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 10. Other Post Retirement Benefits (Continued)

Town Annual OPEB Funded Status

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability (TOL)	Net OPEB Liability (NOL)	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2018	137,970	19,131,312	18,993,342	0.72%	7,025,422	270.35%

School Annual OPEB Funded Status

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability (TOL)	Net OPEB Liability (NOL)	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2018	292,088	7,676,844	7,384,756	3.80%	18,929,281	39.01%

Investment Policy

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

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

Concentrations

There were no concentrations noted as of June 30, 2018.

Rate of return

For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 5.66% for the Town and 8.47% for the School. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 10. Other Post Retirement Benefits (Continued)

Net OPEB Liability of the Town

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

Total OPEB liability	\$ 19,131,312
Plans fiduciary net position	<u>137,970</u>
Town's net OPEB liability	<u>\$ 18,993,342</u>

Plan net position as a percentage of the total OPEB liability	0.72%
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Net OPEB Liability of the School

Total OPEB liability	\$ 7,676,844
Plans fiduciary net position	<u>292,088</u>
Town's net OPEB liability	<u>\$ 7,384,756</u>

Plan net position as a percentage of the total OPEB liability	3.80%
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Actuarial Methods and Assumptions

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

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

Actuarial Assumptions:

Investment Rate of Return:	5.86%, net of OPEB plan investment expense
Single Equivalent Discount Rate:	4.00%, net of OPEB plan investment expense, including inflation
Inflation:	2.75% as of June 30, 2017 and for future periods
Salary Increases:	3.00% annually as of June 30, 2017 and for future periods
Pre-Retirement Mortality:	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-Retirement Mortality:	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled Mortality:	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females
Changes in Assumptions:	Effective June 30, 2018 Discount rate is 4.00% previously 3.50%

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 10. Other Post Retirement Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity - Large Cap	4.00%
Domestic Equity - Small/Mid Cap	6.00%
International Equity - Developed Market	4.50%
International Equity - Emerging Market	7.00%
Domestic Fixed Income	2.00%
International Fixed Income	3.00%
Alternatives	6.50%
Real Estate	6.25%
Cash	0.00%
I. Real Rate of Return	3.48%
II. Inflation Assumption	<u>2.75%</u>
III. Total Nominal Return [I. + II.]	6.23%
IV. Investment Expense	<u>0.37%</u>
V. Net Investment Return (III.-IV.)	<u>5.86%</u>

Discount rate

The discount rate used to measure the total OPEB liability was 4.0 percent. The projection of cash flows used to determine the discount rate assumed that Town and School contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 10. Other Post Retirement Benefits (Continued)

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

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

	Impact of 1% Change in Discount Rate		
	1% Decrease (3.00%)	Current discount rate (4.00%)	1% Increase (5.00%)
Total OPEB liability	21,999,869	18,993,342	16,599,828

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

	Impact of 1% Change in Discount Rate		
	1% Decrease (3.00%)	Current discount rate (4.00%)	1% Increase (5.00%)
Total OPEB liability	8,591,188	7,384,756	6,424,307

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

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

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease (4.00%)	Current trend rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	16,137,304	18,993,342	22,632,148

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

	Impact of 1% Change in Healthcare Trend Rate		
	1% Decrease (4.00%)	Current trend rate (5.00%)	1% Increase (6.00%)
Total OPEB liability	6,248,929	7,384,756	8,831,883

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

Employees' Retirement Defined Benefit Pension Plan (ERS)

General Information about the Pension Plan

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

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

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

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

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

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

Contributions - The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2017, Town teachers were required to contribute 3.75% of their annual covered salary except for teachers with twenty or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the Town are required to contribute at an actuarially determined rate, 40% of which is to be paid by the state and the remaining 60% is to be paid by Town; the rates were 9.89% and 13.24% of annual covered payroll for the fiscal year ended June 30, 2018 for the state and Town, respectively. The Town contributed \$1,919,509, \$1,637,866 and \$1,720,334 for the fiscal years ended June 30, 2018, 2017, and 2016, respectively, equal to 100% of the required contributions for each year.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

At June 30, 2018, the Town reported a liability of \$22,404,844 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support and the total portion of the net pension liability that was associated with the Town were as follows:

Town proportionate share of net pension liability	\$ 22,404,844
State's proportionate share of the net pension liability associated with the Town	<u>16,932,679</u>
Total net pension liability	<u>\$ 39,337,523</u>

The net pension liability was measured as of June 30, 2017, 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, 2016 rolled forward to June 30, 2017. The Town proportion of the net pension liability was based on a projection of the Towns long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2017, the Town proportion was 0.71034337%.

For the year ended June 30, 2018 the Town recognized gross pension expense of \$3,892,854 and revenue of \$1,806,990 for support provided by the State. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 531,166
Changes of assumptions	1,956,740	353,065
Net difference between projected and actual earnings on pension plan investments	565,961	-
Changes in proportion and differences between System contributions and proportionate share contributions	2,000,507	2,156,174
Contributions subsequent to the measurement date	<u>1,919,509</u>	<u>-</u>
	<u>\$ 6,442,717</u>	<u>\$ 3,040,405</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		<u>\$ 1,482,803</u>

\$1,482,803 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2018 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2019. 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	\$ 321,267
2019	694,279
2020	418,216
2021	24,401
2022	101,751
Thereafter	<u>(77,112)</u>
	<u>\$ 1,482,803</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

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

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

The actuarial assumptions used in the June 30, 2016 valuation rolled forward to June 30, 2017 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 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:

Asset class	Target allocation	Long-term expected real rate of return
Global equity:		
U.S. equity	20.60%	6.85%
International developed	15.90%	6.71%
International emerging markets	3.50%	8.91%
Private Growth		
Private Equity	11.30%	9.62%
Non-Core RE	2.20%	5.17%
OPP Private Credit	1.50%	9.62%
Income		
High Yield Infrastructure	1.00%	4.26%
REITS	1.00%	5.17%
Liquid Credit	2.80%	4.26%
Private Credit	3.20%	4.26%
Crisis Protection Class		
Treasury Duration	4.00%	0.83%
Systematic Trend	4.00%	3.81%
Inflation Protection		
Core Real Estate	3.60%	5.17%
Private Infrastructure	2.40%	5.57%
TIPs	1.00%	1.72%
Natural Resources	1.00%	3.98%
Volatility Protection		
IG Fixed Income	11.50%	2.12%
Absolute Return	6.50%	3.81%
Cash	3.00%	0.83%

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall long-term expected rate of return best-estimate on an arithmetic basis.

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

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

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ 28,157,536	\$ 22,404,844	\$ 18,120,004

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

Defined Contribution Pension Plan

Defined Contribution Plan Description:

Employees participating in the defined benefit plan with less than 20 years of service as of June 30, 2012, as described above, also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. Employees contribute 5% of their annual covered salary and employers contribute between 1% and 1.5% of annual covered salary depending on the employee's total years of service as of June 30, 2012. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

Amounts in the defined contribution plan are available to participants in accordance with Internal Revenue Service guidelines for such plans.

The Town of Tiverton and the Tiverton School Department recognized pension expense of \$23,914 and \$329,445 for the fiscal year ended June 30, 2018, respectively.

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

Municipal Employees' Retirement Defined Benefit Pension Plan (MERS)

General Information about the Pension Plan

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

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

Benefits provided – General employees, police officers and firefighters employed by electing municipalities participate in MERS. Eligible employees become members at their date of employment. Anyone employed by a municipality at the time the municipality joins MERS may elect not to be covered. Elected officials may opt to be covered by MERS. Employees covered under another plan maintained by the municipality may not become members of MERS. Police officers and/or firefighters may be designated as such by the municipality, in which case the special contribution and benefit provisions described below will apply to them, or they may be designated as general employees with no special benefits. Members designated as police officers and/or firefighters are treated as belonging to a unit separate from the general employees, with separate contribution rates applicable.

Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.

Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods by making an additional contribution to purchase the additional service. Special rules and limits govern the purchase of additional service and the contribution required.

Final Average Compensation (FAC): Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the member's highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the member's highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the member's highest three year FAC as of July 1, 2012 or the five year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

Subsequent to June 30, 2015, litigation challenging the various pension reform measures enacted in previous years by the General Assembly (2009, 2010, and 2011) was settled. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly. These amended benefit provisions, which have been included in the determination of the total pension liability at the June 30, 2015 measurement date and are reflected in the summary of benefit provisions described below.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

General employees

Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age (SSNRA).

Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior Retirement Date, described below, and the retirement age applicable to members hired after June 30, 2012 in (a) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.

Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If this option is elected, the retirement benefit will be calculated using the benefits accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.

Effective July 1, 2015, members will be eligible to retire with full benefits at the earlier of their current Rhode Island Retirement Security Act (RIRSA) date described above or upon the attainment of age 65 with 30 years of service, age 64 with 31 years of service, age 63 with 32 years of service, or age 62 with 33 years of service.

A member who is within five years of reaching their retirement eligibility date and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.

Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

The annual benefit is equal to 2.00% of the member's monthly FAC for each year of service prior to July 1, 2012 and 1.00% of the member's monthly FAC for each year of service from July 1, 2012 through June 30, 2015. For all service after June 30, 2015, the annual benefit is equal to 1.0% per year unless the member had 20 or more years of service as of June 30, 2012 in which case the benefit accrual is 2.0% per year for service after June 30, 2015. The benefit cannot exceed 75% of the member's FAC. Benefits are paid monthly.

Police and Fire employees

Members are eligible to retire when they are at least 50 years old and have a minimum of 25 years of contributing service or if they have 27 years of contributing service at any age. Members with less than 25 years of contributing service are eligible for retirement on or after their Social Security normal retirement age.

Members who, as of June 30, 2012, had at least 10 years of contributing service, had attained age 45, and had a prior Retirement Date before age 52 may retire at age 52.

Active members on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.

A member who is within five years of reaching their retirement eligibility date, as described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

Police and Fire employees (continued)

Prior to July 1, 2012, members designated as police officers or firefighters were eligible for retirement at or after age 55 with credit for at least 10 years of service or at any age with credit for 25 or more years of service. Members were also eligible to retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elected to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member was eligible to retire at any age with 20 or more years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

A monthly benefit is paid equal to 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum).

If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012: benefits are based on 2.50% of the member's FAC for each year of service prior to July 1, 2012 and 2.00% of the member's FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's FAC.

Active members (including future hires), members who retire after July 1, 2015 and after attaining age 57 with 30 years of service will have a benefit equal to the greater of their current benefit described in (a) and (b) above and one calculated based on a 2.25% multiplier for all years of service.

Other benefit provisions

Death and disability benefits are also provided to members. A member is eligible for a disability retirement provided he/she has credit for at least five years of service or if the disability is work-related. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement.

Joint and survivor benefit options are available to retirees. For some employees, a Social Security Option is also available where an annuity is paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

Post-retirement benefit increases are paid to members who retire after June 30, 2012. Members will be eligible to receive cost of living increases at the later of the member's third anniversary of retirement and the month following their SSNRA (age 55 for members designated as police officers and/or firefighters). When a municipality elects coverage, it may elect either COLA C (covering only current and future active members and excluding members already retired) or COLA B (covering current retired members as well as current and future active members).

a. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.

b. Effective July 1, 2015, the COLA is determined based on 50% of the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%

c. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on every fourth year provision described in (i) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$25,000 for 2013, \$25,000 for 2014, \$25,168 for 2015, \$25,855 for 2016, and \$26,098 for 2017.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

At the June 30, 2016 valuation date, the following employees were covered by the benefit terms:

	General Employees	Local 2670A	Fire Department
Retirees and Beneficiaries	47	18	27
Inactive, Non-retired Members	39	10	9
Active Members	93	25	28
Total	179	53	64

Contributions - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% of their salaries. The Town contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$86,808 to their general employee MERS plan in the year ended June 30, 2018 which was 2.5% of annual covered payroll, \$17,345 to their Local 2670A MERS plan in the year ended which was 1.6% of annual covered payroll, and contributed \$287,696 to their Fire employee MERS plan which was 15.4% of annual covered payroll.

Net Pension Liability (Asset) - The total pension liability was determined by actuarial valuations performed as of June 30, 2016 and rolled forward to June 30, 2017, using the following actuarial assumptions, applied to all periods included in the measurement.

Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2016 measurement date (June 30, 2015 valuation rolled forward to June 30, 2016)	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.50%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5%
Mortality	Mortality – variants of the RP-2014 mortality tables – for the improvement scale, update to the ultimate rates of the MP-2016 projection scale
Cost of Living Adjustments	A 2% COLA is assumed after January 1, 2014.

The actuarial assumptions used in the June 30, 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.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

Asset Class	Target allocation	Long-term expected real rate of return
Global equity:		
U.S. equity	20.60%	6.85%
International developed	15.90%	6.71%
International emerging markets	3.50%	8.91%
Private Growth		
Private Equity	11.30%	9.62%
Non-Core RE	2.20%	5.17%
OPP Private Credit	1.50%	9.62%
Income		
High Yield Infrastructure	1.00%	4.26%
REITS	1.00%	5.17%
Liquid Credit	2.80%	4.26%
Private Credit	3.20%	4.26%
Crisis Protection Class		
Treasury Duration	4.00%	0.83%
Systematic Trend	4.00%	3.81%
Inflation Protection		
Core Real Estate	3.60%	5.17%
Private Infrastructure	2.40%	5.57%
TIPs	1.00%	1.72%
Natural Resources	1.00%	3.98%
Volatility Protection		
IG Fixed Income	11.50%	2.12%
Absolute Return	6.50%	3.81%
Cash	3.00%	0.83%

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.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance as of June 30, 2016	\$ 11,265,449	\$ 12,635,482	\$ (1,370,033)
Changes for the year:			
Service cost	296,923	-	296,923
Interest on total pension liability	833,794	-	833,794
Differences between expected and actual experience of the total pension liability	301,023	-	301,023
Changes in assumptions	584,745	-	584,745
Contributions - employer	-	95,346	(95,346)
Contributions - employee	-	99,370	(99,370)
Net investment income	-	1,447,226	(1,447,226)
Benefit payments, including employee refunds	(593,324)	(593,324)	-
Administrative expense	-	(13,673)	13,673
Other changes	-	(42,619)	42,619
Net changes	1,423,161	992,326	430,835
Balance as of June 30, 2017	\$ 12,688,610	\$ 13,627,808	\$ (939,197)

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2016	\$ 4,352,234	\$ 3,762,124	\$ 590,110
Changes for the year:			
Service cost	85,971	-	85,971
Interest on total pension liability	320,010	-	320,010
Differences between expected and actual experience of the total pension liability	(87,199)	-	(87,199)
Changes in assumptions	244,574	-	244,574
Contributions - employer	-	100,786	(100,786)
Contributions - employee	-	26,601	(26,601)
Net investment income	-	431,129	(431,129)
Benefit payments, including employee refunds	(256,830)	(256,830)	-
Administrative expense	-	(4,073)	4,073
Other changes	-	(9)	9
Net changes	<u>306,526</u>	<u>297,604</u>	<u>8,922</u>
Balance as of June 30, 2017	<u>\$ 4,658,760</u>	<u>\$ 4,059,728</u>	<u>\$ 599,032</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance as of June 30, 2016	\$ 11,967,632	\$ 9,312,067	\$ 2,655,565
Changes for the year:			
Service cost	339,547	-	339,547
Interest on total pension liability	878,990	-	878,990
Differences between expected and actual experience of the total pension liability	952,160	-	952,160
Changes in assumptions	794,952	-	794,952
Contributions - employer	-	298,773	(298,773)
Contributions - employee	-	180,418	(180,418)
Net investment income	-	1,055,972	(1,055,972)
Benefit payments, including employee refunds	(835,087)	(835,087)	-
Administrative expense	-	(9,976)	9,976
Other changes	-	(58,604)	58,604
Net changes	<u>2,130,562</u>	<u>631,496</u>	<u>1,499,066</u>
Balance as of June 30, 2017	<u>\$ 14,098,194</u>	<u>\$ 9,943,563</u>	<u>\$ 4,154,631</u>

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

General Employees		
1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 522,492	\$ (939,197)	\$ (2,027,607)

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

Local 2670A Plan		
1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 1,140,200	\$ 599,032	\$ 196,028

Fire Department Plan		
1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
\$ 5,799,644	\$ 4,154,631	\$ 2,929,495

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

General Employees Plan

For the year ended June 30, 2018 the employer recognized pension expense of \$324,570. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 485,483	\$ -
Difference between expected and actual experience	244,671	138,117
Net difference between projected and actual earnings on pension plan investments	251,278	-
Contributions subsequent to the measurement date	86,808	-
	\$ 1,068,240	\$ 138,117
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		\$ 843,315

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

\$86,808 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2018 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ 167,531
2020	342,476
2021	217,989
2022	58,641
2023	56,678
Thereafter	-
	<u>\$ 843,315</u>

Local 2670A Employees Plan

For the year ended June 30, 2018 the employer recognized pension expense of \$158,512. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 202,935	\$ -
Difference between expected and actual experience	88,603	194,502
Net difference between projected and actual earnings on pension plan investments	77,481	-
Contributions subsequent to the measurement date	<u>17,345</u>	<u>-</u>
	<u>\$ 386,364</u>	<u>\$ 194,502</u>
 Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		 <u>\$ 174,517</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

\$17,345 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2018 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ 52,204
2020	103,671
2021	29,074
2022	(21,352)
2023	10,920
Thereafter	-
	<u>\$ 174,517</u>

Fire Department Employees Plan

For the year ended June 30, 2018 the employer recognized pension expense of \$709,290. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 662,296	\$ 49,461
Difference between expected and actual experience	805,198	157,184
Net difference between projected and actual earnings on pension plan investments	199,654	-
Contributions subsequent to the measurement date	<u>287,696</u>	<u>-</u>
	<u>\$ 1,954,844</u>	<u>\$ 206,645</u>
Net amount of deferred outflows and (inflows) excluding contributions subsequent to measurement date		<u>\$ 1,460,503</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

\$287,696 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2018 subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2018. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ 285,080
2020	415,152
2021	316,382
2022	169,719
2023	274,170
Thereafter	-
	<u>\$ 1,460,503</u>

Teachers' Survivor Defined Benefit Pension Plan (TSB)

Plan description - Certain employees of the Town of Tiverton, Rhode Island (Town) participate in a cost-sharing multiple-employer defined benefit pension plan - the Teachers' Survivors Benefit plan - administered by the Employees' Retirement System of the State of Rhode Island (System). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides a survivor benefit to public school teachers in lieu of Social Security since not all school districts participate in Social Security.

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

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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
\$25,001 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%

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 Town contributed \$21,626, \$16,564 and \$18,602 for the fiscal years ended June 30, 2018, 2017 and 2016, 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 Town reported an asset of \$2,322,934 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, 2017, 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, 2017. The Town 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, 2017, the Town proportion was 2.80797174%.

For the year ended June 30, 2018 the Town recognized pension expense of \$500,062 – an increase in the net pension asset. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 458,448	\$ 488,138
Changes of assumptions	382,683	-
Net difference between projected and actual earnings on pension plan investments	148,414	-
Changes in proportion and differences between System contributions and proportionate share contributions	173,859	-
Contributions subsequent to the measurement date	<u>21,626</u>	<u>-</u>
	<u>\$ 1,185,030</u>	<u>\$ 488,138</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		<u>\$ 675,266</u>

\$21,626 reported as deferred outflows of resources related to pensions resulting from the Town contributions in fiscal year 2018 subsequent to the measurement date will be recognized as 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	\$	106,428
2019		220,642
2020		137,370
2021		14,863
2022		82,722
Thereafter		<u>113,241</u>
		<u>\$ 675,266</u>

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

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

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

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

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, 2017 were consistent with the results of an actuarial experience study performed as of June 30, 2016.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 35 sources. The June 30, 2017 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Asset Class	Target allocation	Long-term expected real rate of return
Global equity:		
U.S. equity	20.60%	6.85%
International developed	15.90%	6.71%
International emerging markets	3.50%	8.91%
Private Growth		
Private Equity	11.30%	9.62%
Non-Core RE	2.20%	5.17%
OPP Private Credit	1.50%	9.62%
Income		
High Yield Infrastructure	1.00%	4.26%
REITS	1.00%	5.17%
Liquid Credit	2.80%	4.26%
Private Credit	3.20%	4.26%
Crisis Protection Class		
Treasury Duration	4.00%	0.83%
Systematic Trend	4.00%	3.81%
Inflation Protection		
Core Real Estate	3.60%	5.17%
Private Infrastructure	2.40%	5.57%
TIPs	1.00%	1.72%
Natural Resources	1.00%	3.98%
Volatility Protection		
IG Fixed Income	11.50%	2.12%
Absolute Return	6.50%	3.81%
Cash	3.00%	0.83%

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

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

These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall long-term expected rate of return best-estimate on an arithmetic basis.

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

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

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ (1,588,822)	\$ (2,322,934)	\$ (2,869,462)

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

Police Pension Plan

(1) Plan Description

(a) Plan Administration

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

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

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

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

Police Pension Plan (Continued)

(b) Plan Membership

At June 30, 2018, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	31
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>30</u>
Subtotal	<u><u>61</u></u>

(c) Benefits Provided

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

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

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

(d) Contributions

The Town establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2018, the active member contribution rate was 10 percent of annual pay, and the Town's contribution rate was 38.6 percent of annual payroll. The contributions made to the plan for the fiscal year ended June 30, 2018 were \$895,936 which consists of employer contributions of \$750,000 and employee contributions of \$195,936.

(2) Investments

(a) Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police Pension Board (PPB) by a majority vote of its members. It is the policy of the PPB to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2018:

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

Police Pension Plan (Continued)

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

(b) Concentrations

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in diversified mutual funds, external investment pools, and other pooled investments are excluded. As of June 30, 2018, the Plan had no investments in any one organization that represented 5% or more of the Plan's net position restricted for pension.

(c) Money-Weighted Rate of Return

For the year ended June 30, 2018 the annual money-weighted rate of return on Plan investments, net of investment expense, was unavailable. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the end of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

(d) Custodial Credit Risk

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

At June 30, 2018, there were no deposits subject to custodial credit risk.

(e) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. At June 30, 2018, there were no deposits subject to custodial interest rate risk.

(f) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. As of June 30, 2018, the Plan has no single issuer that exceeds 5% of total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in diversified mutual funds, external investment pools, and other pooled investments are excluded.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

Police Pension Plan (Continued)

(g) Credit Risk

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

(h) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment or a deposit. At June 30, 2018, there were no deposits subject to foreign currency risk.

(i) Derivatives

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

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

(3) Net Pension Liability of the Town

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

Total pension liability	\$ 17,853,211
Plan fiduciary net position	<u>(12,374,127)</u>
Town's net pension liability	<u>\$ 5,479,084</u>
Plan fiduciary net position as a percentage of the total pension liability	69.31%

(a) Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

Police Pension Plan (Continued)

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

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period ended June 30, 2018.

(b) Discount rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of 7/1/2017	\$ 16,938,557	\$ 11,051,030	\$ 5,887,527
Changes for the year:			
Service cost	289,431	-	289,431
Interest on total pension liability	1,257,599	-	1,257,599
Differences between expected and actual experience	374,031	-	374,031
Changes in assumptions	(83,567)	-	(83,567)
Contributions - employer	-	700,000	(700,000)
Contributions - employee	-	195,936	(195,936)
Net investment income	-	1,363,736	(1,363,736)
Benefit payments	(922,840)	(922,840)	-
Administrative expense	-	(13,735)	13,735
Net changes	<u>914,654</u>	<u>1,323,097</u>	<u>(408,443)</u>
Balance as of 6/30/2018	<u>\$ 17,853,211</u>	<u>\$ 12,374,127</u>	<u>\$ 5,479,084</u>

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Plan's Net Pension Liability	\$ 7,618,675	\$ 5,479,084	\$ 3,705,110

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 11. Pension Plans

Police Pension Plan (Continued)

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

For the year ended June 30, 2018 the Town recognized pension expense of \$706,466.

At June 30, 2018 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 539,905	\$ 4,642
Changes in assumptions	432,771	71,912
Difference between projected and actual earnings on plan investments	-	408,288
Total deferred outflows / (inflows)	\$ 972,676	\$ 484,842

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

Year ended June 30:

2019		\$	194,089
2020			193,973
2021			(23,691)
2022			35,554
2023			40,511
Thereafter			47,398
		\$	487,834

Note 12. Commitments and Contingencies

a. Commitments:

1. Old Stone Bridge Project

The Town has entered into an agreement with Rhode Island Department of Transportation for the Old Stone Bridge Beautification Project. The State has agreed to reimburse the Town up to but not exceeding Two Million Six Hundred Fifty-Nine Thousand Dollars (\$2,659,000) for the cost of the Project. In fiscal year 2018, the Town of Tiverton incurred approximately \$1,051,359 worth of expenditures.

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 12. Commitments and Contingencies (continued)

b. Contingencies

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

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

2. Bay Street Contamination

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

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

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

(Continued)

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 13. Fund Balance Classifications

	Major Funds		Non-Major Funds			Total
	General Fund	School Department	Special Revenue	Capital Projects	Debt Service Fund	
Fund Balances						
Nonspendable						
In Form	\$ 203,445	\$ -	\$ -	\$ -	\$ -	\$ 203,445
Restricted for						
Public safety programs	-	-	105,601	-	-	105,601
Educational purposes	-	1,299,689	114,398	-	-	1,414,087
Debt service fund	362,625	-	-	-	-	362,625
Health and human services programs	-	-	16,983	-	-	16,983
Public works programs	-	-	371,290	-	-	371,290
Committed to						
General government purposes	44,872	-	99,866	-	-	144,738
Finance administration purposes	172,710	-	-	-	-	172,710
Public safety programs	-	-	13,442	-	-	13,442
Health and human services programs	-	-	19,121	-	-	19,121
Public works programs	243,507	-	46,370	7,828,082	-	8,117,959
Parks and recreation	-	-	714,853	-	-	714,853
Capital projects	116,895	-	-	-	-	116,895
Various school renovation projects	-	2,970,936	-	-	-	2,970,936
Debt service bonds	-	-	-	7,895,525	541,696	8,437,221
Unassigned	<u>2,750,991</u>	<u>-</u>	<u>(72,977)</u>	<u>(345,279)</u>	<u>-</u>	<u>2,332,735</u>
	<u>\$ 3,895,045</u>	<u>\$ 4,270,625</u>	<u>\$ 1,428,947</u>	<u>\$ 15,378,328</u>	<u>\$ 541,696</u>	<u>\$ 25,514,641</u>

Note 14. Fund Deficit

The following funds had deficits at year end:

Old Stone Bridge	(252,953)
Grinnells Beach	(92,326)
Wastewater Management	(285)
EMA Grant	(13,080)
RIEMA Grant	(41,000)
NCPC	(14,697)
Tiverton PC	(1,865)
State Response	(2,050)

All fund deficits have been collected on with the exception of the EMA and RIEMA grants. All deficits listed are refundable grants with the exception of Wastewater Management.

TOWN OF TIVERTON, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

Note 15. Subsequent Events

For purposes of determining the effects of subsequent events on these financial statements, management has evaluated events that have occurred subsequent to June 30, 2018 and through January 16, 2019, the date of which the financial statements were issued.

With a host of table games, slot machines, and dining options, the Tiverton Casino and Hotel officially opened September 1, 2018. Under the Host Community Agreement, the town expects to realize multiple monetary benefits from the Casino operations. In addition to the State of RI annual minimum guarantee of \$3M in gaming revenue, the Town should see an increase in meals & beverage tax, hotel tax, tangible property tax and of course real estate tax on the land & buildings. As of the end of November 2018, the Town has already received just over \$193,000 in gaming revenue.

Note 16. Restatement Note

The following funds were restated as of July 1, 2017:

	<u>Governmental Activities</u>	
Beginning balance, July 1, 2017	\$	5,020,454
To restate to remove GASB 45 OPEB obligation		8,109,735
To restate to include GASB 75 Net OPEB liability		<u>(27,611,276)</u>
Beginning balance, July 1, 2017, restated	\$	<u><u>(14,481,087)</u></u>

Required Supplementary Information

TOWN OF TIVERTON, RHODE ISLAND
 Required Supplementary Information
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2018

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Encumbrances / Appropriations Carried To FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>						
Revenues								
General property taxes	\$ -	\$ 38,406,576	\$ -	\$ 38,406,576	\$ 38,223,663	\$ -	\$ (182,913)	\$ -
Intergovernmental	-	1,688,284	-	1,688,284	1,882,063	-	193,779	-
Licenses, permits, and usage fees	-	2,227,041	-	2,227,041	2,534,766	-	307,725	-
Fines and interest on late payments	-	315,000	-	315,000	297,222	-	(17,778)	-
Interest on investment	-	40,000	-	40,000	129,360	-	89,360	-
Other revenue	-	51,300	-	51,300	99,621	-	48,321	-
Total revenues	-	42,728,201	-	42,728,201	43,166,695	-	438,494	-
Expenditures								
General government	35,581	1,067,252	13,075	1,115,908	1,003,180	44,872	67,856	33,928
Finance administration	167,156	5,211,574	47,069	5,425,799	5,184,918	172,710	68,171	34,086
Public safety	-	5,820,853	51,681	5,872,534	5,803,641	-	68,893	53,879
Health and human services	-	702,366	9,975	712,341	707,576	-	4,765	2,383
Public works	283,278	1,797,995	(25,275)	2,055,998	1,869,752	151,608	34,638	17,319
Parks and recreation	-	75,140	-	75,140	71,677	-	3,463	1,732
Capital outlay	24,993	442,476	7,975	475,444	450,331	24,993	120	60
Debt service - principal	-	2,550,000	-	2,550,000	2,469,540	-	80,460	-
Debt service - interest	-	1,824,667	(104,500)	1,720,167	1,719,794	-	373	40,417
Total expenditures	511,008	19,492,323	-	20,003,331	19,280,409	394,183	328,739	183,803
Excess (deficiency) of revenues over expenditures	(511,008)	23,235,878	-	22,724,870	23,886,286	(394,183)	767,233	183,803

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

TOWN OF TIVERTON, RHODE ISLAND
 Required Supplementary Information
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2018

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Encumbrances / Appropriations Carried To FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>					
Other financing sources and (uses)								
Transfer to other funds	-	(23,338,955)	-	(23,338,955)	(23,362,953)	-	(23,998)	-
Use of fund balance	-	103,077	-	103,077	-	-	(103,077)	-
Sale of Town property	-	-	-	-	-	-	-	-
	<u>-</u>	<u>(23,235,878)</u>	<u>-</u>	<u>(23,235,878)</u>	<u>(23,362,953)</u>	<u>-</u>	<u>(127,075)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	<u>\$ (511,008)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (511,008)</u>	523,333	<u>\$ (394,183)</u>	<u>\$ 640,158</u>	<u>\$ 183,803</u>
Adjustment of budgetary basis to U.S. GAAP					-			
Excess of revenue and other financing sources over expenditures and other uses, U.S. GAAP basis					<u>523,333</u>			
Fund balance, July 1, 2017					<u>3,371,712</u>			
Fund balance, June 30, 2018					<u>\$ 3,895,045</u>			

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Contributions - Other Post-Employment Benefits

For the Year Ended June 30, 2018

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

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

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in the Town's Net OPEB Liability and Related Ratios - Other Post-Employment Benefits

For the Year Ended June 30, 2018

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

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

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Investment Returns - Other Post-Employment Benefits

For the Year Ended June 30, 2018

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

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

Notes to Required Supplementary Information:

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

Actuarial Assumptions:

Investment Rate of Return: 5.86%, net of OPEB plan investment expense
Single Equivalent Discount Rate: 4.00%, net of OPEB plan investment expense, including inflation
Inflation: 2.75% as of June 30, 20158 and for future periods
Salary Increases: 3.00% annually as of June 30, 2018 and for future periods
Pre-Retirement Mortality: RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-Retirement Mortality: RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled Mortality: RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females
Changes in Assumptions: Effective June 30, 2018
Discount rate changed from 3.50% to 4.00%

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of School's Contributions - Other Post-Employment Benefits

For the Year Ended June 30, 2018

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

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

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in the School's Net OPEB Liability and Related Ratios - Other Post-Employment Benefits

For the Year Ended June 30, 2018

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

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

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of School's Investment Returns - Other Post-Employment Benefits

For the Year Ended June 30, 2018

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

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

Notes to Required Supplementary Information:

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

Actuarial Assumptions:

Investment Rate of Return: 5.86%, net of OPEB plan investment expense
Single Equivalent Discount Rate: 4.00%, net of OPEB plan investment expense, including inflation
Inflation: 2.75% as of June 30, 2017 and for future periods
Salary Increases: 3.00% annually as of June 30, 2017 and for future periods
Pre-Retirement Mortality: RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Post-Retirement Mortality: RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females
Disabled Mortality: RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2012 for males and females
Changes in Assumptions: Effective June 30, 2018
Discount rate is 4.00% previously 3.50%

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

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Proportionate Share of Net Pension Liability

Employees' Retirement System (ERS)

For the Year Ended June 30, 2018

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

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Contribution

Employees' Retirement System (ERS)

For the Year Ended June 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,919,509	\$ 1,660,985	\$ 1,803,412	\$ 1,720,334
Contributions in relation to the actuarially determined contribution	<u>1,919,509</u>	<u>1,660,985</u>	<u>1,803,412</u>	<u>1,720,334</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$15,065,257	\$14,724,220	\$ 15,064,982	\$ 14,797,140
Contributions as a percentage of covered- employee payroll	12.74%	11.28%	11.97%	11.63%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System
Fire Department

For the Year Ended June 30, 2018

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Contribution

Municipal Employees' Retirement System
Fire Department

For the Year Ended June 30, 2018

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

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System
General Town Employees

For the Year Ended June 30, 2018

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Contributions

Municipal Employees' Retirement System
General Town Employees

For the Year Ended June 30, 2018

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 86,808	\$ 95,346	\$ 120,565	\$ 144,299
Contributions in relation to the actuarially determined contribution	<u>86,808</u>	<u>93,546</u>	<u>120,565</u>	<u>144,299</u>
Contribution deficiency (excess)	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	<u>\$ 3,499,692</u>	<u>\$ 3,389,532</u>	<u>\$ 3,386,235</u>	<u>\$ 3,279,520</u>
Contributions as a percentage of covered-employee payroll	2.48%	2.76%	3.56%	4.40%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Municipal Employees' Retirement System
Local 2670A Employees

For the Year Ended June 30, 2018

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's

Municipal Employees' Retirement System
Local 2670A Employees

For the Year Ended June 30, 2018

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 17,345	\$ 100,786	\$ 87,977	\$ 103,515
Contributions in relation to the actuarially determined contribution	<u>17,345</u>	<u>100,786</u>	<u>87,977</u>	<u>103,515</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	<u>\$ 1,077,252</u>	<u>\$ 1,043,343</u>	<u>\$ 1,027,839</u>	<u>\$ 1,002,691</u>
Contributions as a percentage of covered-employee payroll	1.61%	9.66%	8.56%	10.32%

Notes:

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

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Proportionate Share of Net Pension Liabilities and Related Ratios

Teachers' Survivors Benefit Plan

For the Year Ended June 30, 2018

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

Notes:

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Town's Contribution

Teachers' Survivors Benefit Plan

For the Year Ended June 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily determined contribution	\$ 21,626	\$ 16,564	\$ 18,780	\$ 18,364
Contributions in relation to the statutorily determined contribution	<u>21,626</u>	<u>16,564</u>	<u>18,780</u>	<u>18,364</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cover's employee payroll	\$ 15,065,257	\$ 14,724,220	\$ 15,064,982	\$ 14,797,140
Contributions as a percentage of covered-employee payroll	0.14%	0.11%	0.12%	0.12%

Notes:

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Notes to Required Supplementary Information

Schedule of Town's

Employees' Retirement System

For the Year Ended June 30, 2018

The amounts presented for each fiscal year were determined as of the June 30 measurement date prior to the fiscal year end.

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

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

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

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

June 30, 2017 measurement date –

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

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

June 30, 2016 measurement date –

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Notes to Required Supplementary Information

Schedule of Town's

Employees' Retirement System

For the Year Ended June 30, 2018

June 30, 2015 measurement date –

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

The June 30, 2015 measurement date determination of the net pension liability for the ERS and MERS plans reflects changes in benefit changes resulting from the settlement of litigation challenging the various pension reform measures enacted in previous years by the General Assembly. The final settlement approved by the Court on July 8, 2015 also included enactment of the pension settlement provisions by the General Assembly. These amended benefit provisions, are summarized below:

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision)
- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5 year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Police Pension Plan

For the Year Ended June 30, 2018

Last 10 Fiscal Years*

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

* Fourth year of implementation of GASB 67 therefore only five years of the 10 year required data is available

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios

Police Pension Plan

For the Year Ended June 30, 2018

Last 10 Fiscal Years*

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Total pension liability	\$ 17,853,211	\$ 16,938,557	\$ 15,266,488	\$ 14,604,337	\$ 14,002,853
Plan fiduciary net position	<u>12,374,127</u>	<u>11,051,030</u>	<u>9,556,569</u>	<u>9,778,266</u>	<u>8,848,568</u>
Town's net pension liability	<u>\$ 5,479,084</u>	<u>\$ 5,887,527</u>	<u>\$ 5,709,919</u>	<u>\$ 4,826,071</u>	<u>\$ 5,154,285</u>
Plan fiduciary net position as a percentage of the total pension liability	69.31%	65.24%	62.60%	66.95%	63.19%
Covered-employee payroll	1,700,026	1,686,288	1,716,424	1,454,719	1,448,086
Net pension liability as a percentage of covered-employee payroll	322.29%	349.14%	332.66%	331.75%	355.94%

* Fourth year of implementation of GASB 67 therefore only five years of the ten years required data is available

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Contributions

Police Pension Plan

For the Year Ended June 30, 2018

Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 575,463	\$ 559,740	\$ 503,576	\$ 536,634	\$ 544,334	\$ 590,573	\$ 682,092	\$ 1,067,884	\$ 1,023,362	\$ 711,225
Contributions in relation to the actuarially determined contribution	<u>700,000</u>	<u>650,000</u>	<u>700,000</u>	<u>800,000</u>	<u>825,000</u>	<u>700,000</u>	<u>550,000</u>	<u>448,511</u>	<u>-</u>	<u>711,225</u>
Contribution deficiency (excess)	<u>\$ (124,537)</u>	<u>\$ (90,260)</u>	<u>\$ (196,424)</u>	<u>\$ (263,366)</u>	<u>\$ (280,666)</u>	<u>\$ (109,427)</u>	<u>\$ 132,092</u>	<u>\$ 619,373</u>	<u>\$ 1,023,362</u>	<u>\$ -</u>
Covered-employee payroll	1,700,026	1,686,288	1,716,424	1,454,719	1,448,086	1,473,196	1,587,328	1,762,244	1,716,156	1,511,997
Contributions as a percentage of covered-employee payroll	41.18%	38.55%	40.78%	54.99%	56.97%	47.52%	34.65%	25.45%	0.00%	47.04%

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Schedule of Investment Returns – Police Pension Plan

For the Year Ended June 30, 2018

*Last 10 Fiscal Years**

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Annual money-weighted rate of return, net of investment expense	12.34%	14.90%	0.04%	0.28%	15.30%

** Fourth year of implementation of GASB 67 therefore only five years of the ten year required data is available*

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Required Supplementary Information

Notes to Police Pension Plan Required Supplementary Information

For the Year Ended June 30, 2018

Valuation Date:

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

Methods and assumptions used to determine contribution rates:

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

See independent auditor's report

Supplementary Information

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Budgetary Comparison Schedule - School Unrestricted Fund
 For the Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Federal and State governments	\$ 6,530,304	\$ 6,530,304	\$ 6,530,304	\$ -
Other revenues	<u>-</u>	<u>-</u>	214,998	214,998
Total revenues	<u>6,530,304</u>	<u>6,530,304</u>	<u>6,745,302</u>	<u>214,998</u>
Expenditures				
Salaries	17,496,847	17,496,847	17,422,236	74,611
Employee benefits	6,449,563	6,449,563	6,319,175	130,388
Purchased services	4,736,834	4,736,834	5,007,090	(270,256)
Supplies and materials	1,099,661	1,099,661	973,697	125,964
Capital outlay	85,676	85,676	253,742	(168,066)
Other operating expenditures	<u>24,676</u>	<u>24,676</u>	<u>27,080</u>	<u>(2,404)</u>
Total expenditures	<u>29,893,257</u>	<u>29,893,257</u>	<u>30,003,020</u>	<u>(109,763)</u>
Excess of expenditures over revenues, budgetary basis	<u>(23,362,953)</u>	<u>(23,362,953)</u>	<u>(23,257,718)</u>	<u>105,235</u>
Other financing sources (uses)				
Transfer from Town of Tiverton	23,362,953	23,362,953	23,362,953	-
Transfer to other funds	<u>-</u>	<u>-</u>	<u>(263,820)</u>	<u>(263,820)</u>
Total other financing sources (uses)	<u>23,362,953</u>	<u>23,362,953</u>	<u>23,099,133</u>	<u>(263,820)</u>
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	<u>\$ -</u>	<u>\$ -</u>	<u>(158,585)</u>	<u>\$ (158,585)</u>
Adjustment of budgetary basis to U.S. GAAP basis			-	
Excess of revenues and other financing sources over expenditures and other financing uses, US GAAP basis			<u>(158,585)</u>	
Fund balance, July 1, 2017			<u>4,429,210</u>	
Committed fund balance June 30, 2018			2,970,936	
Restricted fund balance June 30, 2018			<u>1,299,689</u>	
Total fund balance June 30, 2018			<u>\$ 4,270,625</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis) (Non-GAAP Budgetary Basis)			\$ (158,585)	
State contribution to teachers' pension plan revenue on behalf			1,489,954	
State contribution to teacher's pension plan expense on behalf			<u>(1,489,954)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)			<u>\$ (158,585)</u>	

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget Revenues</u>	<u>Transfers</u>	<u>Total Budget Available</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
General property taxes					
Real estate and personal property tax	\$ 38,406,576	\$ -	\$ 38,406,576	\$ 38,223,663	\$ (182,913)
Total general property taxes	<u>38,406,576</u>	<u>-</u>	<u>38,406,576</u>	<u>38,223,663</u>	<u>(182,913)</u>
Intergovernmental					
State of Rhode Island	1,688,284	-	1,688,284	1,882,063	193,779
Total intergovernmental	<u>1,688,284</u>	<u>-</u>	<u>1,688,284</u>	<u>1,882,063</u>	<u>193,779</u>
Licenses, permits, and usage fees					
Business fees	596,440	-	596,440	768,783	172,343
Usage fees	1,630,601	-	1,630,601	1,765,983	135,382
Total licenses, permits, and usage fees	<u>2,227,041</u>	<u>-</u>	<u>2,227,041</u>	<u>2,534,766</u>	<u>307,725</u>
Fines and interest on late payments	315,000	-	315,000	297,222	(17,778)
Interest on investments	40,000	-	40,000	129,360	89,360
Other revenues	51,300	-	51,300	99,621	48,321
Total revenues	<u>42,728,201</u>	<u>-</u>	<u>42,728,201</u>	<u>43,166,695</u>	<u>438,494</u>
Other financing sources					
Use of fund balance	103,077	-	103,077	-	(103,077)
Transfers from other funds	-	-	-	-	-
Total other financing sources	<u>103,077</u>	<u>-</u>	<u>103,077</u>	<u>-</u>	<u>(103,077)</u>
Total revenue and other financing sources	<u>\$ 42,831,278</u>	<u>\$ -</u>	<u>\$ 42,831,278</u>	<u>\$ 43,166,695</u>	<u>\$ 335,417</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances Carried to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
<i>General government</i>								
<i>Town clerk's office</i>								
Dept management salary	\$ -	\$ 63,495	\$ -	\$ 63,495	\$ 63,495	\$ -	\$ -	\$ -
Staff salaries - AFSCME	-	163,144	-	163,144	144,474	-	18,670	9,335
Longevity	-	7,082	-	7,082	7,007	-	75	38
Photocopier lease	-	4,000	(1,300)	2,700	1,300	-	1,400	700
Recording Expenses	-	20,000	480	20,480	19,847	-	633	317
Recodify Town Code	-	10,000	1,300	11,300	11,300	-	-	-
Supplies and misc.	-	8,600	-	8,600	8,294	-	306	153
<i>Total town clerk's office</i>	-	276,321	480	276,801	255,717	-	21,084	10,542
<i>Town council</i>								
Town council stipends	-	17,300	-	17,300	17,300	-	-	-
Contingency fund	-	40,000	(26,080)	13,920	10,038	-	3,882	1,941
Advertising/ ordinances	-	18,000	18,267	36,267	36,267	-	-	-
Adv/ ord - Comp Plan	-	10,000	(9,685)	315	315	-	-	-
Supplies and misc.	-	2,000	223	2,223	2,223	-	-	-
<i>Total town council</i>	-	87,300	(17,275)	70,025	66,143	-	3,882	1,941
<i>Board of canvassers</i>								
Board of canvas stipends	-	3,600	-	3,600	2,300	-	1,300	650
Elections	35,581	20,000	-	55,581	10,709	44,872	-	-
Supplies and misc.	-	3,000	-	3,000	2,792	-	208	104
Computer service	-	1,000	-	1,000	848	-	152	76
<i>Total board of canvassers</i>	35,581	27,600	-	63,181	16,649	44,872	1,660	830
<i>Town hall</i>								
Heat	-	4,200	(425)	3,775	3,775	-	-	-
Electric	-	9,800	17,160	26,960	26,960	-	-	-
Water and supplies	-	700	(400)	300	300	-	-	-
Telephone	-	2,800	219	3,019	3,019	-	-	-
Building maintenance	-	9,000	(2,438)	6,562	6,562	-	-	-
<i>Total town hall</i>	-	26,500	14,116	40,616	40,616	-	-	-
<i>Legal Services</i>								
Town solicitor	-	98,000	-	98,000	98,000	-	-	-
Litigation	-	50,000	24,775	74,775	73,775	-	1,000	500
Prosecutions	-	18,000	-	18,000	12,288	-	5,712	2,856
Legal zoning issues	-	12,000	4,000	16,000	16,000	-	-	-
Labor counsel	-	35,000	28,500	63,500	56,803	-	6,697	3,349
<i>Total legal services</i>	-	213,000	57,275	270,275	256,866	-	13,409	6,705

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>			<u>Total Available</u>	<u>Actual</u>	<u>Encumbrances to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>					
<i>Building / zoning inspector</i>								
Dept management salary	-	67,000	1,147	68,147	68,147	-	-	-
Staff salaries - AFSCME	-	56,269	172	56,441	56,441	-	-	-
Longevity	-	2,405	-	2,405	2,405	-	-	-
Vacation coverage	-	1,350	-	1,350	420	-	930	465
Building Inspector - PT	-	18,000	(11,318)	6,682	5,944	-	738	369
Copy Services	-	672	-	672	396	-	276	138
Postage	-	1,500	(860)	640	585	-	55	28
Automobile expenses	-	2,500	495	2,995	2,995	-	-	-
Education seminars	-	1,060	-	1,060	926	-	134	67
Telephone	-	1,200	-	1,200	910	-	290	145
Supplies and misc.	-	2,000	814	2,814	2,814	-	-	-
Software maintenance	-	2,450	(450)	2,000	2,000	-	-	-
<i>Total building / zoning inspector</i>	-	156,406	(10,000)	146,406	143,983	-	2,423	1,212
<i>Planning board</i>								
Administrative Officer Stipend	-	15,000	(15,000)	-	-	-	-	-
Comp Plan Advertising & Printing	-	2,000	-	2,000	1,659	-	341	171
Subdivision Regs Amendment Advertising	-	1,000	-	1,000	283	-	717	359
Professional / Tech Svcs	-	2,000	2,529	4,529	4,529	-	-	-
Supplies and Misc	-	500	-	500	495	-	5	3
<i>Total planning board</i>	-	20,500	(12,471)	8,029	6,966	-	1,063	532
<i>Zoning board of review</i>								
Public stenographer	-	4,300	-	4,300	3,521	-	779	390
<i>Total zoning board of review</i>	-	4,300	-	4,300	3,521	-	779	390
<i>Town sergeant</i>								
Town sergeant stipend	-	1,500	-	1,500	1,500	-	-	-
<i>Total town sergeant</i>	-	1,500	-	1,500	1,500	-	-	-
<i>Financial town referendum</i>								
Financial town referendum	-	11,000	-	11,000	10,418	-	582	291
<i>Total financial town referendum</i>	-	11,000	-	11,000	10,418	-	582	291

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
<i>Town administrator</i>								
Dept mgmt salary	-	93,177	(10,836)	82,341	81,847	-	494	247
Personnel svcs	-	43,170	169	43,339	43,339	-	-	-
Automobile expenses	-	400	(75)	325	-	-	325	163
Town wide internet svcs	-	2,900	-	2,900	2,639	-	261	131
Website	-	2,400	-	2,400	2,400	-	-	-
League of cities & towns	-	8,856	75	8,931	8,931	-	-	-
Supplies and misc.	-	750	1,500	2,250	2,094	-	156	78
Computer services	-	8,400	5,626	14,026	14,026	-	-	-
Expense account	-	200	-	200	135	-	65	33
<i>Total town administrator</i>	-	160,253	(3,541)	156,712	155,411	-	1,301	651
<i>Planning department</i>								
Dept mgmt salary	-	42,222	(15,925)	26,297	5,250	-	21,047	10,524
Education / seminars	-	1,000	249	1,249	1,249	-	-	-
Telephone	-	1,300	(617)	683	655	-	28	14
Professional / tech svcs	-	1,000	1,296	2,296	2,296	-	-	-
Supplies and maint	-	1,000	2,511	3,511	3,452	-	59	30
Software maint	-	750	(43)	707	707	-	-	-
<i>Total planning department</i>	-	47,272	(12,529)	34,743	13,609	-	21,134	10,567
<i>Municipal court</i>								
Municipal court judge	-	12,500	-	12,500	12,500	-	-	-
Clerical assistant	-	2,500	(2,500)	-	-	-	-	-
Supplies and misc.	-	2,500	(155)	2,345	2,333	-	12	6
Computer Software Maint	-	6,000	-	6,000	5,938	-	62	31
Computer	-	1,000	155	1,155	1,155	-	-	-
<i>Total municipal court</i>	-	24,500	(2,500)	22,000	21,926	-	74	37
<i>Probate account</i>								
Probate court judge	-	8,500	-	8,500	8,500	-	-	-
Recording expenses	-	1,000	(480)	520	420	-	100	50
Supplies and misc	-	1,000	-	1,000	935	-	65	33
Program software	-	300	-	300	-	-	300	150
<i>Total probate account</i>	-	10,800	(480)	10,320	9,855	-	465	233
<i>Total general government</i>	\$ 35,581	\$ 1,067,252	\$ 13,075	\$ 1,115,908	\$ 1,003,180	\$ 44,872	\$ 67,856	\$ 33,928

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
<u>Finance and administration</u>								
<u>Tax assessor's</u>								
Dept mgmt salary	\$ -	\$ 72,800	\$ 180	\$ 72,980	\$ 72,980	\$ -	\$ -	-
Staff salaries - AFSCME	-	59,259	(180)	59,079	57,047	-	2,032	1,016
Longevity	-	3,364	-	3,364	3,364	-	-	-
Printing	-	2,200	(602)	1,598	1,598	-	-	-
GIS web hosting	-	2,500	-	2,500	2,500	-	-	-
GIS update / data layers	-	3,000	(168)	2,832	2,832	-	-	-
Mileage	-	800	200	1,000	894	-	106	53
Education / seminars	-	900	92	992	950	-	42	21
Telephone	-	1,200	-	1,200	916	-	284	142
Professional / tech svcs	-	1,000	331	1,331	1,331	-	-	-
Publications	-	250	(7)	243	243	-	-	-
Supplies and misc.	-	3,500	(558)	2,942	2,750	-	192	96
Software maint	-	5,000	110	5,110	5,054	-	56	28
Total tax assessor's	-	155,773	(602)	155,171	152,459	-	2,712	1,356
<u>Revaluation acct</u>								
Revaluation - consulting	167,156	40,000	-	207,156	34,446	172,710	-	-
Total revaluation acct	167,156	40,000	-	207,156	34,446	172,710	-	-
<u>Treasurer's office</u>								
Dept mgmt salary	-	70,253	-	70,253	70,253	-	-	-
Staff salaries - AFSCME	-	77,980	(4,538)	73,442	69,722	-	3,720	1,860
Longevity	-	2,405	-	2,405	2,405	-	-	-
Office equip	-	650	454	1,104	1,104	-	-	-
Education / seminars	-	500	-	500	-	-	500	250
Telephone	-	950	(100)	850	733	-	117	59
Computerized payroll	-	17,250	1,482	18,732	18,732	-	-	-
ACA Reporting	-	3,000	350	3,350	3,350	-	-	-
Consultant - GASB 45	-	3,900	650	4,550	4,550	-	-	-
Consulting services	-	3,300	-	3,300	2,350	-	950	475
Supplies and misc.	-	3,550	(704)	2,846	2,478	-	368	184
Software maint	-	3,000	(300)	2,700	2,421	-	279	140
Total treasurer's office	-	186,738	(2,706)	184,032	178,098	-	5,934	2,967
<u>Tax collector</u>								
Dept mgmt salary	-	31,775	635	32,410	32,410	-	-	-
Staff salaries - AFSCME	-	59,260	(2,200)	57,060	57,034	-	26	13
Longevity	-	3,364	-	3,364	3,364	-	-	-
Tax Bills - Print & Mail	-	13,235	1,488	14,723	14,723	-	-	-
Postage	-	2,300	(165)	2,135	2,135	-	-	-
Telephone	-	600	(20)	580	571	-	9	5
Consulting svcs	-	4,000	1,784	5,784	5,784	-	-	-
Supplies and misc.	-	2,800	(2,014)	786	755	-	31	16
Software maint	-	4,500	(263)	4,237	4,237	-	-	-
Total tax collector	-	121,834	(755)	121,079	121,013	-	66	33

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
Tax sale								
Tax sale	-	2,000	4,062	6,062	6,062	-	-	-
Total tax sale	-	2,000	4,062	6,062	6,062	-	-	-
Insurance								
ER - health savings contribution	-	173,000	7,481	180,481	180,481	-	-	-
Group health ins. - active	-	1,411,905	944	1,412,849	1,412,699	-	150	75
Group health ins - retired	-	817,609	(29,150)	788,459	788,456	-	3	2
Dental ins - active	-	76,051	(4,230)	71,821	71,807	-	14	7
Dental ins - retired	-	31,771	(6,475)	25,296	25,230	-	66	33
Life ins - active	-	34,618	-	34,618	30,860	-	3,758	1,879
Town bldgs / pers prop	-	260,000	2,075	262,075	262,075	-	-	-
Workmens comp insurance	-	109,000	(2,075)	106,925	96,080	-	10,845	5,423
Total insurance	-	2,913,954	(31,430)	2,882,524	2,867,688	-	14,836	7,418
Audit of town accounts								
Audit services	-	22,000	-	22,000	22,000	-	-	-
Total audit of town accounts	-	22,000	-	22,000	22,000	-	-	-
Pension plans								
Special retirement	-	16,500	-	16,500	16,500	-	-	-
Fire pension - 1534	-	277,000	10,696	287,696	287,696	-	-	-
Pension plan - police	-	700,000	-	700,000	700,000	-	-	-
ERSRI - pension 1532	-	15,560	1,785	17,345	17,345	-	-	-
TIAA CREF - 1532	-	12,819	469	13,288	13,288	-	-	-
ERSRI - pension 1538	-	99,758	(12,950)	86,808	86,673	-	135	68
TIAA CREF - 1538	-	11,270	-	11,270	10,626	-	644	322
Total pension plans	-	1,132,907	-	1,132,907	1,132,128	-	779	390
Social security								
Social security and medicare	-	526,368	2,500	528,868	522,012	-	6,856	3,428
Total social security	-	526,368	2,500	528,868	522,012	-	6,856	3,428
Unemployment security								
Unemployment security	-	30,000	-	30,000	10,872	-	19,128	9,564
Total unemployment security	-	30,000	-	30,000	10,872	-	19,128	9,564
Unfunded liability								
Unfunded liability	-	80,000	76,000	156,000	138,140	-	17,860	8,930
Total unfunded liability	-	80,000	76,000	156,000	138,140	-	17,860	8,930
Total finance administration	\$ 167,156	\$ 5,211,574	\$ 47,069	\$ 5,425,799	\$ 5,184,918	\$ 172,710	\$ 68,171	\$ 34,086

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
<i><u>Public safety</u></i>								
<i><u>Fire department</u></i>								
Dept mgmt salary	\$ -	\$ 85,982	\$ -	\$ 85,982	\$ 84,553	\$ -	\$ 1,429	715
Personnel svcs	-	1,598,172	(60,085)	1,538,087	1,525,004	-	13,083	6,542
Staff salaries	-	65,521	(2,500)	63,021	62,012	-	1,009	505
Overtime	-	125,000	69,417	194,417	194,417	-	-	-
Shift differential	-	7,416	-	7,416	7,160	-	256	128
Holiday pay	-	84,938	(5,420)	79,518	79,518	-	-	-
Longevity	-	73,016	30	73,046	73,045	-	1	1
Education allowance	-	6,750	(1,653)	5,097	5,096	-	1	1
EMS incentive	-	79,690	(6,500)	73,190	71,700	-	1,490	745
Fire marshall inspections	-	64,879	182	65,061	65,061	-	-	-
Clothing allowance	-	41,200	(2,983)	38,217	38,217	-	-	-
Recruiting process	-	3,000	1,096	4,096	4,096	-	-	-
Equipment svcs contract	-	35,804	(6,525)	29,279	29,241	-	38	19
Radio maintenance	-	10,500	(2,762)	7,738	7,738	-	-	-
Minor equip replacements	-	14,000	26,090	40,090	40,090	-	-	-
Hazardous equipment	-	2,000	-	2,000	2,000	-	-	-
Heat	-	15,000	500	15,500	14,917	-	583	292
Sewer fee	-	1,000	(750)	250	239	-	11	6
Electric	-	10,000	26,025	36,025	36,024	-	1	1
Water and supplies	-	1,800	(125)	1,675	1,550	-	125	63
Seminars for Chief	-	2,000	(44)	1,956	1,956	-	-	-
Firefighter training	-	10,000	(1,000)	9,000	9,000	-	-	-
Operational technologies	-	5,500	600	6,100	6,053	-	47	24
Telephone	-	23,000	(1,650)	21,350	21,162	-	188	94
Medical Director - EMS	-	8,000	-	8,000	8,000	-	-	-
Medical supplies	-	35,000	3,260	38,260	38,260	-	-	-
Personal and protective gear	-	20,000	(765)	19,235	19,087	-	148	74
Supplies and misc.	-	5,500	200	5,700	5,672	-	28	14
Software maint	-	5,500	(1,045)	4,455	4,408	-	47	24
Fuel oil and tires	-	56,523	(6,300)	50,223	50,223	-	-	-
Apparatus maintenance	-	45,000	19,880	64,880	64,880	-	-	-
Station maintenance	-	30,000	(3,222)	26,778	26,774	-	4	2
<i>Total fire department</i>	-	<u>2,571,691</u>	<u>43,951</u>	<u>2,615,642</u>	<u>2,597,153</u>	-	<u>18,489</u>	<u>9,245</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances Carried to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
<i>Police department</i>								
Dept mgmt salary	-	91,655	\$ -	91,655	85,872	-	5,783	2,892
Personnel svcs	-	1,657,382	14,952	1,672,334	1,667,428	-	4,906	2,453
Staff salaries - AFSCME	-	530,541	(9,652)	520,889	503,640	-	17,249	8,625
Overtime	-	210,000	-	210,000	191,148	-	18,852	9,426
Shift differential	-	16,347	-	16,347	16,259	-	88	44
Out of rank	-	2,657	-	2,657	1,164	-	1,493	747
Holiday pay	-	158,112	(8,074)	150,038	125,440	-	24,598	12,299
Longevity	-	92,274	(8,388)	83,886	83,886	-	-	-
Education incentive	-	52,757	-	52,757	48,227	-	4,530	2,265
Sick leave buy back	-	40,000	(14,417)	25,583	25,582	-	1	1
Clothing allowance	-	60,000	554	60,554	60,554	-	-	-
In-service training	-	15,000	(900)	14,100	13,667	-	433	217
Uniform equip replacement	-	6,000	-	6,000	5,340	-	660	330
Animal shelter	-	27,300	-	27,300	26,838	-	462	231
Animal controls expenses	-	500	-	500	-	-	500	250
Tires, parts, and maintenance	-	18,500	(5,729)	12,771	12,771	-	-	-
Operations, ammo & photo supp	-	17,000	1,899	18,899	18,899	-	-	-
Chief's misc expenses	-	1,600	-	1,600	1,190	-	410	205
Photocopier lease	-	20,000	-	20,000	19,649	-	351	176
State qualifications	-	2,000	-	2,000	1,238	-	762	381
Heat	-	11,500	(3,176)	8,324	6,537	-	1,787	894
Electric	-	19,000	20,727	39,727	39,727	-	-	-
Water and supplies	-	1,000	628	1,628	1,627	-	1	1
Prisoner meals	-	600	-	600	210	-	390	195
Education / seminars	-	65,000	(9,100)	55,900	55,292	-	608	304
Radio, communications	-	12,000	514	12,514	12,514	-	-	-
Telephone	-	17,000	2,920	19,920	19,920	-	-	-
Medical supplies	-	1,500	70	1,570	1,570	-	-	-
Code Red System	-	5,000	(2,500)	2,500	2,500	-	-	-
Psychological testing	-	2,500	(2,500)	-	-	-	-	-
Supplies and misc	-	12,000	(1,305)	10,695	10,611	-	84	42
Fued, oil, tires	-	60,700	8,074	68,774	68,774	-	-	-
Station maintenance	-	9,500	1,834	11,334	11,334	-	-	-
Resource officer - school	-	(61,073)	-	(61,073)	(61,073)	-	-	-
<i>Total police department</i>	-	3,175,852	(13,569)	3,162,283	3,078,335	-	83,948	41,974
<i>Harbor commission</i>								
DEM Water Quality Cert	-	300	-	300	-	-	300	150
Water Quality Testing	-	2,400	-	2,400	1,490	-	910	455
<i>Total harbor commission</i>	-	2,700	-	2,700	1,490	-	1,210	605

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	Original Budget				Actual	Encumbrances Carried to FY 19	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 18	Original Budget	Transfers	Total Available				
Harbor master								
Harbormaster stipend	-	5,250	-	5,250	5,250	-	-	-
Assistant Harbormaster	-	2,000	-	2,000	2,000	-	-	-
Uniforms / clothing	-	300	-	300	-	-	300	150
Misc operating supplies	-	15,760	-	15,760	13,196	-	2,564	1,282
Mandated Educ & Training	-	250	-	250	-	-	250	125
Radio communications	-	750	-	750	235	-	515	258
Supplies and misc	-	800	-	800	318	-	482	241
Total harbor master	-	25,110	-	25,110	20,999	-	4,111	2,056
Street lighting								
Lighting expense	-	44,000	21,299	65,299	104,164	-	(38,865)	-
Total street lighting	-	44,000	21,299	65,299	104,164	-	(38,865)	-
Hydrant service								
North Tiverton & Stone Bridge	-	1,500	-	1,500	1,500	-	-	-
Total hydrant service	-	1,500	-	1,500	1,500	-	-	-
Total public safety	\$ -	\$ 5,820,853	\$ 51,681	\$ 5,872,534	\$ 5,803,641	\$ -	\$ 68,893	\$ 53,879
Health and human services								
Senior citizens service								
Dept mgmt salary	\$ -	\$ 55,000	\$ 490	\$ 55,490	\$ 55,490	\$ -	\$ -	-
Staff salaries AFSCME	-	17,301	-	17,301	16,961	-	340	170
Bus service	-	16,500	(5,132)	11,368	11,158	-	210	105
Heat	-	3,200	-	3,200	2,860	-	340	170
Electric	-	4,000	7,352	11,352	11,352	-	-	-
Water and supplies	-	190	100	290	264	-	26	13
Repairs, Maint&Gas Vehicles	-	600	457	1,057	634	-	423	212
Telephone	-	700	-	700	500	-	200	100
Agency dues and devel.	-	975	(457)	518	504	-	14	7
Supplies and misc.	-	11,300	1,500	12,800	12,450	-	350	175
My senior center	-	1,200	165	1,365	1,365	-	-	-
Building maintenance	-	5,000	2,000	7,000	6,654	-	346	173
Total senior citizens service	-	115,966	6,475	122,441	120,192	-	2,249	1,125
Economic devel. comm.								
Website	-	-	-	-	-	-	-	-
Supplies and misc.	-	-	-	-	-	-	-	-
Total economic devel. comm.	-	-	-	-	-	-	-	-
Boards and commissions								
Historical cemetery comm	-	3,000	-	3,000	3,000	-	-	-
Arts council	-	500	-	500	491	-	9	5
Open space commission	-	3,400	-	3,400	3,399	-	1	1
Conservation commission	-	1,000	(155)	845	10	-	835	418
Fort barton park	-	3,200	155	3,355	3,355	-	-	-
Tree commission	-	500	-	500	60	-	440	220
Recycling commission	-	150	-	150	-	-	150	75
Personnel Board	-	500	-	500	194	-	306	153
Budget Committee	-	1,250	-	1,250	475	-	775	388
Total boards & commissions	-	13,500	-	13,500	10,984	-	2,516	1,258

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>				<u>Actual</u>	<u>Encumbrances to FY 19</u>	<u>Variance Favorable (Unfavorable)</u>	<u>T/C Resolution to Paving and Capital</u>
	<u>Encumbrances Carried to FY 18</u>	<u>Original Budget</u>	<u>Transfers</u>	<u>Total Available</u>				
<i>Civic appropriations</i>								
Samaritans	-	-	500	500	500	-	-	-
Newport cnty mental health	-	-	-	-	-	-	-	-
Newport cnty visiting nurse	-	5,000	-	5,000	5,000	-	-	-
East bay com action plan	-	-	2,500	2,500	2,500	-	-	-
Newport cnty women's ctr	-	-	-	-	-	-	-	-
East RI conservation district	-	750	-	750	750	-	-	-
Tiverton historical society	-	250	-	250	250	-	-	-
Garden club	-	500	-	500	500	-	-	-
Pocasset cemetery-vets plot	-	150	-	150	150	-	-	-
Fire - community training	-	1,250	-	1,250	1,250	-	-	-
Parents as Teachers	-	-	500	500	500	-	-	-
<i>Total civic appropriations</i>	-	7,900	3,500	11,400	11,400	-	-	-
<i>Library Services</i>								
Approp - operating exp's	-	565,000	-	565,000	565,000	-	-	-
<i>Total library services</i>	-	565,000	-	565,000	565,000	-	-	-
Total health & human svcs	\$ -	\$ 702,366	\$ 9,975	\$ 712,341	\$ 707,576	\$ -	\$ 4,765	\$ 2,383
<u>Public works</u>								
<i>Town maintenance</i>								
Staff salaries - AFSCME	\$ -	\$ 84,346	\$ 8,936	\$ 93,282	\$ 93,282	\$ -	\$ -	\$ -
Uniform rental	-	600	(150)	450	450	-	-	-
Tool replacement	-	1,000	206	1,206	1,206	-	-	-
Misc operating supplies	-	1,000	107	1,107	1,107	-	-	-
Fuel, Oil, Tires	-	2,000	1,043	3,043	3,043	-	-	-
<i>Total town maintenance</i>	-	88,946	10,142	99,088	99,088	-	-	-
<i>Rubbish / recycling collection</i>								
Contracted services	-	525,000	6,200	531,200	525,000	-	6,200	3,100
<i>Total rubbish / recycling collection</i>	-	525,000	6,200	531,200	525,000	-	6,200	3,100
<i>Landfill</i>								
Personnel svcs	-	93,407	-	93,407	92,536	-	871	436
Overtime	-	200	-	200	63	-	137	69
Longevity	-	5,137	-	5,137	4,972	-	165	83
Sick leave buy back	-	4,200	710	4,910	2,298	-	2,612	1,306
Clothing allowance	-	300	-	300	300	-	-	-
Uniform rental	-	600	-	600	565	-	35	18
Landfill equip rent / cover	-	40,000	(5,631)	34,369	32,986	-	1,383	692
Electric	-	350	-	350	228	-	122	61
Engineering testing permits	-	50,000	-	50,000	44,135	-	5,865	2,933
Fuel, oil, and tires	-	8,000	4,642	12,642	11,767	-	875	438
Bulldozer repairs	-	14,000	(163)	13,837	9,935	-	3,902	1,951
On-site wastewater mgmt	-	20,000	631	20,631	20,631	-	-	-
<i>Total landfill</i>	-	236,194	189	236,383	220,416	-	15,967	7,984

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>					Encumbrances Carried to FY 19	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances		Transfers	Total Available	Actual			
	Carried to FY 18	Original Budget						
<i>Public works operations</i>								
Dept mgmt salary	-	85,850	(4,740)	81,110	80,803	-	307	154
Personnel services	-	395,000	(35,189)	359,811	356,799	-	3,012	1,506
Staff salaries - AFSCME	-	38,346	-	38,346	38,346	-	-	-
Overtime	-	50,000	7,203	57,203	57,203	-	-	-
Longevity	-	20,709	-	20,709	13,096	-	7,613	3,807
Sick leave buy back	-	15,000	(710)	14,290	12,751	-	1,539	770
Clothing allowance	-	1,350	-	1,350	1,350	-	-	-
Uniform rental	-	3,300	281	3,581	3,581	-	-	-
Snow removal	-	70,000	(33,144)	36,856	31,223	5,633	-	-
Tree removal	-	5,000	-	5,000	5,000	-	-	-
Minor equip replacements	-	75,000	(500)	74,500	71,477	3,023	-	-
Shop tools	-	1,000	-	1,000	958	42	-	-
Sand, salt, gravel, and pipe	-	90,000	(2,500)	87,500	84,164	3,336	-	-
Paving account	283,278	-	-	283,278	162,360	120,918	-	-
Drainage account	-	5,000	11,540	16,540	16,540	-	-	-
Stormwater mgmt	-	7,000	-	7,000	3,425	3,575	-	-
Heat	-	12,000	-	12,000	7,850	4,150	-	-
Electric	-	5,500	3,906	9,406	9,406	-	-	-
Water / sewer	-	1,000	-	1,000	619	381	-	-
Radio communications	-	5,500	248	5,748	5,748	-	-	-
Telephone	-	1,300	271	1,571	1,571	-	-	-
High way signs	-	5,000	-	5,000	1,149	3,851	-	-
Supplies and misc.	-	10,000	7,550	17,550	17,550	-	-	-
Fuel, oil, and tires	-	45,000	3,978	48,978	42,279	6,699	-	-
<i>Total public works operations</i>	283,278	947,855	(41,806)	1,189,327	1,025,248	151,608	12,471	6,236
Total public works	\$ 283,278	\$ 1,797,995	\$ (25,275)	\$ 2,055,998	\$ 1,869,752	\$ 151,608	\$ 34,638	\$ 17,319
<u>Parks and recreation</u>								
<i>Town beaches</i>								
Seasonal employees	\$ -	\$ 15,000	\$ (857)	\$ 14,143	\$ 12,449	\$ -	\$ 1,694	847
Misc operating supplies	-	2,000	826	2,826	2,826	-	-	-
<i>Total town beaches</i>	-	17,000	(31)	16,969	15,275	-	1,694	847
<i>Recreation commission</i>								
Recreation director	-	7,500	-	7,500	7,500	-	-	-
Seasonal employees	-	7,000	(679)	6,321	4,692	-	1,629	815
Transportation, fees and equip	-	2,000	416	2,416	2,317	-	99	50
Supplies and misc	-	1,500	294	1,794	1,794	-	-	-
<i>Total recreation commission</i>	-	18,000	31	18,031	16,303	-	1,728	864

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>Original Budget</u>					Encumbrances Carried to FY 19	Variance Favorable (Unfavorable)	T/C Resolution to Paving and Capital
	Encumbrances Carried to FY 18	Original Budget	Transfers	Total Available	Actual			
Maint, supplies, and mowing								
Mowing services	-	28,640	-	28,640	28,640	-	-	-
Field rehabilitation	-	4,000	371	4,371	4,371	-	-	-
Preventive maintenance	-	7,500	(371)	7,129	7,088	-	41	21
Total maint, supplies, and mowing	-	40,140	-	40,140	40,099	-	41	21
Total parks and recreation	\$ -	\$ 75,140	\$ -	\$ 75,140	\$ 71,677	\$ -	\$ 3,463	\$ 1,732
Capital outlay								
School department								
School - capital expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total school department	-	-	-	-	-	-	-	-
Non-recurring exps								
DPW - Street Sweeper	-	23,585	-	23,585	23,585	-	-	-
DPW - Maintenance Vehicle	-	10,750	-	10,750	10,750	-	-	-
DPW - Backhoe	-	15,867	-	15,867	15,867	-	-	-
DPW - 6 wheel #1	-	40,163	-	40,163	40,163	-	-	-
DPW - 6 wheel #2	-	41,233	-	41,233	41,233	-	-	-
FD - engine 1	-	57,652	-	57,652	57,652	-	-	-
FD - pumper	-	61,218	-	61,218	61,218	-	-	-
FD - rescue 1	-	59,008	-	59,008	59,008	-	-	-
Streetlight Purchase & conversion	-	55,000	2,953	57,953	57,953	-	-	-
FD - Airpacks & Air Bottles	-	19,000	-	19,000	18,993	-	7	4
FD - replace Car 1	-	26,000	-	26,000	26,000	-	-	-
FD - Used cars (2)	-	28,000	5,022	33,022	33,022	-	-	-
Harbormaster - no wake buoys	-	5,000	-	5,000	4,887	-	113	57
Capital reserve - restricted	24,993	-	-	24,993	-	24,993	-	-
Total non-recurring exps	24,993	442,476	7,975	475,444	450,331	24,993	120	60
Total capital outlay	\$ 24,993	\$ 442,476	\$ 7,975	\$ 475,444	\$ 450,331	\$ 24,993	\$ 120	\$ 60
Debt service								
Principal	\$ -	\$ 2,550,000	\$ -	2,550,000	\$ 2,469,540	\$ -	80,460	40,230
Interest	-	1,824,667	(104,500)	1,720,167	1,719,794	-	373	187
Total debt service	\$ -	\$ 4,374,667	\$ (104,500)	\$ 4,270,167	\$ 4,189,334	\$ -	\$ 80,833	\$ 40,417
Total expenditures	\$ 511,008	\$ 19,492,323	\$ -	\$ 20,003,331	\$ 19,280,409	\$ 394,183	\$ 328,739	\$ 183,802
Other financing uses								
Transfers to school	-	23,338,955	-	23,338,955	23,362,953	-	(23,998)	-
Total expenditures & other financing uses	\$ 511,008	\$ 42,831,278	\$ -	\$ 43,342,286	\$ 42,643,362	\$ 394,183	\$ 304,741	\$ 183,802

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Non-Major Governmental Funds - Combining Balance Sheet

June 30, 2018

	<u>Town Special Revenue</u>	<u>School Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service Fund</u>	<u>Total Non-Major Governmental Funds</u>
Assets					
Cash and cash equivalents	\$ 17,725	\$ 79,187	\$ 8,269,194	\$ 533,033	\$ 8,899,139
Investments	368,246	-	7,736,170	-	8,104,416
Due from other governments	208,200	-	228,684	-	436,884
Due from other funds	<u>1,016,236</u>	<u>35,211</u>	<u>-</u>	<u>8,663</u>	<u>1,060,110</u>
Total assets	<u>1,610,407</u>	<u>114,398</u>	<u>16,234,048</u>	<u>541,696</u>	<u>18,500,549</u>
Deferred outflows of resources					
None	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 1,610,407</u>	<u>\$ 114,398</u>	<u>\$ 16,234,048</u>	<u>\$ 541,696</u>	<u>\$ 18,500,549</u>
Liabilities					
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	87,658	-	855,720	-	943,378
Unearned revenue	<u>208,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,200</u>
Total liabilities	<u>295,858</u>	<u>-</u>	<u>855,720</u>	<u>-</u>	<u>1,151,578</u>
Deferred inflows of resources					
None	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance					
Restricted	493,874	114,398	-	-	608,272
Committed	893,652	-	15,723,607	541,696	17,158,955
Unassigned	<u>(72,977)</u>	<u>-</u>	<u>(345,279)</u>	<u>-</u>	<u>(418,256)</u>
Total fund balance	<u>1,314,549</u>	<u>114,398</u>	<u>15,378,328</u>	<u>541,696</u>	<u>17,348,971</u>
Town liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,610,407</u>	<u>\$ 114,398</u>	<u>\$ 16,234,048</u>	<u>\$ 541,696</u>	<u>\$ 18,500,549</u>

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Supplementary Information

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

For the Year Ended June 30, 2018

	Town Special Revenue	School Special Revenue	Capital Projects	Debt Service Fund	Total Non-Major Governmental Funds
Revenues					
Federal and state grant income	\$ 114,995	\$ 1,329,307	\$ 863,075	\$ -	\$ 2,307,377
Other revenue	489,279	13,394	551,186	-	1,053,859
Investment income	4,649	-	165,142	5,559	175,350
Total revenue	<u>608,923</u>	<u>1,342,701</u>	<u>1,579,403</u>	<u>5,559</u>	<u>3,536,586</u>
Expenditures					
General government	66,647	-	-	-	66,647
Public safety	341,542	-	-	-	341,542
Public works	1,227	-	1,192,343	-	1,193,570
Education	-	1,517,584	8,056,482	-	9,574,066
Health and human services	109,121	-	-	-	109,121
Parks and recreation	29,717	-	98,079	-	127,796
Total Expenditures	<u>548,254</u>	<u>1,517,584</u>	<u>9,346,904</u>	<u>-</u>	<u>11,412,742</u>
Excess (deficiency) of revenues over expenditures	60,669	(174,883)	(7,767,501)	5,559	(7,876,156)
Other financing sources (uses)					
Proceeds from issuance of long term debt	-	-	-	-	-
Transfers in	-	263,820	23,585	-	287,405
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>263,820</u>	<u>23,585</u>	<u>-</u>	<u>287,405</u>
Excess of revenue and other sources over expenditures and other uses	60,669	88,937	(7,743,916)	5,559	(7,588,751)
Fund balance, July 1, 2017	1,253,880	25,461	23,122,244	536,137	24,937,722
Fund balance, June 30, 2018	<u>\$ 1,314,549</u>	<u>\$ 114,398</u>	<u>\$ 15,378,328</u>	<u>\$ 541,696</u>	<u>\$ 17,348,971</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2018

	200	202	204	206	210
	Fire Detection	Meds Grant	EMA Grant	RIEMA	Substance
	Fund			Grant	Abuse
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	<u>4,518</u>	<u>15,084</u>	<u>-</u>	<u>-</u>	<u>50,038</u>
Total assets	<u>4,518</u>	<u>15,084</u>	<u>-</u>	<u>-</u>	<u>50,038</u>
Deferred Outflows of Resources					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 4,518</u>	<u>\$ 15,084</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,038</u>
Liabilities					
Due to other funds	\$ -	\$ -	\$ 13,080	\$ 41,000	\$ -
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>13,080</u>	<u>41,000</u>	<u>-</u>
Deferred Inflows of Resources					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	-	-	-	-	50,038
Committed	4,518	15,084	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>(13,080)</u>	<u>(41,000)</u>	<u>-</u>
Total fund balances (deficits)	<u>4,518</u>	<u>15,084</u>	<u>(13,080)</u>	<u>(41,000)</u>	<u>50,038</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 4,518</u>	<u>\$ 15,084</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,038</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2018

	212	213	214	215	216
	PD Crime Prevention	State and Local Drug Forfeiture	Federal Drug Forfeiture	Police Leg Grant	Byrne Stimulus
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	<u>409</u>	<u>10,884</u>	<u>11,864</u>	<u>1,832</u>	<u>30,574</u>
Total assets	<u>409</u>	<u>10,884</u>	<u>11,864</u>	<u>1,832</u>	<u>30,574</u>
Deferred Outflows of Resources					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 409</u>	<u>\$ 10,884</u>	<u>\$ 11,864</u>	<u>\$ 1,832</u>	<u>\$ 30,574</u>
Liabilities					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	409	10,884	11,864	1,832	30,574
Committed	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>409</u>	<u>10,884</u>	<u>11,864</u>	<u>1,832</u>	<u>30,574</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 409</u>	<u>\$ 10,884</u>	<u>\$ 11,864</u>	<u>\$ 1,832</u>	<u>\$ 30,574</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2018

	218	220	222	223	225
	Police			NCPC	Tiverton
	Equipment	CDBG	NCPC	Grant	PC
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	208,200	-	-	-
Due from other funds	-	14,593	-	3,242	-
Total assets	-	222,793	-	3,242	-
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	\$ -	\$ 222,793	\$ -	\$ 3,242	\$ -
Liabilities					
Due to other funds	\$ -	\$ -	\$ 14,697	\$ -	\$ 1,865
Unearned revenue	-	208,200	-	-	-
Total liabilities	-	208,200	14,697	-	1,865
Deferred Inflows of Resources					
None	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances					
Restricted	-	14,593	-	-	-
Committed	-	-	-	3,242	-
Unassigned	-	-	(14,697)	-	(1,865)
Total fund balances (deficits)	-	14,593	(14,697)	3,242	(1,865)
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ 222,793	\$ -	\$ 3,242	\$ -

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2018

	226 State Response	228 Local Task Force	230 Senior Center	232 Senior Center Waite Account	234 Senior Center Roof Repair
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Investment	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	3,032	2,050	1,987	2,390
Total assets	-	3,032	2,050	1,987	2,390
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	\$ -	\$ 3,032	\$ 2,050	\$ 1,987	\$ 2,390
Liabilities					
Due to other funds	\$ 2,050	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Total liabilities	2,050	-	-	-	-
Deferred Inflows of Resources					
None	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances					
Restricted	-	-	-	-	2,390
Committed	-	3,032	2,050	1,987	-
Unassigned	(2,050)	-	-	-	-
Total fund balances (deficits)	(2,050)	3,032	2,050	1,987	2,390
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ 3,032	\$ 2,050	\$ 1,987	\$ 2,390

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2018

	250	252	255	260	262
	North Tiverton Contam. Award	Bulgarmarsh Park	Recycling	Historical Records	Land Evidence
Assets					
Cash and cash equivalents	\$ 17,725	\$ -	\$ -	\$ -	\$ -
Investments	368,246	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	121	46,249	24,309	75,557
Total assets	<u>385,971</u>	<u>121</u>	<u>46,249</u>	<u>24,309</u>	<u>75,557</u>
Deferred Outflows of Resources					
None	-	-	-	-	-
Total outflows of resources and assets	<u>\$ 385,971</u>	<u>\$ 121</u>	<u>\$ 46,249</u>	<u>\$ 24,309</u>	<u>\$ 75,557</u>
Liabilities					
Due to other funds	\$ 14,681	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Total liabilities	<u>14,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
None	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted	371,290	-	-	-	-
Committed	-	121	46,249	24,309	75,557
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>371,290</u>	<u>121</u>	<u>46,249</u>	<u>24,309</u>	<u>75,557</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 385,971</u>	<u>\$ 121</u>	<u>\$ 46,249</u>	<u>\$ 24,309</u>	<u>\$ 75,557</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - Town - Combining Balance Sheet

June 30, 2018

	264 Open Space Acquisition	266 Vicious Dog	268 Open Space Stewardship	270 Pocasset Stewardship	272 Pocasset Ridge Conservation	280 Wastewater Management	285 Bike Tiverton	Total
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,725
Investment	-	-	-	-	-	-	-	368,246
Due from other governments	-	-	-	-	-	-	-	208,200
Due from other funds	<u>655,385</u>	<u>49,436</u>	<u>5,930</u>	<u>3,739</u>	<u>363</u>	<u>-</u>	<u>2,650</u>	<u>1,016,236</u>
Total assets	<u>655,385</u>	<u>49,436</u>	<u>5,930</u>	<u>3,739</u>	<u>363</u>	<u>-</u>	<u>2,650</u>	<u>1,610,407</u>
Deferred Outflows of Resources								
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 655,385</u>	<u>\$ 49,436</u>	<u>\$ 5,930</u>	<u>\$ 3,739</u>	<u>\$ 363</u>	<u>\$ -</u>	<u>\$ 2,650</u>	<u>\$ 1,610,407</u>
Liabilities								
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 285	\$ -	\$ 87,658
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,200</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>285</u>	<u>-</u>	<u>295,858</u>
Deferred Inflows of Resources								
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances								
Restricted	-	-	-	-	-	-	-	493,874
Committed	655,385	49,436	5,930	3,739	363	-	2,650	893,652
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(285)</u>	<u>-</u>	<u>(72,977)</u>
Total fund balances (deficits)	<u>655,385</u>	<u>49,436</u>	<u>5,930</u>	<u>3,739</u>	<u>363</u>	<u>(285)</u>	<u>2,650</u>	<u>1,314,549</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 655,385</u>	<u>\$ 49,436</u>	<u>\$ 5,930</u>	<u>\$ 3,739</u>	<u>\$ 363</u>	<u>\$ -</u>	<u>\$ 2,650</u>	<u>\$ 1,610,407</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	200	202	204	206	210
	Fire Detection	Meds Grant	EMA Grant	RIEMA	Substance
	Fund	Grant	Grant	Grant	Abuse
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 13,684
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	<u>21,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>21,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,684</u>
Expenditures					
General	-	-	-	41,000	-
Public safety	22,687	-	-	-	-
Public works	-	-	1,308	-	-
Health and human Services	-	10,860	-	-	-
Parks and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>22,687</u>	<u>10,860</u>	<u>1,308</u>	<u>41,000</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(1,482)	(10,860)	(1,308)	(41,000)	13,684
Other financing sources (uses)					
Transfers (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,482)	(10,860)	(1,308)	(41,000)	13,684
Fund Balance, July 1, 2017	<u>6,000</u>	<u>25,944</u>	<u>(11,772)</u>	<u>-</u>	<u>36,354</u>
Fund Balance, June 30, 2018	<u>\$ 4,518</u>	<u>\$ 15,084</u>	<u>\$ (13,080)</u>	<u>\$ (41,000)</u>	<u>\$ 50,038</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	212	213	214	215	216
	PD Crime Prevention	State and Local Drug Forfeiture	Federal Drug Forfeiture	Police Leg Grant	Byrne Stimulus
Revenues					
Intergovernmental revenue	\$ 1,500	\$ -	\$ -	\$ -	\$ 15,890
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	-	795	-	-	-
Total revenues	<u>1,500</u>	<u>795</u>	<u>-</u>	<u>-</u>	<u>15,890</u>
Expenditures					
General	-	-	-	-	-
Public safety	1,658	30,950	3,371	1,989	211
Public works	-	-	-	-	-
Health and human Services	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Total expenditures	<u>1,658</u>	<u>30,950</u>	<u>3,371</u>	<u>1,989</u>	<u>211</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(158)	(30,155)	(3,371)	(1,989)	15,679
Other financing sources (uses)					
Transfers from (to) other funds	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(158)	(30,155)	(3,371)	(1,989)	15,679
Fund Balance, July 1, 2017	<u>567</u>	<u>41,039</u>	<u>15,235</u>	<u>3,821</u>	<u>14,895</u>
Fund Balance, June 30, 2018	<u>\$ 409</u>	<u>\$ 10,884</u>	<u>\$ 11,864</u>	<u>\$ 1,832</u>	<u>\$ 30,574</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	218	220	222	223	225
	Police			NCPC	Tiverton
	Equipment	CDBG	NCPC	Grant	PC
Revenues					
Intergovernmental revenue	\$ -	\$ 70,200	\$ -	\$ -	\$ -
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	<u>8,790</u>	<u>-</u>	<u>217,343</u>	<u>5,000</u>	<u>7,501</u>
Total revenues	<u>8,790</u>	<u>70,200</u>	<u>217,343</u>	<u>5,000</u>	<u>7,501</u>
Expenditures					
General	-	-	-	-	-
Public safety	500	-	228,548	1,758	8,742
Public works	-	-	-	-	-
Health and human Services	-	72,398	-	-	-
Parks and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>500</u>	<u>72,398</u>	<u>228,548</u>	<u>1,758</u>	<u>8,742</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	8,290	(2,198)	(11,205)	3,242	(1,241)
Other financing sources (uses)					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	8,290	(2,198)	(11,205)	3,242	(1,241)
Fund Balance, July 1, 2017	<u>(8,290)</u>	<u>16,791</u>	<u>(3,492)</u>	<u>-</u>	<u>(624)</u>
Fund Balance, June 30, 2018	<u>\$ -</u>	<u>\$ 14,593</u>	<u>\$ (14,697)</u>	<u>\$ 3,242</u>	<u>\$ (1,865)</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	226	228	230	232	234
	State	Local Task	Senior	Senior Center	Senior Center
	Response	Force	Center	Waite Account	Roof Repair
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ 13,721	\$ -	\$ -
Charges for service	-	-	-	-	-
Investment income	-	-	-	-	-
Other revenue	<u>34,240</u>	<u>9,525</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>34,240</u>	<u>9,525</u>	<u>13,721</u>	<u>-</u>	<u>-</u>
Expenditures					
General	-	-	-	-	-
Public safety	36,290	4,838	-	-	-
Public works	-	-	-	-	-
Health and human Services	-	-	12,719	-	-
Parks and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>36,290</u>	<u>4,838</u>	<u>12,719</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(2,050)	4,687	1,002	-	-
Other financing sources (uses)					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(2,050)	4,687	1,002	-	-
Fund Balance, July 1, 2017	<u>-</u>	<u>(1,655)</u>	<u>1,048</u>	<u>1,987</u>	<u>2,390</u>
Fund Balance, June 30, 2018	<u>\$ (2,050)</u>	<u>\$ 3,032</u>	<u>\$ 2,050</u>	<u>\$ 1,987</u>	<u>\$ 2,390</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	250	252	255	260	262
	North Tiverton	Bulgarmarsh		Historical	
	Contamination Award	Park	Recycling	Records	Land Evidence
Revenues					
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for service	-	-	-	2,892	16,845
Investment income	4,649	-	-	-	-
Other revenue	-	-	-	-	-
Total revenues	<u>4,649</u>	<u>-</u>	<u>-</u>	<u>2,892</u>	<u>16,845</u>
Expenditures					
General	-	-	-	-	25,647
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and human Services	13,144	-	-	-	-
Parks and recreation	-	-	-	-	-
Total expenditures	<u>13,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,647</u>
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	(8,495)	-	-	2,892	(8,802)
Other financing sources (uses)					
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(8,495)	-	-	2,892	(8,802)
Fund Balance, July 1, 2017	<u>379,785</u>	<u>121</u>	<u>46,249</u>	<u>21,417</u>	<u>84,359</u>
Fund Balance, June 30, 2018	<u>\$ 371,290</u>	<u>\$ 121</u>	<u>\$ 46,249</u>	<u>\$ 24,309</u>	<u>\$ 75,557</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	264	266	268	270	272	280	285	
	Open Space	Vicious Dog	Open Space	Pocassetlands	Pocasset Ridge	Wastewater	Bike	
	Acquisition		Stewardship	Stewardship	Conservation	Management	Tiverton	Total
Revenues								
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,995
Charges for service	155,461	-	-	-	-	-	-	175,198
Investment income	-	-	-	-	-	-	-	4,649
Other revenue	-	-	3,800	2,732	500	-	2,650	314,081
Total revenues	155,461	-	3,800	2,732	500	-	2,650	608,923
Expenditures								
General	-	-	-	-	-	-	-	66,647
Public safety	-	-	-	-	-	-	-	341,542
Public works	-	-	-	-	-	(81)	-	1,227
Health and human Services	-	-	-	-	-	-	-	109,121
Parks and recreation	20,471	-	4,687	2,343	2,216	-	-	29,717
Total expenditures	20,471	-	4,687	2,343	2,216	(81)	-	548,254
Excess (deficiency) of revenue over (under) expenditures before other financing sources (uses)	134,990	-	(887)	389	(1,716)	81	2,650	60,669
Other financing sources (uses)								
Transfers from (to) other funds	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	134,990	-	(887)	389	(1,716)	81	2,650	60,669
Fund Balance, July 1, 2017	520,395	49,436	6,817	3,350	2,079	(366)	-	1,253,880
Fund Balance, June 30, 2018	\$ 655,385	\$ 49,436	\$ 5,930	\$ 3,739	\$ 363	\$ (285)	\$ 2,650	\$ 1,314,549

See independent auditor's report

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

June 30, 2018

	SPED IDEA Part B	SPED IDEA Preschool	Title I Part A Disadvantaged Youth	Title II Part A Teacher Quality	Equipment Assistance	Perkins Vocational Edu
Assets						
Cash	\$ -	\$ -	\$ -	\$ 834	\$ -	\$ 6,731
Due from other funds	-	-	-	-	-	-
Due from state or federal government	-	-	-	-	-	-
Total assets	-	-	-	834	-	6,731
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ -</u>	<u>\$ 6,731</u>
Liabilities						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources						
None	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-
Fund balances, restricted	-	-	-	834	-	6,731
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ -</u>	<u>\$ 6,731</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet
 June 30, 2018

	Safe and Drug Free Schools	Math and Science	English Learning Categorical	Substance Abuse	RIDE Wireless Classroom	SAMHSA Substance Abuse
Assets						
Cash	\$ -	\$ (35,211)	\$ -	\$ -	\$ -	\$ -
Due from unrestricted Fund	-	35,211	-	-	-	-
Due from state or federal government	-	-	-	-	-	-
Total assets	-	-	-	-	-	-
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to school unrestricted	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Deferred inflows of resources						
None	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-
Fund balances, restricted	-	-	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Special Revenue Funds - School - Combining Balance Sheet

June 30, 2018

	<u>US Comm Challenge</u>	<u>School Housing Aid</u>	<u>GA TMS Mock Trial</u>	<u>Van Beuren Awards</u>	<u>General Assembly THS</u>	<u>RISCA</u>
Assets						
Cash	\$ 525	\$ -	\$ 110	\$ 30,685	\$ -	\$ 1,240
Due from unrestricted Fund	-	-	-	-	-	-
Due from state or federal government	-	-	-	-	-	-
Total assets	<u>525</u>	<u>-</u>	<u>110</u>	<u>30,685</u>	<u>-</u>	<u>1,240</u>
Deferred Outflows of Resources						
None	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 525</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ 30,685</u>	<u>\$ -</u>	<u>\$ 1,240</u>
Liabilities						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to school unrestricted	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources						
None	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, restricted	<u>525</u>	<u>-</u>	<u>110</u>	<u>30,685</u>	<u>-</u>	<u>1,240</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 525</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ 30,685</u>	<u>\$ -</u>	<u>\$ 1,240</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND
 Supplementary Information
 Special Revenue Funds - School - Combining Balance Sheet
 June 30, 2018

	Ranger Elem Arts	Pocasset Elem Arts	Ft Barton Elem Arts	CTE Categorical	RI State Grants	Pocasset Memorial	Total
Assets							
Cash	\$ 192	\$ 469	\$ 221	\$ 63,266	\$ 10,000	\$ 125	\$ 79,187
Due from unrestricted Fund	-	-	-	-	-	-	35,211
Due from state or federal government	-	-	-	-	-	-	-
Total assets	<u>192</u>	<u>469</u>	<u>221</u>	<u>63,266</u>	<u>10,000</u>	<u>125</u>	<u>114,398</u>
Deferred Outflows of Resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 192</u>	<u>\$ 469</u>	<u>\$ 221</u>	<u>\$ 63,266</u>	<u>\$ 10,000</u>	<u>\$ 125</u>	<u>\$ 114,398</u>
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to school unrestricted	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-	-
Fund balances, restricted	<u>192</u>	<u>469</u>	<u>221</u>	<u>63,266</u>	<u>10,000</u>	<u>125</u>	<u>114,398</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 192</u>	<u>\$ 469</u>	<u>\$ 221</u>	<u>\$ 63,266</u>	<u>\$ 10,000</u>	<u>\$ 125</u>	<u>\$ 114,398</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	SPED IDEA Part B	SPED IDEA Preschool	Title I Part A Disadvantaged Youth	Title II Part A Teacher Quality	Equipment Assistance	Perkins Vocational Edu
Revenues						
Federal and state grant income	\$ 623,748	\$ 13,090	\$ 193,972	\$ 53,784	\$ 4,282	\$ 18,901
Other grant income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	623,748	13,090	193,972	53,784	4,282	18,901
Expenditures						
Education	<u>623,748</u>	<u>13,090</u>	<u>193,972</u>	<u>53,784</u>	<u>4,282</u>	<u>13,767</u>
Excess (deficiency) of revenue over expenditures	-	-	-	-	-	5,134
Other financing sources (uses)						
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-	5,134
Fund Balance, July 1, 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>834</u>	<u>-</u>	<u>1,597</u>
Fund Balance, June 30, 2018	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 834</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,731</u></u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	Safe and Drug Free Schools	Math and Science	English Learning Categorical	Substance Abuse	RIDE Wireless Classroom	SAMHSA Substance Abuse
Revenues						
Federal and state grant income	\$ 52,127	\$ 180,963	\$ 520	\$ 9,500	\$ 1,289	\$ 103,660
Other grant income	-	-	-	-	-	-
Total revenues	52,127	180,963	520	9,500	1,289	103,660
Expenditures						
Education	52,127	180,963	520	9,500	-	103,660
Excess (deficiency) of revenue over expenditures	-	-	-	-	1,289	-
Other financing sources (uses)						
Transfers from (to) other funds	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other use	-	-	-	-	1,289	-
Fund Balance, July 1, 2017	-	-	-	-	(1,289)	-
Fund Balance, June 30, 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	<u>US Comm Challenge</u>	<u>School Housing Aid</u>	<u>GA TMS Mock Trial</u>	<u>Van Beuren Award 2</u>	<u>General Assembly THS</u>	<u>RISCA</u>
Revenues						
Federal and state grant income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other grant income	<u>-</u>	<u>-</u>	<u>700</u>	<u>11,194</u>	<u>-</u>	<u>400</u>
Total revenues	-	-	700	11,194	-	400
Expenditures						
Education	<u>-</u>	<u>263,820</u>	<u>590</u>	<u>355</u>	<u>1,750</u>	<u>303</u>
Excess (deficiency) of revenue over expenditures	-	(263,820)	110	10,839	(1,750)	97
Other financing sources (uses)						
Transfers from (to) other funds	<u>-</u>	<u>263,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other	-	-	110	10,839	(1,750)	97
Fund Balance, July 1, 2017	<u>525</u>	<u>-</u>	<u>-</u>	<u>19,846</u>	<u>1,750</u>	<u>1,143</u>
Fund Balance, June 30, 2018	<u>\$ 525</u>	<u>\$ -</u>	<u>\$ 110</u>	<u>\$ 30,685</u>	<u>\$ -</u>	<u>\$ 1,240</u>

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TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	Ranger Elem Arts	Pocasset Elem Arts	Ft Barton Elem Arts	CTE Categorical	RI Learning Champions	Pocasset Memorial	Total
Revenues							
Federal and state grant income	\$ -	\$ -	\$ -	\$ 63,266	\$ 10,205	\$ -	\$ 1,329,307
Other grant income	<u>350</u>	<u>350</u>	<u>400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,394</u>
Total revenues	350	350	400	63,266	10,205	-	1,342,701
Expenditures							
Education	<u>287</u>	<u>281</u>	<u>580</u>	<u>-</u>	<u>205</u>	<u>-</u>	<u>1,517,584</u>
Excess (deficiency) of revenue over expenditures	63	69	(180)	63,266	10,000	-	(174,883)
Other financing sources (uses)							
Transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,820</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	63	69	(180)	63,266	10,000	-	88,937
Fund Balance, July 1, 2017	<u>129</u>	<u>400</u>	<u>401</u>	<u>-</u>	<u>-</u>	<u>125</u>	<u>25,461</u>
Fund Balance, June 30, 2018	<u><u>\$ 192</u></u>	<u><u>\$ 469</u></u>	<u><u>\$ 221</u></u>	<u><u>\$ 63,266</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 125</u></u>	<u><u>\$ 114,398</u></u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Capital Project Funds - Combining Balance Sheet

June 30, 2018

	300 Landfill Closure	302 Old Stone Bridge	305 Grinnells Beach	309 TIF Bond	350 Street Sweeper	630 School Housing Bond	Total
Assets							
Cash & cash equivalents	\$ 89,657	\$ -	\$ -	\$ 674,478	\$ -	\$ 7,505,059	\$ 8,269,194
Investments	7,736,170	-	-	-	-	-	7,736,170
Intergovernmental receivable	-	-	-	-	228,684	-	228,684
Total assets	<u>7,825,827</u>	<u>-</u>	<u>-</u>	<u>674,478</u>	<u>228,684</u>	<u>7,505,059</u>	<u>16,234,048</u>
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>7,825,827</u>	<u>-</u>	<u>-</u>	<u>674,478</u>	<u>228,684</u>	<u>7,505,059</u>	<u>16,234,048</u>
Liabilities							
Due to other funds	64,915	252,953	92,326	284,012	161,514	-	855,720
Total liabilities	<u>64,915</u>	<u>252,953</u>	<u>92,326</u>	<u>284,012</u>	<u>161,514</u>	<u>-</u>	<u>855,720</u>
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Fund Balances							
Committed	7,760,912	-	-	390,466	67,170	7,505,059	15,723,607
Unassigned	-	(252,953)	(92,326)	-	-	-	(345,279)
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,825,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 674,478</u>	<u>\$ 228,684</u>	<u>\$ 7,505,059</u>	<u>\$ 16,234,048</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Capital Project Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended June 30, 2018

	300 Landfill Closure	302 Old Stone Bridge	305 Grinnells Beach	309 TIF Bond	350 Street Sweeper	630 School Housing Bond	Total
Revenues							
Investment income	\$ 51,568	\$ -	\$ -	\$ 9,582	\$ -	\$ 103,992	\$ 165,142
Intergovernmental	-	863,075	-	-	-	-	863,075
Other	<u>517,400</u>	-	<u>14,467</u>	-	-	<u>19,319</u>	<u>551,186</u>
Total revenues	<u>568,968</u>	<u>863,075</u>	<u>14,467</u>	<u>9,582</u>	-	<u>123,311</u>	<u>1,456,092</u>
Expenditures							
Education	-	-	-	-	-	8,056,482	8,056,482
Parks and recreation	-	-	98,079	-	-	-	98,079
Public works	<u>139,734</u>	<u>1,051,359</u>	-	<u>1,250</u>	-	-	<u>1,192,343</u>
Total expenditures	<u>139,734</u>	<u>1,051,359</u>	<u>98,079</u>	<u>1,250</u>	-	<u>8,056,482</u>	<u>9,346,904</u>
Excess (deficiency) of revenue over expenditures	429,234	(188,284)	(83,612)	8,332	-	(7,933,171)	(7,890,812)
Other financing sources (uses)							
Transfer from (to) other funds	-	-	-	-	<u>23,585</u>	-	<u>23,585</u>
Total other financing sources (uses)	-	-	-	-	<u>23,585</u>	-	<u>23,585</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	429,234	(188,284)	(83,612)	8,332	23,585	(7,933,171)	189,255
Fund balance, July 1, 2017	<u>7,331,678</u>	<u>(64,669)</u>	<u>(8,714)</u>	<u>382,134</u>	<u>43,585</u>	<u>15,438,230</u>	<u>23,122,244</u>
Fund balance, June 30, 2018	<u>\$ 7,760,912</u>	<u>\$ (252,953)</u>	<u>\$ (92,326)</u>	<u>\$ 390,466</u>	<u>\$ 67,170</u>	<u>\$ 7,505,059</u>	<u>\$ 15,378,328</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Employee Benefit Trust Funds – Combining Statement of Net Position

June 30, 2018

	Police Pension Trust	Town OPEB Trust Funds	School OPEB Trust Funds
Assets			
Cash and cash equivalents	\$ 210,900	\$ -	\$ -
Accounts receivable	-	-	-
Investments, at fair value			
Cash management investment fund	-	137,970	292,088
Equities	10,413,313	-	-
Fixed income	<u>1,749,914</u>	<u>-</u>	<u>-</u>
Total investments	<u>12,163,227</u>	<u>137,970</u>	<u>292,088</u>
Total assets	<u>12,374,127</u>	<u>137,970</u>	<u>292,088</u>
Deferred outflows of resources			
None	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 12,374,127</u>	<u>\$ 137,970</u>	<u>\$ 292,088</u>
Liabilities			
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources			
None	<u>-</u>	<u>-</u>	<u>-</u>
Net position			
Restricted for pension	12,374,127	-	-
Restricted for Town OPEB	-	137,970	-
Restricted for School OPEB	<u>-</u>	<u>-</u>	<u>292,088</u>
Total net position	<u>12,374,127</u>	<u>137,970</u>	<u>292,088</u>
Total liabilities and net position	<u>\$ 12,374,127</u>	<u>\$ 137,970</u>	<u>\$ 292,088</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

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

For the Year Ended June 30, 2018

	Police	Town	School
	Pension Trust	OPEB	OPEB
	<u>Pension Trust</u>	<u>Trust Funds</u>	<u>Trust Funds</u>
Additions			
Employer contributions	\$ 700,000	\$ -	\$ 377,487
Plan member contributions	195,936	679,087	22,811
Investment income (net of related fees)	<u>1,363,736</u>	<u>6,461</u>	<u>-</u>
Total additions	<u>2,259,672</u>	<u>685,548</u>	<u>400,298</u>
Deductions			
Benefits paid	922,840	644,951	377,487
Administrative costs	13,735	-	-
Per trust agreements	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>936,575</u>	<u>644,951</u>	<u>377,487</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	1,323,097	40,597	22,811
Net position, July 1, 2017	<u>11,051,030</u>	<u>97,373</u>	<u>269,277</u>
Net position, June 30, 2018	<u>\$ 12,374,127</u>	<u>\$ 137,970</u>	<u>\$ 292,088</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Private Purpose Trust - Town - Combining Statement of Net Position

June 30, 2018

	Burial Lots	Pocasset Hill Cemetery	Totals
Assets			
Cash	\$ 6,481	\$ 420,008	\$ 426,489
Investments	9,982	51,256	61,238
Total assets	16,463	471,264	487,727
 Liabilities			
Accounts payable	-	4,286	4,286
Total liabilities	\$ -	\$ 4,286	\$ 4,286
 Net position			
Reserved for lots / cemetery	16,463	466,978	483,441
Total liabilities and net position	\$ 16,463	\$ 471,264	\$ 487,727

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Private Purpose Trust - Town - Combining Statement of Changes in Net Position

For the Year Ended June 30, 2018

	<u>Burial Lots</u>	<u>Pocasset Hill Cemetery</u>	<u>Total</u>
Additions			
Investment income	\$ 214	\$ (3,731)	\$ (3,517)
Other	<u>-</u>	<u>17,450</u>	<u>17,450</u>
Total additions	214	13,719	13,933
Deductions			
Per trust agreements	<u>5,268</u>	<u>28,135</u>	<u>33,403</u>
Changes in fund equity held in trust for individuals, organizations, and other governments	(5,054)	(14,416)	(19,470)
Net position, July 1, 2017	<u>21,517</u>	<u>481,394</u>	<u>502,911</u>
Net position, June 30, 2018	<u>\$ 16,463</u>	<u>\$ 466,978</u>	<u>\$ 483,441</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Agency Fund - Town - Combining Statement of Net Position

June 30, 2018

	Student Activities	Gravel Permits	Escrow Funds	Total
Assets				
Cash Checking	\$ 167,015	\$ 4,805	\$ 76,098	\$ 247,918
Accounts receivable	<u>-</u>	<u>-</u>	<u>442,935</u>	<u>442,935</u>
Total assets	<u>167,015</u>	<u>4,805</u>	<u>519,033</u>	<u>690,853</u>
Deferred outflows of resources				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows of resources and assets	<u>\$ 167,015</u>	<u>\$ 4,805</u>	<u>\$ 519,033</u>	<u>\$ 690,853</u>
Liabilities				
Deposits held	<u>167,015</u>	<u>4,805</u>	<u>519,033</u>	<u>690,853</u>
Total Liabilities	<u>\$ 167,015</u>	<u>\$ 4,805</u>	<u>\$ 519,033</u>	<u>\$ 690,853</u>
Deferred Inflows of Resources				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits), unreserved	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 167,015</u>	<u>\$ 4,805</u>	<u>\$ 519,033</u>	<u>690,853</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Agency Fund - Town - Combining Statement of Additions and Deductions

For the Year Ended June 30, 2018

	<u>Student Activities</u>	<u>Gravel Permits</u>	<u>Escrow Funds</u>	<u>Total</u>
Additions				
Interest	\$ -	\$ 2	\$ 6	\$ 8
Miscellaneous revenue	<u>353,504</u>	<u>-</u>	<u>13,625</u>	<u>367,129</u>
Total additions	<u>353,504</u>	<u>2</u>	<u>13,631</u>	<u>367,137</u>
Deductions				
Amount expended	<u>336,194</u>	<u>-</u>	<u>-</u>	<u>336,194</u>
Total deductions	<u>336,194</u>	<u>-</u>	<u>-</u>	<u>336,194</u>
Increase (decrease) in deposits held	17,310	2	13,631	30,943
Deposits Held, July 1, 2017	<u>149,705</u>	<u>4,803</u>	<u>505,402</u>	<u>659,910</u>
Deposits Held, June 30, 2018	<u>\$ 167,015</u>	<u>\$ 4,805</u>	<u>\$ 519,033</u>	<u>\$ 690,853</u>

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

OTHER SUPPLEMENTARY INFORMATION

The Annual Supplemental Transparency Report Schedules
required by the State of Rhode Island General Law § 45-12-22.2 and § 44-35-10

Annual Supplemental Transparency Report (MTP2) - Revenue
Annual Supplemental Transparency Report (MTP2) – Expenditures
Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Municipal
Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Education Department
Notes to Supplementary Information – Annual Supplemental
Transparency Report (MTP2)

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 37,327,294	\$ -
Last Year's Levy Tax Collection	548,404	-
Prior Years Property Tax Collection	324,226	-
Interest & Penalty	297,222	-
PILOT & Tax Treaty (excluded from levy) Collection	782,657	-
Other Local Property Taxes	23,738	-
Licenses and Permits	240,160	-
Fines and Forfeitures	103,926	-
Investment Income	129,361	-
Departmental	566,246	-
Rescue Run Revenue	655,000	-
Police & Fire Detail	345,065	-
Other Local Non-Property Tax Revenues	260,615	-
Tuition	-	-
Impact Aid	-	-
Medicaid	-	200,000
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	246,961
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	1,875	1,244,527
MV Excise Tax Reimbursement & Phase-out	279,457	-
State PILOT Program	-	-
Distressed Community Relief Fund	-	-
Library Resource Aid	123,043	-
Library Construction Aid	321,483	-
Public Service Corporation Tax	197,617	-
Meals & Beverage Tax / Hotel Tax	249,172	-
LEA Aid	-	6,531,284
Group Home	-	-
Housing Aid Capital Projects	45,040	-
Housing Aid Bonded Debt	850,016	-
State Food Service Revenue	-	7,649
Incentive Aid	-	-
Property Revaluation Reimbursement	70,090	-
Other State Revenue	-	3,029
Other Revenue	-	428,436
Local Appropriation for Education	-	23,362,953
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 43,741,707	\$ 32,024,839
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ -	\$ -

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

EXPENDITURES	General		Social	Centralized		Libraries	Public	Parks and	Police
	Government	Finance	Services	IT	Planning		Works	Rec	Department
Compensation- Group A	\$ 383,164	\$ 370,078	\$ 72,451	\$ -	\$ 138,186	\$ 419,747	\$ 696,532	\$ 31,891	\$ 2,024,418
Compensation - Group B	-	-	-	-	-	-	-	-	196,411
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime - Group A	-	-	-	-	-	-	57,266	-	133,878
Overtime - Group B	-	-	-	-	-	-	-	-	11,436
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	221,785
Active Medical Insurance - Group A	125,812	95,771	13,157	-	21,303	49,572	207,264	-	403,919
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	83,263
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental Insurance- Group A	4,544	3,928	937	-	468	1,988	2,138	-	23,949
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	3,019
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	28,788	29,717	6,794	-	13,251	31,876	56,932	2,959	206,344
Life Insurance	1,837	2,688	538	-	806	381	1,344	-	8,774
State Defined Contribution- Group A	3,498	3,512	766	-	1,225	2,922	6,673	-	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	1,874
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	16,372	46,324	1,040	-	3,014	6,025	18,952	458	73,399
Other Benefits- Group B	-	-	-	-	-	-	-	-	2,819
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	700,000
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	13,641	17,228	2,130	-	5,343	4,255	15,385	-	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	15,414
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	305,287	63,813	-	-	6,213	50,429	70,915	41,588	2,500
Materials/Supplies	18,671	5,983	12,449	-	6,267	41,697	141,822	4,938	31,079
Software Licenses	7,941	11,713	1,365	-	2,707	-	-	-	19,648
Capital Outlays	-	-	-	-	-	-	328,326	4,887	-
Insurance	262,075	-	-	-	-	-	-	-	-
Maintenance	6,562	-	7,288	-	-	9,181	-	-	11,334
Vehicle Operations	-	894	11,158	-	2,995	-	67,024	-	160,049
Utilities	36,694	2,220	14,976	-	1,565	54,155	25,423	235	80,325
Contingency	-	-	-	-	-	-	3,000	-	-
Street Lighting	-	-	-	-	-	-	104,164	-	-
Revaluation	-	104,538	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	115,387	-	-
Trash Removal & Recycling	-	-	-	-	-	-	525,000	-	-
Claims & Settlements	75,000	-	-	-	-	-	-	-	-
Community Support	21,907	-	-	-	-	-	-	-	-
Other Operation Expenditures	86,202	17,380	504	-	5,550	29,016	9,521	15,513	63,265
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	\$ 1,397,995	\$ 775,787	\$ 145,553	\$ -	\$ 208,893	\$ 701,244	\$ 2,453,068	\$ 102,469	\$ 4,478,902

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 1,946,395	\$ 307,516	\$ 42,302	\$ -	\$ -	\$ -	\$ 6,432,680	\$ 13,901,156
Compensation - Group B	64,972	-	-	-	-	-	261,383	1,396,582
Compensation - Group C	-	-	-	-	-	-	-	2,346,706
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	194,417	44,291	1,543	-	-	-	431,395	-
Overtime - Group B	-	-	-	-	-	-	11,436	2,327
Overtime - Group C	-	-	-	-	-	-	-	20,235
Police & Fire Detail	2,049	-	-	-	-	-	223,834	-
Active Medical Insurance - Group A	474,415	58,277	17,553	-	-	-	1,467,043	1,994,292
Active Medical Insurance- Group B	17,653	-	-	-	-	-	100,916	186,371
Active Medical Insurance- Group C	-	-	-	-	-	-	-	746,526
Active Dental insurance- Group A	26,141	4,836	909	-	-	-	69,838	154,869
Active Dental Insurance- Group B	937	-	-	-	-	-	3,956	9,614
Active Dental Insurance- Group C	-	-	-	-	-	-	-	56,473
Payroll Taxes	165,384	25,686	3,102	-	-	-	570,833	454,598
Life Insurance	12,701	1,904	269	-	-	-	31,242	55,158
State Defined Contribution- Group A	-	2,497	423	-	-	-	21,516	311,792
State Defined Contribution - Group B	523	-	-	-	-	-	2,397	25,145
State Defined Contribution - Group C	-	-	-	-	-	-	-	17,374
Other Benefits- Group A	70,737	4,414	607	-	-	-	241,342	133,263
Other Benefits- Group B	933	-	-	-	-	-	3,752	1,236
Other Benefits- Group C	-	-	-	-	-	-	-	1,980
Local Defined Benefit Pension- Group A	16,500	-	-	-	-	-	716,500	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	3,184
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	6,590
State Defined Benefit Pension- Group A	287,696	22,905	3,452	-	-	-	372,035	1,816,548
State Defined Benefit Pension - Group B	4,266	-	-	-	-	-	19,680	146,869
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	25,132
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	8,000	-	26,838	-	-	-	575,583	6,043,270
Materials/Supplies	43,932	-	-	-	-	-	306,838	388,326
Software Licenses	33,649	-	-	-	-	-	77,023	35,886
Capital Outlays	255,894	-	-	-	-	-	589,107	506,623
Insurance	-	-	-	-	-	-	262,075	174,463
Maintenance	34,512	-	-	-	-	-	68,877	140,780
Vehicle Operations	115,102	-	-	-	-	-	357,222	47,837
Utilities	79,945	-	-	-	-	-	295,538	693,824
Contingency	-	-	-	-	-	-	3,000	-
Street Lighting	-	-	-	-	-	-	104,164	-
Revaluation	-	-	-	-	-	-	104,538	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	115,387	-
Trash Removal & Recycling	-	-	-	-	-	-	525,000	-
Claims & Settlements	-	-	-	-	-	-	75,000	-
Community Support	-	-	-	-	-	-	21,907	-
Other Operation Expenditures	76,229	-	-	-	-	-	303,180	27,080
Local Appropriation for Education	-	-	-	23,362,953	-	-	23,362,953	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	915,000	-	915,000	-
Municipal Debt- Interest	-	-	-	-	296,804	-	296,804	-
School Debt- Principal	-	-	-	-	1,554,540	-	1,554,540	-
School Debt- Interest	-	-	-	-	1,422,991	-	1,422,991	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	813,686	813,686	284,310
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 3,932,982	\$ 472,326	\$ 96,998	\$ 23,362,953	\$ 4,189,335	\$ 813,686	\$ 43,132,191	\$ 32,156,419

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	23,585	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 23,585	\$ -
Net Change in Fund Balance¹	585,931	(131,580)
Fund Balance¹- beginning of year	\$3,371,704	\$4,669,377
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	8	-
Fund Balance¹ - beginning of year adjusted	3,371,712	4,669,377
Rounding	-	1
Fund Balance¹ - end of year	\$ 3,957,643	\$ 4,537,798

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance ¹ - per MTP-2 at June 30, 2017						\$ 3,371,704		\$ 3,371,704	
No funds removed from RGS for fiscal 2018						-		-	
No funds added to RGS for Fiscal 2018						-		-	
Rounding adjustments made for fiscal 2018						8		8	
Fund Balance ¹ - per MTP-2 at June 30, 2017 adjusted						<u>\$ 3,371,712</u>		<u>\$ 3,371,712</u>	
General Fund	\$ 43,166,695	\$ -	\$ 19,256,824	\$ 23,386,538	\$ 523,333	\$ 3,371,712	\$ -	\$ 3,371,712	\$ 3,895,045
Totals per audited financial statements	<u>\$ 43,166,695</u>	<u>\$ -</u>	<u>\$ 19,256,824</u>	<u>\$ 23,386,538</u>	<u>\$ 523,333</u>	<u>\$ 3,371,712</u>	<u>\$ -</u>	<u>\$ 3,371,712</u>	<u>\$ 3,895,045</u>
Reconciliation from financial statements to MTP2									
Reclassify transfer of municipal appropriation to Education Dept as expenditure on MTP2	\$ -	\$ -	\$ 23,362,953	\$ (23,362,953)	\$ -	\$ -	\$ -	\$ -	\$ -
Reclassify Library Aid reported as expenditure credits on F/S but revenue on MTP2	123,043	-	123,043	-	-	-	-	-	-
Police /Fire Detail reported as expenditure credits on F/S but revenue on MTP2	319,281	-	319,281	-	-	-	-	-	-
Property Reval reimbursement reported as expenditure credits on F/S but revenue on MTP	70,090	-	70,090	-	-	-	-	-	-
Rounding	62,598	-	-	-	62,598	-	-	-	62,598
Totals Per MTP2	<u>\$ 43,741,707</u>	<u>\$ -</u>	<u>\$ 43,132,191</u>	<u>\$ 23,585</u>	<u>\$ 585,931</u>	<u>\$ 3,371,712</u>	<u>\$ -</u>	<u>\$ 3,371,712</u>	<u>\$ 3,957,643</u>

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance ¹ - per MTP-2 at June 30, 2017 <i>No misc. adjustments made for fiscal 2018</i>						\$ 4,669,377		\$ 4,669,377	
Fund Balance ¹ - per MTP-2 at June 30, 2017 adjusted						\$ 4,669,377		\$ 4,669,377	
School Unrestricted Fund	\$ 8,235,256	\$ 23,362,953	\$ 31,492,974	\$ 263,820	\$ (158,585)	\$ 4,429,210	\$ -	\$ 4,429,210	\$ 4,270,625
School Nutrition Fund	573,884	-	647,654	-	(73,770)	199,708	-	199,708	125,938
School Special Revenue Funds	1,342,701	263,820	1,517,584	-	88,937	25,461	-	25,461	114,398
Totals per audited financial statements	\$ 10,151,841	\$ 23,626,773	\$ 33,658,212	\$ 263,820	\$ (143,418)	\$ 4,654,379	\$ -	\$ 4,654,379	\$ 4,510,961
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 23,362,953	\$ (23,362,953)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(1,489,954)	-	(1,489,954)	-	-	-	-	-	-
Capital Project transfer between unrestricted and SRF on Financial Statements	-	(263,820)	-	(263,820)	-	-	-	-	-
Indirect Costs - Math & Science Grant not reported on UCOA/MTP2	-	-	(11,839)	-	11,839	14,998	-	14,998	26,837
Rounding	(1)	-	-	-	-	-	-	-	1
Totals Per MTP2	\$ 32,024,839	\$ -	\$ 32,156,419	\$ -	\$ (131,580)	\$ 4,669,377	\$ -	\$ 4,669,377	\$ 4,537,798
Reconciliation from MTP2 to UCOA									
No reconciling items from MTP2 to UCOA	\$ -		\$ -						
Totals per UCOA Validated Totals Report	\$ 32,024,839		\$ 32,156,419						

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

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

NOTE 1. Basis of Presentation

The *Annual Supplemental Transparency Report (MTP2)* is a supplemental schedule required by the State of Rhode Island General Laws 45-12-22.2 and 44-35-10. This supplementary schedule included within the audit report is part of a broader project to create a municipal transparency portal (MTP) website to host municipal financial information in a centralized location.

The format of the *Annual Supplemental Transparency Report (MTP2)* was prescribed by the State Department of Revenue (Division of Municipal Finance), Office of the Auditor General, and the Department of Education.

NOTE 2. Reportable Government Services

Data consistency and comparability are among the key objectives of the State's Municipal Transparency portal. Consistent with that goal, the State has defined "reportable government services", RGS, to include those operational revenues, expenditures, and transfers related to activities which are essential to the achievement of municipal operations. The determination of RGS may be different from the activities included within the legally adopted budget of the municipality. In practice, some communities report certain RGS in separate funds (e.g., special revenue funds, enterprise funds) rather than the municipality's general fund. The *Annual Supplemental Transparency Report (MTP2)* includes a reconciliation to the fund level statements.

NOTE 3. Allocations

The State reporting requires expenditures to be reported by departments, as defined by the State. Some of the departmental groupings are not consistent with the departments reflected in the City's (or Town's) budget and accounting system. To report these costs, the City (or Town) made allocations of costs to the State's departmental groupings based on a reasonable basis.

NOTE 4. Employee Groups - Compensation and Benefit Costs

Compensation includes salaries, longevity, stipends, clothing allowance/maintenance, shift differential, out-of-rank, holiday pay and bonuses.

For Public Safety departments (i.e., police, fire, and centralized dispatch) and the Education Department, compensation and most benefits costs are reported in the following employee groupings:

Group A: This group consists of employees who serve the primary function of the department.

- Police Department - police officers (e.g., uniform personnel - including, leadership positions)
- Fire Department - fire fighters (e.g., uniform personnel - including, leadership positions)
- Centralized Dispatch Department - civilian dispatchers only
- Education Department - professional staff providing direct services to students
- For the remaining departments - all employees' compensation and benefits are reported under Group A

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

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

See independent auditor's report

TOWN OF TIVERTON, RHODE ISLAND

Supplementary Information

Annual Supplemental Transparency Portal (MTP2)

For the Year Ended June 30, 2018

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

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

NOTE 5. Education Revenue and Expenditures

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

Additional guidance and definitions regarding the State's Municipal Transparency Portal can be found on the State Division of Municipal Finance website: <http://www.municipalfinance.ri.gov/>.

See independent auditor's report

STATISTICAL SECTION

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

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Uncollected Property Taxes

For the Year Ended June 30, 2018

<u>Tax Roll Year</u>	<u>Balance July 1, 2017</u>	<u>Assessment</u>	<u>Additions</u>	<u>Abatements & Adjustments</u>	<u>Amount to be collected</u>	<u>Current Year Collections</u>	<u>Refunds</u>	<u>Balance June 30, 2018</u>	FY 208 Cash Collections Summary			July - August 2018 (FY 19) Cash Collections Subject to 60-day FY 18 Accrual
									July - August 2017 Collections Subject to 60-day FY17 Accrual	September - June-18 Collections	Total FY 2018 Cash Collections	
2017	\$ -	\$ 38,361,576	\$ -	\$ (218,630)	38,142,946	\$ 37,645,840	\$ 161,405	658,511	\$ -	\$ 37,645,840	\$ 37,645,840	\$ 137,037
2016	971,506	-	-	10,684	982,190	620,424	82,458	444,224	142,400	478,024	620,424	77,901
2015	469,206	-	-	(818)	468,388	304,717	-	163,671	125,933	178,784	304,717	2,225
2014	156,004	-	-	(2,121)	153,883	6,058	-	147,825	1,432	4,626	6,058	1,498
2013	134,124	-	-	(2,032)	132,092	7,288	-	124,804	1,585	5,703	7,288	334
2012	129,789	-	-	(2,089)	127,700	998	-	126,702	122	876	998	319
2011	128,781	-	-	(2,058)	126,723	1,034	-	125,689	-	1,034	1,034	655
2010	115,273	-	-	(1,382)	113,891	757	-	113,134	-	757	757	554
2009	88,265	-	-	(1,148)	87,117	722	-	86,395	-	722	722	518
2008	81,600	-	-	-	81,600	425	-	81,175	-	425	425	627
2007	59,389	-	-	-	59,389	270	-	59,119	-	270	270	425
2006	31,842	-	-	(19,439)	12,403	253	-	12,150	-	253	253	398
2005	13,009	-	-	(5,683)	7,326	80	-	7,246	-	80	80	123
2004 and prior	23,153	-	-	(9,084)	14,069	-	-	14,069	-	-	-	94
	<u>\$ 2,401,941</u>	<u>\$ 38,361,576</u>	<u>\$ -</u>	<u>\$ (253,800)</u>	<u>\$ 40,509,717</u>	<u>\$ 38,588,866</u>	<u>\$ 243,863</u>	<u>\$ 2,164,714</u>	<u>\$ 271,472</u>	<u>\$ 38,317,394</u>	<u>\$ 38,588,866</u>	<u>\$ 222,708</u>
Less: Allowance for Uncollectible accounts	-							-				
	<u>\$ 2,401,941</u>							<u>\$ 2,164,714</u>				

TOWN OF TIVERTON, RHODE ISLAND

Tax Collector's Annual Report

For the Year Ended June 30, 2018

Schedule of property valuation assessed as of December 31, 2017:

	<u>Valuation</u>	<u>Levy</u>
Real property	\$ 1,903,365,900	\$ 36,259,108
Motor vehicles	165,510,348	3,167,868
Tangible personal property	<u>43,282,067</u>	<u>824,523</u>
Total	2,112,158,315	40,251,500
Less: Exemptions and motor vehicle phase out		
Real property	(19,421,543)	(369,980)
Motor vehicles	(79,411,872)	(1,519,943)
Tangible personal property	<u>-</u>	<u>-</u>
Total	<u>\$ 2,013,324,899</u>	<u>\$ 38,361,576</u>

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	\$ 38,588,866
60-day FY17 Accrual	222,708
<i>July-August 2017 Collections</i>	
60-day FY16 Accrual	<u>(271,472)</u>
<i>July-August 2016 Collections</i>	
Current Year Property Tax Revenue	<u>\$ 38,540,102</u>

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Long-Term Liabilities

For the Year Ended June 30, 2018

	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Authorized</u>	<u>Outstanding July 1, 2017</u>	<u>Additions</u>	<u>Maturities During the Year</u>	<u>Outstanding June 30, 2018</u>	<u>Interest Paid</u>
General long-term obligations									
Ft Barton 10.0 million bond (Refi)	6/15/2016	2.180%	4/1/2028	\$ 5,705,000	\$ 5,705,000	\$ -	\$ 465,000	\$ 5,240,000	\$ 284,400
Pocasset 10.1 million bond	7/1/2009	3.00%-6.25%	5/15/2029	10,100,000	920,000	-	450,000	470,000	307,091
Pocasset 10.1 million bond (Refi)	6/22/2017	3.00% - 5.00%	5/15/2038	6,075,000	6,075,000	-	-	6,075,000	-
Tax increment bond (Refi)	9/1/2013	3.530%	6/30/2022	5,310,000	3,095,000	-	575,000	2,520,000	109,254
RIHEBC Sereis 2015D	12/15/2015	3.00% - 5.00%	5/15/2027	8,025,000	7,830,000	-	720,000	7,110,000	316,500
Library bond	12/3/2014	3.00%-3.50%	10/1/2034	6,785,000	6,195,000	-	340,000	5,855,000	187,550
Public school bond	6/22/2017	3.00%-3.50%	5/15/2038	13,760,000	13,760,000	-	-	13,760,000	515,000
Bond premium				-	4,410,159	-	224,611	4,185,548	-
Total general obligation payable				<u>\$ 55,760,000</u>	<u>\$ 47,990,159</u>	<u>\$ -</u>	<u>\$ 2,774,611</u>	<u>\$ 45,215,548</u>	<u>\$ 1,719,795</u>
Capital leases				-	1,347,762	-	303,923	1,043,839	39,922
Landfill closure and postclosure care costs				-	9,100,000	-	-	9,100,000	-
Other general long-term obligations				<u>-</u>	<u>10,447,762</u>	<u>-</u>	<u>303,923</u>	<u>10,143,839</u>	<u>39,922</u>
Other long term liabilities									
Accrued compensated absences					1,138,750	164,270	52,818	1,250,202	n/a
Net pension liability - police					5,887,527	-	408,443	5,479,084	n/a
Net pension liability - ERS					23,853,486	-	1,448,642	22,404,844	n/a
Net pension liability - MERS					3,245,675	1,507,988	-	4,753,663	n/a
Net OPEB liability					<u>27,611,276</u>	<u>-</u>	<u>1,233,178</u>	<u>26,378,098</u>	<u>n/a</u>
Total other long term liabilities					<u>61,736,714</u>	<u>1,672,258</u>	<u>3,143,081</u>	<u>60,265,891</u>	
Total long-term liabilities					<u>\$ 120,174,635</u>	<u>\$ 1,672,258</u>	<u>\$ 6,221,615</u>	<u>\$ 115,625,278</u>	

TOWN OF TIVERTON, RHODE ISLAND

Schedule of Debt Service Requirements to Maturity

For the Year Ended June 30, 2018

<u>Year Ending June 30,</u>	<u>Percentage of Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	6.41%	\$ 2,630,000	\$ 1,699,269	\$ 4,329,269
2020	14.15%	3,175,000	1,598,965	4,773,965
2021	22.09%	3,260,000	1,493,379	4,753,379
2022	30.23%	3,340,000	1,397,262	4,737,262
2023	36.94%	2,750,000	1,280,588	4,030,588
2024-2028	72.00%	14,385,000	4,346,338	18,731,338
2029-2033	87.20%	6,240,000	1,798,713	8,038,713
2034-2038	100.00%	5,250,000	715,143	5,965,143
		<u>\$41,030,000</u>	<u>\$ 14,329,656</u>	<u>\$ 55,359,656</u>

** excluding debt premium of \$4,185,548

TOWN OF TIVERTON, RHODE ISLAND

Legal Debt Margin

For the Year Ended June 30, 2018

Gross assessed value	\$	2,112,158,315
Less: exempt property		<u>98,833,415</u>
Total taxable assessed value	\$	<u>2,013,324,900</u>
Debt limit - 3 percent of total assessed value	\$	60,399,747
Amount of debt applicable to debt limit:		
Total bonded debt		<u>41,030,000</u>
Legal debt margin	\$	<u>19,369,747</u>

TOWN OF TIVERTON, RHODE ISLAND

Photo Credit

For the Year Ended June 30, 2018

Photo Credit:

David Robert