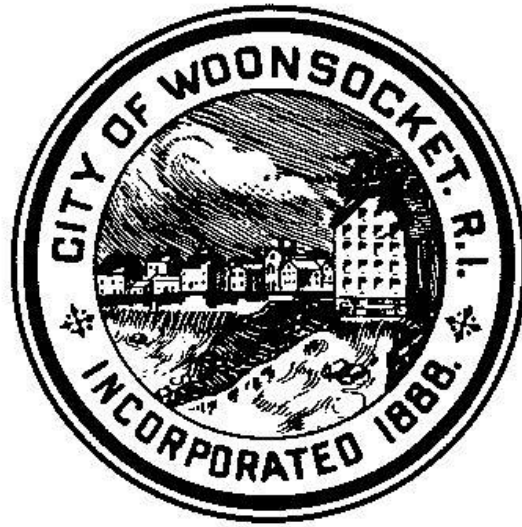


CITY OF WOONSOCKET, RHODE ISLAND

Annual Financial Report

For the Year Ended June 30, 2018



CITY OF WOONSOCKET, RHODE ISLAND

Year Ended June 30, 2018

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Introductory Section

List of Elected and Appointed Officials

Mayor	Lisa Baldelli-Hunt
City Council	Daniel M. Gendron, President Jon D. Brien, Vice President Julia A. Brown James C. Cournoyer Denise D. Sierra David M. Soucy John F. Ward
Tax Assessor	Elyse Pare
Director of Finance	Christine Chamberland
Controller	Cindy Johnston
Fire Chief	Paul Shatraw
Police Chief	Thomas F. Oates III
City Clerk	Christina Harmon-Duarte
City Solicitor	John DeSimone
Superintendent of Schools	Patrick McGee
Business Manager	Brad Peryea

Organizational Chart

EXECUTIVE 3 Positions	LEGISLATIVE 19 Positions 25 Members	FINANCE 24 Positions	PLANNING 19 Positions 12 Members	PUBLIC SAFETY 227 Positions	PUBLIC WORKS 83 Positions
Mayor 3 Positions	City Council 7 Council Members	Office of the Director 5 Positions	Office of the Director 2 Positions	Office of the Director 1 Position	Office of the Director 2 Positions
LAW 4 Positions	City Clerk 3 Positions	Tax Assessing 3 Positions	Planning 5 Board Members 3 Positions	Police 97 Officers 21 Civilians	Engineering 4 Positions
Office of the Solicitor 4 Positions	Probate Court 1 Position	Controls 3 Positions	Development 3 Positions	Fire 107 Positions	Public Service 37 Positions
HUMAN SERVICES 1 Position	Board of Assessment Review 3 Board Members	Treasury 7 Positions	Zoning, Bldg Inap & Const 7 Board Members 11 Positions	Emergency Management 1 Position	City Property 3 Positions
ECONOMIC DEVELOPMENT 1 Position	Board of Canvassers 3 Board Members 2 Positions	Personnel 3 Positions			Solid Waste 1 Position
	Zoning Board of Review 7 Board Members	Municipal Court 3 Positions			Wastewater 2 Positions
	Library Board of Trustees 5 Board Members 13 Positions				Water 34 Positions

Financial Section

CERTIFIED PUBLIC ACCOUNTANTS

126 President Avenue

Fall River, MA 02720

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www.hague-sahady.com

To the City Council
City of Woonsocket, Rhode Island

Independent Auditor's Report

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Change in Accounting Principle

As described in Note 14 to the financial statements, in 2018, the City adopted new accounting guidance, GASBS No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the general fund budgetary comparison information and the pension and other post-employment benefit plan related disclosure on pages 8 to 18 and 92 to 114, respectively, 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 City of Woonsocket, Rhode Island's basic financial statements. The introductory section, combining an individual nonmajor fund financial statements, remaining budgetary comparison information, Annual Supplemental Transparency Report (MTP2) and trend information section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining an individual nonmajor fund financial statements, remaining budgetary comparison information and Annual Supplemental Transparency Report (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 combining an individual nonmajor fund financial statements, remaining budgetary comparison information and Annual Supplemental Transparency Report (MTP2) are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and trend information 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 4, 2019, on our consideration of the City of Woonsocket, 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 City of Woonsocket, Rhode Island's internal control over financial reporting and compliance.

Hague, Sahady & Co. PC

Fall River, Massachusetts
January 4, 2019

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

The management of the City of Woonsocket, Rhode Island (herein, City), offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal years ended June 30, 2018 and 2017. We encourage readers to consider the information presented here in conjunction with the basic financial statements and notes to 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

- On a government-wide basis, liabilities and deferred inflows of resources of the City exceeded its assets and deferred outflows by \$182,614,509. Net position for the governmental activities was a deficit of \$249,317,280 and net position for business-type activities was \$66,702,771.
- On a government-wide basis, the City's total net position increased by \$8,585,476. The increase is due to a \$3,471,167 increase in net position for the governmental activities and a \$5,114,309 increase for business-type activities.

Governmental activities increased mainly due to a \$2,951,842 decrease in net OPEB liability as well as a \$1,901,245 decrease in pension liability related to the police and fire plan.

Business-type activities increased due to the rate structure approved in prior years that is funding future capital improvements for both the Water fund and the Regional Wastewater fund.

- The City's governmental funds reported a combined ending fund balance of \$24,714,696, an increase of \$5,087,950 in comparison with the prior year. Of this amount, \$6,864,847 is available for spending at the government's discretion (unassigned fund balance). The increase is due to positive operations of the general fund of \$2,458,688 and the Woonsocket Education Department (herein, WED) unrestricted fund of \$2,339,413.
- At the end of the current fiscal year, the unassigned fund balance in the General Fund was \$7,288,735. This represents 5.21% of budgetary expenditures and other financing uses.
- The City's total bonded debt and notes payable increased by \$1,340,904 during the current fiscal year as a result of additions of Rhode Island Clean Water Revenue Bonds of \$12,500,000 net of related principal payments.
- The City's total capital assets increased by \$7,583,260 during the current fiscal year. Of the change, the governmental activities decreased by \$2,354,030 as a result of depreciation in excess of current year asset additions. The business type activities increased by \$9,937,290 as a result of current year asset additions in excess of depreciation. The most significant portion of the increase in the business type capital assets related to ongoing construction and capital improvement projects in the water enterprise fund that increased that fund's construction in progress amount by \$11,030,948.

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Woonsocket's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The government-wide financial statements provide both long-term and short-term information about the City as a whole. The fund financial statements focus the individual components of the City government, reporting the City's operations in more detail than the government-wide statements. Both presentations (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison and enhance the City's accountability. An additional part of the basic financial statements are the notes to the financial statements. The report also contains other required supplementary information and supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

The government-wide financial statements include two statements:

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities and deferred inflows, with the difference between these accounts reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the City's financial health. Other non-financial events such as the impact of changes in the City's tax base or infrastructure should also be considered when evaluating the City's financial health.

The *statement of activities* presents information showing how the City's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of when the cash is actually received or paid. Therefore, revenues and expenses are reported in this statement for some items whose cash flow may occur in a future fiscal period. Taxes uncollected but levied or vacation leave unused but earned are examples of this.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*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 governmental activities of the City include general government, planning and development, finance, law, public safety, public works, education, economic development, human services and debt service. The business-type activities of the City include the Water Fund, the Regional Wastewater Fund, the User Charge Fund and the WED Proprietary Fund.

The government-wide financial statements can be found on pages 20 through 23 of this report.

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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into the following three categories: governmental funds, proprietary funds and fiduciary funds.

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Governmental Funds - Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. 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. This 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 to 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 fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

For governmental funds, the City presents 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, City capital projects, City capital fund, WED capital fund, and WED unrestricted fund, all of which are considered to be major funds. The remaining City and WED governmental funds are combined, respectively, into a single, aggregated presentation. Individual fund data for each of the City's non-major governmental funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual budget for its general fund and its WED unrestricted fund. Budgetary comparison statements have been provided to demonstrate compliance with their respective budgets.

Proprietary Funds - The City uses one type of proprietary funds. Enterprise funds are used to report the functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to report the activities of the Water Fund, the Regional Wastewater Fund, the User Charge Fund and the School Lunch Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, the Regional Wastewater Fund, the User Charge Fund and School Lunch Fund. The Water Fund, the Regional Wastewater Fund, User Charge Fund and School Lunch Fund are considered major funds. The basic proprietary fund financial statements can be found on pages 28 through 32.

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 statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 33 and 34.

Notes to Financial Statements

The notes to financial statements 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 financial statements can be found starting on page 35 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the General Fund budgetary comparison and the City's progress in funding its obligation to provide pension and other post-employment benefits to employees. This and other supplementary information can be found immediately following the notes to financial statements.

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Supplementary Information

In addition to the required supplementary, this report also presents other supplementary information concerning remaining budgetary comparison information, combining non major and individual fund financial statements, tax collector's annual report, and the MTP2 Municipal Transparency Portal. This other supplementary information can be found immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. In the case of the City, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$182,614,509 at the close of the current fiscal year.

Condense Statement of Net Position June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current assets	\$ 65,270,736	\$ 59,806,804	\$ 67,987,049	\$ 41,058,153	\$ 133,257,785	\$ 100,864,957
Other noncurrent assets	3,928,701	4,040,430	-	-	3,928,701	4,040,430
Capital assets	164,199,723	166,553,753	101,805,787	91,868,497	266,005,510	258,422,250
Total assets	233,399,160	230,400,987	169,792,836	132,926,650	403,191,996	363,327,637
Deferred outflows of resources						
Pension related outflows	29,275,682	31,044,273	1,338,172	1,494,362	30,613,854	32,538,635
Total deferred outflows of resources	29,275,682	31,044,273	1,338,172	1,494,362	30,613,854	32,538,635
Liabilities						
Current liabilities	43,117,622	40,175,085	36,067,383	11,656,275	79,185,005	51,831,360
Long-term liabilities	450,697,573	459,713,243	68,079,461	60,477,294	518,777,034	520,190,537
Total liabilities	493,815,195	499,888,328	104,146,844	72,133,569	597,962,039	572,021,897
Deferred inflows of resources						
OPEB related inflows	6,079,863	-	142,653	-	6,222,516	-
Pension related inflows	9,596,763	12,566,712	138,740	698,981	9,735,503	13,265,693
Other deferred inflows	2,500,301	1,778,667	-	-	2,500,301	1,778,667
Total deferred inflows of resources	18,176,927	14,345,379	281,393	698,981	18,458,320	15,044,360
Net Position						
Net investment in capital assets	17,780,319	9,317,622	37,273,999	37,153,661	55,054,318	46,471,283
Restricted	12,314,534	9,668,563	6,562,803	6,097,816	18,877,337	15,766,379
Unrestricted	(279,412,133)	(271,774,632)	22,865,969	18,336,985	(256,546,164)	(253,437,647)
Total net position	\$ (249,317,280)	\$ (252,788,447)	\$ 66,702,771	\$ 61,588,462	\$ (182,614,509)	\$ (191,199,985)

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

By far, the largest portion of the City's net position is its investment in capital assets. Capital assets include land, construction in progress, buildings, improvements, machinery and equipment and infrastructure, less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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 cannot be used to liquidate these liabilities. An additional portion of the City's net position represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$256,546,164.

Condensed Statement of Changes in Net Position for the Years Ended June 30, 2018 and 2017

	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues:						
Charges for service	\$ 5,602,328	\$ 7,675,550	\$ 27,145,669	\$ 26,457,830	\$ 32,747,997	\$ 34,133,380
Operating grants & contributions	76,736,616	70,480,356	2,855,934	2,862,517	79,592,550	73,342,873
Capital grants & contributions	2,750,478	2,814,897	-	-	2,750,478	2,814,897
General Revenues:						
Property taxes	64,425,179	67,296,621	-	-	64,425,179	67,296,621
State aid to town	4,041,217	2,983,403	-	-	4,041,217	2,983,403
State aid to education	7,187,273	6,854,147	-	-	7,187,273	6,854,147
Other revenue	2,092,958	1,981,566	-	-	2,092,958	1,981,566
Earnings on investments	67,150	33,944	122,441	50,426	189,591	84,370
Total revenues	<u>162,903,199</u>	<u>160,120,484</u>	<u>30,124,044</u>	<u>29,370,773</u>	<u>193,027,243</u>	<u>189,491,257</u>
Expenses						
Executive	357,654	352,149	-	-	357,654	352,149
Legislative - general government	5,220,810	1,163,019	-	-	5,220,810	1,163,019
Planning and development	2,070,387	5,768,654	-	-	2,070,387	5,768,654
Finance	3,333,653	3,239,830	-	-	3,333,653	3,239,830
Law	963,231	1,046,483	-	-	963,231	1,046,483
Public safety	33,184,912	17,749,677	-	-	33,184,912	17,749,677
Public works	11,508,391	12,114,028	-	-	11,508,391	12,114,028
Economic development	1,118,630	4,618,231	-	-	1,118,630	4,618,231
Human services	1,237,982	673,907	-	-	1,237,982	673,907
Education	91,999,942	95,981,314	-	-	91,999,942	95,981,314
Budget commission	33,229	33,482	-	-	33,229	33,482
Interest on debt	7,441,636	7,012,119	-	-	7,441,636	7,012,119
Water	-	-	5,969,812	7,016,851	5,969,812	7,016,851
Regional wastewater fund	-	-	6,972,419	7,268,121	6,972,419	7,268,121
User charge fund	-	-	9,038,738	8,048,351	9,038,738	8,048,351
School lunch fund	-	-	3,193,341	3,233,966	10,634,977	10,246,085
Total expenses	<u>158,470,457</u>	<u>149,752,893</u>	<u>25,174,310</u>	<u>25,567,289</u>	<u>191,086,403</u>	<u>182,332,301</u>
Increase(decrease) in net position						
before transfers	4,432,742	10,367,591	4,949,734	3,803,484	9,382,476	14,171,075
Transfers in (out)	<u>(164,575)</u>	<u>(160,413)</u>	<u>164,575</u>	<u>160,413</u>	<u>-</u>	<u>-</u>
Increase(decrease) in net position	4,268,167	10,207,178	5,114,309	3,963,897	9,382,476	14,171,075
Net position, July 1,	<u>(252,788,447)</u>	<u>(262,995,625)</u>	<u>61,588,462</u>	<u>57,624,565</u>	<u>(191,199,985)</u>	<u>(205,371,060)</u>
Net position, June 30	<u>\$ (248,520,280)</u>	<u>\$ (252,788,447)</u>	<u>\$ 66,702,771</u>	<u>\$ 61,588,462</u>	<u>\$ (181,817,509)</u>	<u>\$ (191,199,985)</u>

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

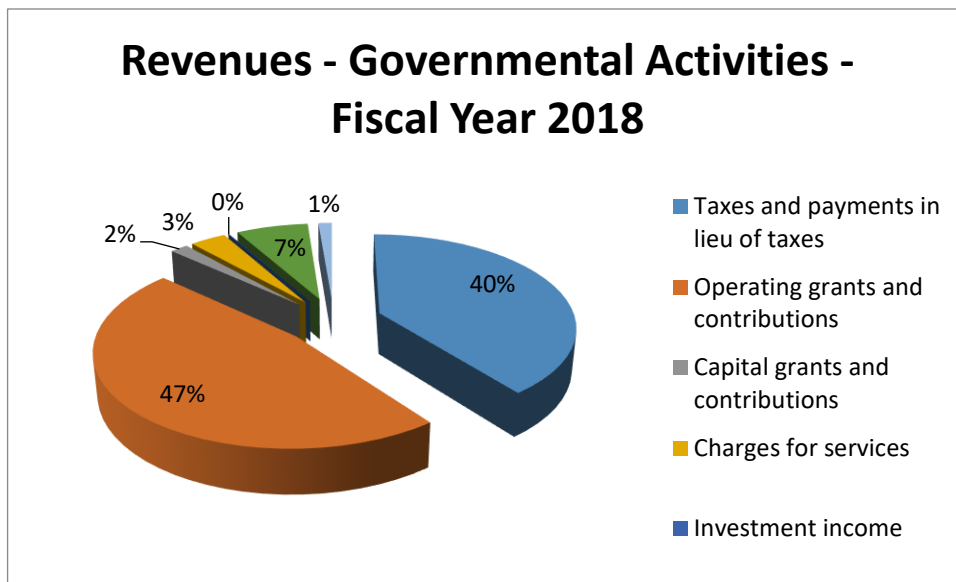
Governmental Activities - Governmental activities resulted in an increase of the City's net position by \$3,471,167. A discussion of fiscal year 2018 activity follows:

Revenues

Governmental activities revenues totaled \$162,106,199 for fiscal year 2018. This represents an increase of \$1,985,715 from the prior year. Operating grants and contributions are the largest revenue source for the City and represent 47.3% of revenues, it includes grants for education, general government, public safety and public works. Property taxes are the second largest revenue source for the City and represent 39.7% of revenues. Current tax collections were 93% of the adjusted tax levy. Capital grants and contributions revenues, which include grants for school building construction and other general government activities, account for 1.7% of revenues. State and Federal aid not restricted to a specific program represents 6.9% of revenues. Charges for services account for 3.5% of revenues.

The most significant fluctuations from the prior year were as follows:

- Operating and capital grants and contributions increased by \$6,191,841 primarily due to increased WED state and federal aid.



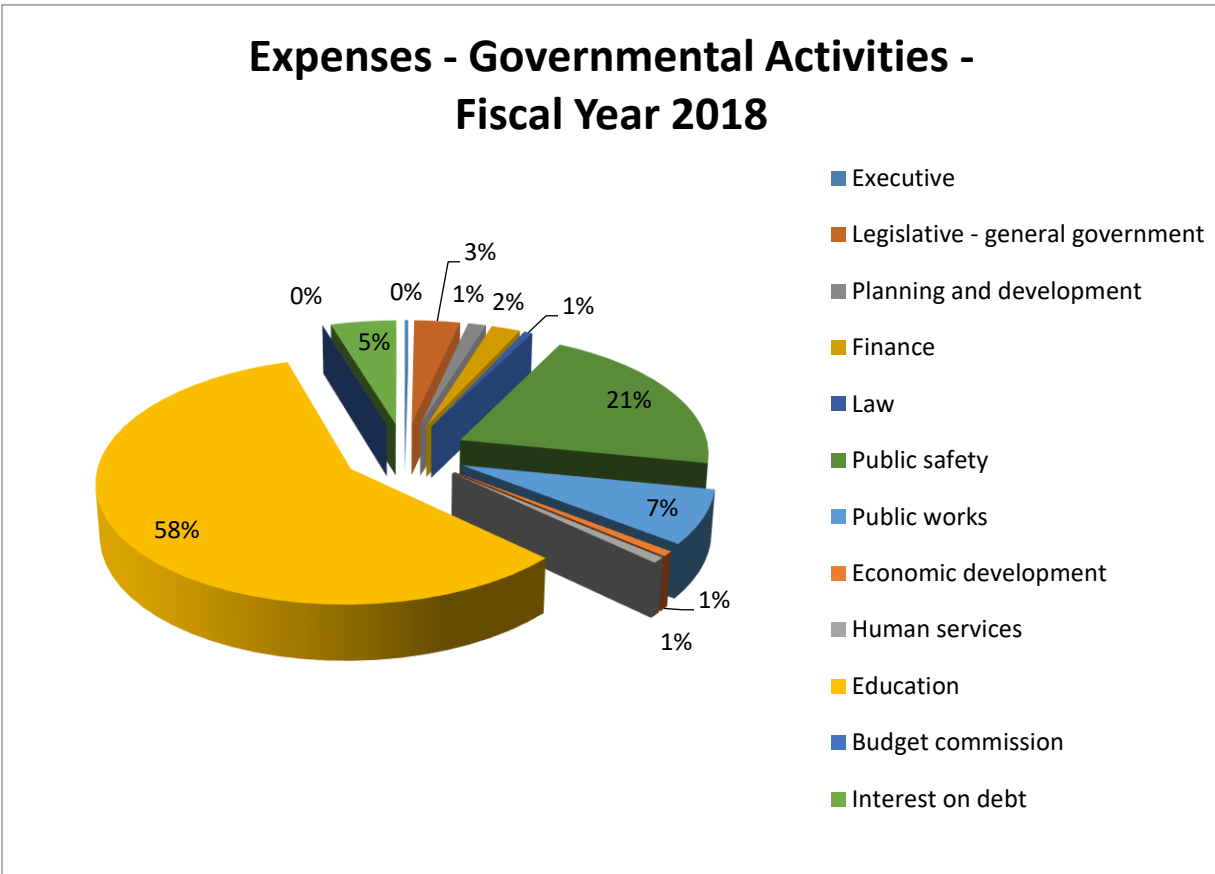
CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Expenses

Governmental expenses totaled \$158,470,457 for the fiscal year, an increase of \$8,717,564. Of the expenses, \$91,999,942 or 58.1% is related to education. Public safety expenses were \$32,387,912 or 20.9%, public works expenses amounted to \$11,508,391 or 7.3% and interest expense on long-term debt and other related costs were \$7,441,636 or 4.7%.



The most significant fluctuations from the prior year at the government-wide level were as follows:

- Public safety increased by \$14,638,235 due to changes in the pension assumptions and implementation of GASB statement 75.
- Education decreased by \$3,981,372 due to decreased pension and OPEB expense.

Business-Type Activities - Business-type activities resulted in an increase to the City's net position of \$5,114,309. General revenues do not support the City's business-type activities; thus, the only source of revenues is from charges for services.

- Water Fund operations resulted in operating income of \$2,457,332. This represents a 57.2% increase compared to the prior year. Total net position at the end of the year was \$32,153,813.
- The Regional Wastewater Fund reported operating income of \$2,392,533 at year end. This represents a 30.2% increase from the prior year. Total net position at the end of the year was \$25,108,692.
- The User Charge Fund reported operating income of \$319,742 at year end. This represents a 71.8% decrease compared to the prior year. Total net position at the end of the year was \$8,442,487.
- Net position in the WED Proprietary Fund was \$997,779 at year end. Operations resulted in an increase in net position of \$235,135 due to transfer in of \$164,575.

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Financial Analysis of City's Funds

As stated earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of June 30, 2018, the City's governmental funds reported a combined ending fund balance of \$24,714,696, an increase of \$5,087,950 in comparison with the prior year. Of this total amount, \$1,307,023 is nonspendable fund balance, \$12,314,534 is restricted fund balance, and \$4,228,292 constitutes committed fund balance. The remainder is unassigned fund balance of \$6,864,847.

General Fund. The general fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$7,288,735, while total fund balance reached \$11,043,703. The City's total fund balance in the general fund increased by \$2,458,688 during the current fiscal year primarily due to an increase in State revenue of \$1,401,136.

WED Unrestricted Fund. This fund accounts for operations of the education department. Fund revenues and transfers in exceeded expenditures and transfers out by \$2,339,413 for the fiscal year. This is a result of increased state aid.

City Capital Fund. This fund accounts for operating surplus funding set aside for City capital projects as per a resolution enacted by the City of Woonsocket Budget Commission. The fund's expenditures and other transfers in exceeded revenues by \$805,021 for the fiscal year.

WED Capital Fund. These fund accounts for operating surplus funding set aside for Education Department capital projects as per a resolution enacted by the City of Woonsocket Budget Commission. The fund's revenues and transfers in exceeded expenditures and transfers out by \$347,535.

City Special Revenue. This fund accounts specially financed programs under grants received from the Federal Government and the State of Rhode Island. The fund's revenues and other transfers in exceeded expenditures by \$544,631 for the fiscal year.

WED Restricted Fund. This fund accounts for specially financed Education Department programs under grants received from the Federal Government and the State of Rhode Island. Fund revenues and transfers in exceeded expenditures and transfers out by \$202,223 for the fiscal year.

Permanent Funds. This fund accounts for funds held in trusts for public use. Fund revenues and transfers in exceeded expenditures and transfers out by \$481 for the fiscal year.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City has four proprietary funds, the Water Fund, the Regional Wastewater Fund, the User Charge Fund and the WED Proprietary Fund. The individual fund's activities are discussed above under business-type activities.

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 statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The current year fiduciary funds include the Pension Trust Fund, Private Purpose Trust Funds, and Agency Funds.

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

General Fund Budgetary Highlights

Budgetary Revenues exceeded expenditures and other financing uses by \$4,602,104. This operating result was primarily due to following:

- Current and prior taxes received over budget by \$1,321,392 (2.2%)
- Business licenses received over budget by \$210,713 (18.8%)
- State education received over budget by \$750,154 (1.2%)
- Miscellaneous expenditures higher than anticipated by \$61,198 which relates to unanticipated unemployment expenditures

WED Unrestricted Fund Budgetary Highlights

Budgeted revenues and other financing sources exceeded expenditures and other financing uses by \$2,208,381. Major differences in the WED unrestricted fund budget to actual include:

- Medicaid claims exceeded budgeted amounts by \$655,988 due to claims that were reprocessed in the current year.
- Employee benefits were lower than budgeted amounts by \$2,478,465 due to lower claims than anticipated in healthcare costs of \$1,883,003 as well as savings in pension expenditures of \$352,496
- Budgeted capital outlay amounts exceeded actual amounts by \$316,257.

Capital Asset and Debt Administration

Capital Assets - The City's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2018 amounted to \$164,199,723 and \$101,805,787, respectively. This investment in capital includes land, construction in progress, buildings, improvements, machinery and equipment, vehicles and infrastructure. The total increase in the City's investment in capital assets for the current fiscal year was \$7,583,260.

**Capital Assets - Net
June 30, 2018 and 2017**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land	\$ 5,862,586	\$ 5,862,586	\$ 1,160,176	\$ 1,024,887	\$ 7,022,762	\$ 6,887,473
Construction in progress	22,994	22,994	18,526,367	7,578,092	18,549,361	7,601,086
Building & improvements, net	127,990,913	130,414,483	56,860,560	57,907,982	184,851,473	188,322,465
Machinery and equipment, net	1,981,186	1,615,902	1,317,256	1,461,759	3,298,442	3,077,661
Vehicles, net	1,871,812	1,613,121	149,965	94,148	2,021,777	1,707,269
Infrastructure, net	<u>26,470,232</u>	<u>27,024,667</u>	<u>23,791,463</u>	<u>23,801,629</u>	<u>50,261,695</u>	<u>50,826,296</u>
Total	<u>\$ 164,199,723</u>	<u>\$ 166,553,753</u>	<u>\$ 101,805,787</u>	<u>\$ 91,868,497</u>	<u>\$ 266,005,510</u>	<u>\$ 258,422,250</u>

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Major capital asset events during the current fiscal year include the following:

- \$10,976,843 of construction in progress was added to business type activities, the majority of which relates to the new water plant project.

Additional information on the City's capital assets can be found in Note 6.

Long-term Debt - At the end of the current fiscal year, the City had total bonded debt and loans outstanding of \$207,166,538 backed by the full faith and credit of the City.

Outstanding Debt General Obligation Bonds and Notes

June 30, 2018 and 2017

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
General obligation bonds	\$ 144,444,538	\$ 152,751,634	\$ 62,722,000	\$ 53,073,999	\$ 207,166,538	\$ 205,825,633
Capital leases	<u>255,198</u>	<u>162,218</u>	<u>2,748,070</u>	<u>4,472,335</u>	<u>3,003,268</u>	<u>4,634,553</u>
Total	<u>\$ 144,699,736</u>	<u>\$ 152,913,852</u>	<u>\$ 65,470,070</u>	<u>\$ 57,546,334</u>	<u>\$ 210,169,806</u>	<u>\$ 210,460,186</u>

The City's total debt increased by \$1,340,904 during the current fiscal year as a result of additions of Rhode Island Clean Water Bonds of \$12.5 million net of related principal payments.

In June 2018, Fitch Ratings upgraded the City's bond rating on its general obligation debt to an "investment grade" A rating from BBB+. At June 30, 2018, the City's general obligation debt carried a Ba3 bond rating from Moody's Investors Services. In March 2018, Standard and Poor's Global Ratings upgraded the bond rating for the City's outstanding wastewater revenue bonds to A+ from A-. In October 2018, Standard and Poor's Global Ratings assigned an A bond rating to the City's water treatment revenue bonds.

State Statutes limit the amount of general obligation debt a governmental entity may have outstanding to 3% of its assessed value of property values. The City of Woonsocket's limit is \$52,669,089 at June 30, 2018. The City's outstanding general obligation debt is \$207,166,537 at year end, of which \$12,558,462 is subject to legal debt limits. The debt limit calculation does not include \$69,425,000 of pension obligation bonds, \$57,980,000 of Middle School bonds and \$62,722,000 of Rhode Island Clean water bonds as they are exempt from the legal debt limit calculation under Rhode Island Public Law.

Additional information on the City's long-term debt can be found in Note 8.

CITY OF WOONSOCKET, RHODE ISLAND

Management Discussion and Analysis

Year Ended June 30, 2018

Economic Factors and Next Year's Budgets and Rates

The City of Woonsocket's seasonally unadjusted 2017 annual average unemployment rate is 6.0% which is higher than the overall annual average rates for both Rhode Island (4.5%) and the United States (4.4%). The US Census Bureau estimates the median household income (2016) for Woonsocket residents to be \$37,235 versus \$58,387 for all Rhode Island residents and \$55,322 for all United States residents. Approximately 25.1% of Woonsocket's residents have household incomes below the poverty level versus 11.6% of all residents of Rhode Island, and 12.3% of all United States residents.

The City's general fund budget for fiscal year 2019 is \$144,300,605 which represents an increase of \$2,908,287 (plus 2.1%) over the budget for fiscal year 2018. Of the fiscal year 2019 budget increase, education expenditures under the Woonsocket Education Department (WED) rose by \$2,930,462 (plus 3.8%) and total City expenditures declined by \$22,174.

The City's largest fiscal year 2019 budgeted expenditures are for WED support (\$80,808,550), public safety (\$19,085,397) and debt service (\$15,244,055), each of which represents over 10% of the general fund budget. The WED's fiscal year budget is funded by state and other source appropriations of \$64,642,220 and a City contribution of \$16,166,330. The City's fiscal year 2019 budgeted expenditures are primarily funded by expected property tax revenues of \$63,424,797 and state aid of \$10,211,642.

The fiscal year 2019 property tax levy for the City is \$58,779,153 with 75.01% designated for municipal services and 24.99% allocated to the WED. The City's tax rates for fiscal year 2019, as billed on a per thousand basis, declined from the prior fiscal year for Residential (\$24.08 v. \$30.10) and Commercial (\$36.19 v. \$36.93) properties, and stayed constant with the prior fiscal year at \$46.58 for Motor Vehicles and Tangible properties. Net Assessed Values as of 12/31/2017 are \$1,918,933,238, a \$163,296,944 increase over the prior year.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report should be addressed to the Director of Finance, Woonsocket City Hall, 169 Main Street, Woonsocket, Rhode Island 02895.

Basic Financial Statements

CITY OF WOONSOCKET, RHODE ISLAND

Statement of Net Position

June 30, 2018

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 29,490,901	\$ 32,672,181	\$ 62,163,082
Restricted cash	-	6,562,803	6,562,803
Receivables, net			
Personal property taxes	7,363,120	-	7,363,120
Departmental and other	2,919,251	7,546,705	10,465,956
Intergovernmental	5,066,524	157,032	5,223,556
Loans	50,000	-	50,000
Due from other funds	19,259,846	20,813,519	40,073,365
Prepaid expenses	1,121,094	234,809	1,355,903
Noncurrent assets:			
Loans receivable	3,928,701	-	3,928,701
Capital assets:			
Nondepreciable	5,885,580	19,686,543	25,572,123
Depreciable, net	<u>158,314,143</u>	<u>82,119,244</u>	<u>240,433,387</u>
Total capital assets	<u>164,199,723</u>	<u>101,805,787</u>	<u>266,005,510</u>
Total assets	<u>233,399,160</u>	<u>169,792,836</u>	<u>403,191,996</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related outflows	<u>29,275,682</u>	<u>1,338,172</u>	<u>30,613,854</u>
Total assets and deferred outflows of resources	<u>\$ 262,674,842</u>	<u>\$ 171,131,008</u>	<u>\$ 433,805,850</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND
Statement of Net Position
June 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	\$ 13,926,605	\$ 6,732,303	\$ 20,658,908
Other liabilities	1,634,711	37,862	1,672,573
Accrued interest	2,436,689	515,496	2,952,185
Due to federal and state governments	48,331	-	48,331
Due to other funds	16,007,431	24,065,934	40,073,365
Current portion of capital leases	128,873	1,809,788	1,938,661
Current portion of landfill postclosure liability	15,000	-	15,000
Current portion of bonds and notes payable	8,549,275	2,906,000	11,455,275
Current portion of compensated absences	370,707	-	370,707
Portion due or payable in more than one year:			
Capital leases	126,325	938,282	1,064,607
Landfill postclosure liability	516,900	-	516,900
Bonds and notes payable	135,895,263	59,816,000	195,711,263
Compensated absences	9,685,746	383,889	10,069,635
Net other post-employment benefit liability	145,101,262	4,453,961	149,555,223
Net pension liability	<u>159,372,077</u>	<u>2,487,329</u>	<u>161,859,406</u>
Total liabilities	<u>493,815,195</u>	<u>104,146,844</u>	<u>597,962,039</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned intergovernmental revenue	780,633	-	780,633
OPEB related inflows	6,079,863	138,740	6,218,603
Pension related inflows	9,596,763	142,653	9,739,416
Gain on debt refunding	<u>1,719,668</u>	<u>-</u>	<u>1,719,668</u>
Total deferred inflows of resources	<u>18,176,927</u>	<u>281,393</u>	<u>18,458,320</u>
NET POSITION			
Net investment in capital assets	17,780,319	37,273,999	55,054,318
Restricted for:			
General government	587,921	-	587,921
Public safety programs	417,079	-	417,079
Educational purposes	5,861,856	-	5,861,856
Public works	18,171	-	18,171
Economic development	441,455	-	441,455
Human services	658,808	-	658,808
Capital projects	4,277,223	-	4,277,223
Various trusts	52,021	-	52,021
Bond proceeds	-	6,562,803	6,562,803
Unrestricted	<u>(279,412,133)</u>	<u>22,865,969</u>	<u>(256,546,164)</u>
Total liabilities, deferred inflows or resources and net position	<u>\$ 262,674,842</u>	<u>\$ 171,131,008</u>	<u>\$ 433,805,850</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Statement of Activities

For the Year Ended June 30, 2018

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities							
Executive	\$ 357,654	\$ -	\$ -	\$ -	\$ (357,654)	\$ -	\$ (357,654)
Legislative - general government	5,220,810	2,510,742	222,489	-	(2,487,579)	-	(2,487,579)
Planning and development	2,070,387	-	-	-	(2,070,387)	-	(2,070,387)
Finance	3,333,653	-	-	-	(3,333,653)	-	(3,333,653)
Law	963,231	-	-	-	(963,231)	-	(963,231)
Public safety	33,184,912	76,077	1,362,368	-	(31,746,467)	-	(31,746,467)
Public works	11,508,391	2,330,162	644,737	-	(8,533,492)	-	(8,533,492)
Economic development	1,118,630	12,350	1,255,197	-	148,917	-	148,917
Human services	1,237,982	39,464	1,004,812	166,898	(26,808)	-	(26,808)
Education	91,999,942	633,533	72,247,013	2,583,580	(16,535,816)	-	(16,535,816)
Budget commission	33,229	-	-	-	(33,229)	-	(33,229)
Interest on debt	7,441,636	-	-	-	(7,441,636)	-	(7,441,636)
Total governmental activities	<u>158,470,457</u>	<u>5,602,328</u>	<u>76,736,616</u>	<u>2,750,478</u>	<u>(73,381,035)</u>	<u>-</u>	<u>(73,381,035)</u>
Business-Type Activities							
Water fund	5,969,812	8,048,318	-	-	-	2,078,506	2,078,506
Regional wastewater fund	6,972,419	9,341,664	-	-	-	2,369,245	2,369,245
User charge fund	9,038,738	9,347,877	-	-	-	309,139	309,139
School lunch fund	<u>3,193,341</u>	<u>407,810</u>	<u>2,855,934</u>	<u>-</u>	<u>-</u>	<u>70,403</u>	<u>70,403</u>
Total business-type activities	<u>25,174,310</u>	<u>27,145,669</u>	<u>2,855,934</u>	<u>-</u>	<u>-</u>	<u>4,827,293</u>	<u>4,827,293</u>
Total City of Woonsocket	<u>\$183,644,767</u>	<u>\$ 32,747,997</u>	<u>\$ 79,592,550</u>	<u>\$ 2,750,478</u>	<u>\$ (73,381,035)</u>	<u>\$ 4,827,293</u>	<u>\$ (68,553,742)</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, 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	\$ 61,101,442	\$ -	\$ 61,101,442
Revenue in lieu of taxes	3,323,737	-	3,323,737
Meals and beverage tax	579,179	-	579,179
Telephone tax	520,903	-	520,903
Hotel tax	46,635	-	46,635
Distressed communities	924,681	-	924,681
School housing aid	4,959,285	-	4,959,285
Earnings on investments	67,150	122,441	189,591
Motor vehicle phase out	1,715,119	-	1,715,119
Federal housing	254,700	-	254,700
Medicaid	2,227,988	-	2,227,988
Miscellaneous	2,092,958	-	2,092,958
Total general revenues	<u>77,813,777</u>	<u>122,441</u>	<u>77,936,218</u>
Transfers in (out)	<u>(164,575)</u>	<u>164,575</u>	<u>-</u>
Total general revenues, special items, and transfers	<u>77,649,202</u>	<u>287,016</u>	<u>77,936,218</u>
Changes in net position	4,268,167	5,114,309	9,382,476
Net position - July 1, 2017, restated	<u>(252,788,447)</u>	<u>61,588,462</u>	<u>(191,199,985)</u>
Net position - June 30, 2018	<u>\$ (248,520,280)</u>	<u>\$ 66,702,771</u>	<u>\$ (181,817,509)</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Balance Sheet – Governmental Funds

June 30, 2018

	Major Fund			Total Governmental Funds
	General Fund	WED Unrestricted Fund	Non-Major Governmental Funds	
Assets				
Cash and cash equivalents	\$ 12,661,399	\$ 11,708,033	\$ 5,121,469	\$ 29,490,901
Receivables:				
Property taxes, net	7,363,120	-	-	7,363,120
Intergovernmental	1,006,122	32,185	4,028,217	5,066,524
Loans	-	-	3,978,701	3,978,701
Other	1,715,401	114,482	1,089,368	2,919,251
Due from other funds	9,218,990	5,271,901	4,768,955	19,259,846
Other assets	<u>307,659</u>	<u>813,435</u>	<u>-</u>	<u>1,121,094</u>
Total assets	<u>32,272,691</u>	<u>17,940,036</u>	<u>18,986,710</u>	<u>69,199,437</u>
Deferred outflows of resources				
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 32,272,691</u>	<u>\$ 17,940,036</u>	<u>\$ 18,986,710</u>	<u>\$ 69,199,437</u>
Liabilities				
Accounts payable and accrued expenses	\$ 3,247,758	\$ 8,771,445	\$ 1,907,402	\$ 13,926,605
Due to federal and state government	48,331	-	-	48,331
Other liabilities	461,079	1,167,272	6,360	1,634,711
Due to other funds	<u>10,276,990</u>	<u>1,709,776</u>	<u>4,020,665</u>	<u>16,007,431</u>
Total liabilities	<u>14,034,158</u>	<u>11,648,493</u>	<u>5,934,427</u>	<u>31,617,078</u>
Deferred inflows of resources				
Unavailable property tax revenue	7,026,112	-	-	7,026,112
Unavailable revenue - intergovernmental	168,718	-	611,915	780,633
Unavailable revenue - loans	-	-	3,978,701	3,978,701
Unavailable revenue - EMS charges receivable	<u>-</u>	<u>-</u>	<u>1,082,217</u>	<u>1,082,217</u>
Total deferred inflows of resources	<u>7,194,830</u>	<u>-</u>	<u>5,672,833</u>	<u>12,867,663</u>
Fund balance				
Nonspendable	307,659	813,435	185,929	1,307,023
Restricted	-	5,478,108	6,836,426	12,314,534
Committed	3,447,309	-	780,983	4,228,292
Unassigned	<u>7,288,735</u>	<u>-</u>	<u>(423,888)</u>	<u>6,864,847</u>
Total fund balance	<u>11,043,703</u>	<u>6,291,543</u>	<u>7,379,450</u>	<u>24,714,696</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 32,272,691</u>	<u>\$ 17,940,036</u>	<u>\$ 18,986,710</u>	<u>\$ 69,199,437</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND
Statement of Revenues, Expenditures and Changes in Fund Balance– Governmental Funds
For the Year Ended June 30, 2018

	<u>Major Fund</u>		<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>WED Unrestricted Fund</u>		
Revenues				
General property taxes and interest	\$ 62,240,672	\$ -	\$ -	\$ 62,240,672
Revenue in lieu of taxes	3,323,737	-	-	3,323,737
Intergovernmental grants and contracts	9,354,280	61,743,830	13,606,100	84,704,210
Departmental revenues	2,679,483	-	-	2,679,483
Licenses, permits, and fees	1,334,215	-	-	1,334,215
Charges for services	141,935	340,623	1,727,109	2,209,667
Investment income	64,984	-	2,166	67,150
Other revenue	2,092,958	377,459	1,675,175	4,145,592
State contribution to pension plan	-	3,634,387	-	3,634,387
Total revenues	<u>81,232,264</u>	<u>66,096,299</u>	<u>17,010,550</u>	<u>164,339,113</u>
Expenditures				
Executive	148,539	-	-	148,539
Legislative - general government	1,194,959	-	138,975	1,333,934
Planning and development	724,076	-	-	724,076
Finance	1,890,233	-	-	1,890,233
Law	547,065	-	-	547,065
Public safety	19,247,712	-	3,071,468	22,319,180
Public works	7,642,883	-	682,833	8,325,716
Economic development	-	-	1,121,143	1,121,143
Human services	212,440	-	462,367	674,807
Education	-	78,896,944	11,290,490	90,187,434
Pension expense	7,896,357	-	-	7,896,357
Other fixed and general charges	8,293,994	-	-	8,293,994
Budget commission	33,229	-	-	33,229
Capital outlay	-	-	11,040	11,040
Debt service				
Principal	8,031,282	-	-	8,031,282
Interest	<u>7,548,559</u>	<u>-</u>	<u>-</u>	<u>7,548,559</u>
Total expenditures	<u>63,411,328</u>	<u>78,896,944</u>	<u>16,778,316</u>	<u>159,086,588</u>
Excess (deficiency) of revenues over expenditures	17,820,936	(12,800,645)	232,234	5,252,525
Other financing sources (uses)				
Transfers in	804,082	16,366,330	1,242,181	18,412,593
Transfers out	<u>(16,166,330)</u>	<u>(1,226,272)</u>	<u>(1,184,566)</u>	<u>(18,577,168)</u>
Other financing sources (uses)	<u>(15,362,248)</u>	<u>15,140,058</u>	<u>57,615</u>	<u>(164,575)</u>
Excess of revenue and other sources over expenditures and other uses				
	2,458,688	2,339,413	289,849	5,087,950
Fund balance, July 1, 2017	<u>8,585,015</u>	<u>3,952,130</u>	<u>7,089,601</u>	<u>19,626,746</u>
Fund balance, June 30, 2018	<u>\$ 11,043,703</u>	<u>\$ 6,291,543</u>	<u>\$ 7,379,450</u>	<u>\$ 24,714,696</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND
 Reconciliation of Governmental Funds Fund Balances to the Statement of Net Position
June 30, 2018

Total governmental fund balances	\$ 24,714,696
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, net	164,199,723
Other deferred inflows are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds.	
Property tax revenue	7,026,112
Loans	3,978,701
EMS charges receivable	1,082,217
Other long-term assets related to net pension activity and therefore, are deferred inflows of resources in the funds.	
	(9,596,763)
Other long-term assets related to net OPEB activity and therefore, are deferred inflows of resources in the funds.	
	(6,079,863)
Other long-term liabilities related to net pension activity and therefore, are deferred outflows of resources in the funds.	
	29,275,682
Deferred revenue relating to gain on debt refunding over the life of the bond	
	(1,719,668)
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due.	
	(2,436,689)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds	
Landfill postclosure liability	(531,900)
Bonds and notes payable	(144,444,538)
Capital leases	(255,198)
Compensated absences	(10,056,453)
Net OPEB liability	(145,101,262)
Police net pension liability	(60,253,693)
ERS net pension liability	(63,437,371)
MERS net pension liability	<u>(35,681,013)</u>
Net position of governmental activities	<u>\$ (249,317,280)</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Reconciliation of Governmental Funds Revenues, Expenditures and Changes in Fund Balances to the
Statement of Activities
For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds	\$ 5,087,950
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(2,354,030)
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.	
Property tax revenue	(1,139,230)
Loans	(111,729)
EMS charges receivable	(1,697,352)
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.	
Bonds and notes payable	8,307,096
Capital leases	(92,980)
Gains on refunding of debt for long term debt are amortized over the course of the bond but are not reported as an expenditure on governmental fund statements	58,999
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due.	106,923
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.	(71,770)
The other postemployment benefit 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	(3,128,021)
The net pension 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	<u>(1,494,689)</u>
Change in net position of governmental activities	<u>\$ 3,471,167</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Statement of Net Position- Proprietary Funds

June 30, 2018

	<u>Water Fund</u>	<u>Regional Wastewater Fund</u>	<u>User Charge Fund</u>	<u>School Lunch Fund</u>	<u>Total</u>
Assets					
Current assets					
Cash and cash equivalents	\$ 20,769,108	\$ 1,550,735	\$ 9,938,867	\$ 413,471	\$ 32,672,181
Restricted cash	1,771,797	4,719,190	71,816	-	6,562,803
Receivables, net:	-				
User fees, less allowance for doubtful accounts	2,219,968	767,107	4,559,630	-	7,546,705
Intergovernmental	-	-	-	157,032	157,032
Due from other funds	11,228,238	5,229,230	3,660,867	695,184	20,813,519
Prepaid expenses	62,155	169,201	3,453	-	234,809
Total current assets	<u>36,051,266</u>	<u>12,435,463</u>	<u>18,234,633</u>	<u>1,265,687</u>	<u>67,987,049</u>
Non-current assets					
Nondepreciable	18,740,393	684,901	261,249	-	19,686,543
Depreciable, net	<u>23,733,962</u>	<u>56,869,369</u>	<u>1,497,634</u>	<u>18,279</u>	<u>82,119,244</u>
Total non-current assets	<u>42,474,355</u>	<u>57,554,270</u>	<u>1,758,883</u>	<u>18,279</u>	<u>101,805,787</u>
Total assets	<u>78,525,621</u>	<u>69,989,733</u>	<u>19,993,516</u>	<u>1,283,966</u>	<u>169,792,836</u>
Deferred outflows of resources					
Pension related outflows	<u>1,120,960</u>	<u>210,499</u>	<u>6,713</u>	<u>-</u>	<u>1,338,172</u>
Total assets and deferred outflows of resources	<u>\$ 79,646,581</u>	<u>\$ 70,200,232</u>	<u>\$ 20,000,229</u>	<u>\$ 1,283,966</u>	<u>\$ 171,131,008</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Statement of Net Position- Proprietary Funds

June 30, 2018

	<u>Water Fund</u>	<u>Regional Wastewater Fund</u>	<u>User Charge Fund</u>	<u>School Lunch Fund</u>	<u>Total</u>
Liabilities					
Current liabilities:					
Accounts payable and accrued expenses	\$ 5,930,513	\$ 114,585	\$ 401,018	\$ 286,187	\$ 6,732,303
Accrued interest payable	128,446	383,132	3,918	-	515,496
Due to other funds	12,325,707	1,338,143	10,402,084	-	24,065,934
Other liabilities	37,862	-	-	-	37,862
Current portion of lease payable	-	1,809,788	-	-	1,809,788
Current portion of bonds payable	<u>956,000</u>	<u>1,895,000</u>	<u>55,000</u>	<u>-</u>	<u>2,906,000</u>
Total current liabilities	<u>19,378,528</u>	<u>5,540,648</u>	<u>10,862,020</u>	<u>286,187</u>	<u>36,067,383</u>
Non-current liabilities:					
Compensated absences	351,479	32,410	-	-	383,889
Net pension liability	2,083,586	391,265	12,478	-	2,487,329
Net OPEB liability	3,910,949	359,508	183,504	-	4,453,961
Lease payable	-	938,282	-	-	938,282
Bonds payable	<u>21,524,000</u>	<u>37,797,000</u>	<u>495,000</u>	<u>-</u>	<u>59,816,000</u>
Total non-current liabilities	<u>27,870,014</u>	<u>39,518,465</u>	<u>690,982</u>	<u>-</u>	<u>68,079,461</u>
Total liabilities	<u>47,248,542</u>	<u>45,059,113</u>	<u>11,553,002</u>	<u>286,187</u>	<u>104,146,844</u>
Deferred inflows of resources					
Pension related inflows	116,220	21,824	696	-	138,740
OPEB related inflows	<u>128,006</u>	<u>10,603</u>	<u>4,044</u>	<u>-</u>	<u>142,653</u>
Total deferred inflows of resources	<u>244,226</u>	<u>32,427</u>	<u>4,740</u>	<u>-</u>	<u>281,393</u>
Net position					
Net investment in capital assets	19,994,355	16,052,482	1,208,883	18,279	37,273,999
Restricted	1,771,797	4,719,190	71,816	-	6,562,803
Unrestricted	<u>10,387,661</u>	<u>4,337,020</u>	<u>7,161,788</u>	<u>979,500</u>	<u>22,865,969</u>
Total net position	<u>\$ 32,153,813</u>	<u>\$ 25,108,692</u>	<u>\$ 8,442,487</u>	<u>\$ 997,779</u>	<u>\$ 66,702,771</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND
Statement of Changes in Net Position- Proprietary Funds
For the Year Ended June 30, 2018

	Water Fund	Regional Wastewater Fund	User Charge Fund	School Lunch Fund	Total
Operating revenues					
Charges for services	\$ 8,048,318	\$ 9,341,664	\$ 9,347,877	\$ 407,810	\$ 27,145,669
Intergovernmental	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,855,934</u>	<u>2,855,934</u>
Total operating revenues	<u>8,048,318</u>	<u>9,341,664</u>	<u>9,347,877</u>	<u>3,263,744</u>	<u>30,001,603</u>
Operating expenses					
Personnel services	2,126,754	300,548	78,927	178,026	2,684,255
Contractual services	796,171	97,102	77,234	2,944,135	3,914,642
Supplies and materials	147,724	54,638	-	61,501	263,863
Fixed and general charges	309,735	438,687	7,238,500	-	7,986,922
Repairs and maintenance	410,987	62,074	27,651	7,386	508,098
Administrative	874,007	3,066,656	1,420,931	-	5,361,594
Depreciation	<u>925,608</u>	<u>1,585,416</u>	<u>184,892</u>	<u>2,293</u>	<u>2,698,209</u>
Total operating expenses	<u>5,590,986</u>	<u>5,605,121</u>	<u>9,028,135</u>	<u>3,193,341</u>	<u>23,417,583</u>
Operating income (loss)	<u>2,457,332</u>	<u>3,736,543</u>	<u>319,742</u>	<u>70,403</u>	<u>6,584,020</u>
Nonoperating revenues (expenses)					
Interest income (expense)	<u>(328,298)</u>	<u>(1,344,010)</u>	<u>37,865</u>	<u>157</u>	<u>(1,634,286)</u>
Income (loss) before transfers	<u>2,129,034</u>	<u>2,392,533</u>	<u>357,607</u>	<u>70,560</u>	<u>4,949,734</u>
Transfers					
Transfers in	-	-	-	164,575	164,575
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>164,575</u>	<u>164,575</u>
Change in net position	2,129,034	2,392,533	357,607	235,135	5,114,309
Net position, July 1, 2017, restated	<u>30,024,779</u>	<u>22,716,159</u>	<u>8,084,880</u>	<u>762,644</u>	<u>61,588,462</u>
Net position, June 30, 2018	<u>\$ 32,153,813</u>	<u>\$ 25,108,692</u>	<u>\$ 8,442,487</u>	<u>\$ 997,779</u>	<u>\$ 66,702,771</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Statement of Cash Flows- Proprietary Funds

For the Year Ended June 30, 2018

	<u>Water Fund</u>	<u>Regional Wastewater Fund</u>	<u>User Charge Fund</u>	<u>School Lunch Fund</u>	<u>Total</u>
Cash flows from operating activities					
Cash received from customers	\$ 8,114,724	\$ 9,338,770	\$ 8,872,663	\$ 407,810	\$26,733,967
Cash received from government	-	-	-	3,244,348	3,244,348
Cash received from other funds	871,447	450,925	1,537,115	(398,207)	2,461,280
Payments to suppliers and employees	<u>315,871</u>	<u>(4,013,245)</u>	<u>(8,639,702)</u>	<u>(3,176,623)</u>	<u>(15,513,699)</u>
Net cash provided (used) by operating activities	<u>9,302,042</u>	<u>5,776,450</u>	<u>1,770,076</u>	<u>77,328</u>	<u>16,925,896</u>
Cash flows from capital and related financing activities					
Cash released from escrow	(473,439)	9,028	(576)	-	(464,987)
Bond proceeds	12,500,000	-	-	-	12,500,000
Principal paid on capital debt	(924,999)	(3,596,265)	(55,000)	-	(4,576,264)
Interest paid on capital debt	(374,080)	(1,374,868)	(10,971)	-	(1,759,919)
Purchase of capital assets	<u>(11,956,556)</u>	<u>(651,495)</u>	<u>(12,553)</u>	<u>(14,895)</u>	<u>(12,635,499)</u>
Net cash used by capital and related financing activities	<u>(1,229,074)</u>	<u>(5,613,600)</u>	<u>(79,100)</u>	<u>(14,895)</u>	<u>(6,936,669)</u>
Cash flows from investing activities					
Interest and dividends	<u>50,528</u>	<u>23,288</u>	<u>48,468</u>	<u>157</u>	<u>122,441</u>
Net cash used by investing activities	<u>50,528</u>	<u>23,288</u>	<u>48,468</u>	<u>157</u>	<u>122,441</u>
Net increase in cash and cash equivalents	8,123,496	186,138	1,739,444	62,590	10,111,668
Balances-beginning of the year	<u>12,645,612</u>	<u>1,364,597</u>	<u>8,199,423</u>	<u>350,881</u>	<u>22,560,513</u>
Balances-end of the year	<u>\$ 20,769,108</u>	<u>\$ 1,550,735</u>	<u>\$ 9,938,867</u>	<u>\$ 413,471</u>	<u>\$32,672,181</u>
Displayed as:					
Cash and cash equivalents	<u>\$ 20,769,108</u>	<u>\$ 1,550,735</u>	<u>\$ 9,938,867</u>	<u>\$ 413,471</u>	<u>\$32,672,181</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Statement of Cash Flows- Proprietary Funds

For the Year Ended June 30, 2018

	<u>Water Fund</u>	<u>Regional Wastewater Fund</u>	<u>User Charge Fund</u>	<u>School Lunch Fund</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 2,457,332	\$ 3,736,543	\$ 319,742	\$ 70,403	\$ 6,584,020
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	925,608	1,585,416	184,892	2,293	2,698,209
Change in assets and liabilities:					
(Increase) decrease in user charges receivables, net	73,298	(2,894)	(475,214)	-	(404,810)
(Increase) decrease in intergovernmental receivable	-	-	-	388,414	388,414
(Increase) decrease in other receivable	871,447	450,925	1,537,115	(398,207)	2,461,280
(Increase) decrease in prepaid expenses	2,202	-	-	-	2,202
Increase (decrease) in accounts payable	5,409,854	25,498	197,140	14,425	5,646,917
Increase (decrease) in other liabilities	(6,892)	-	-	-	(6,892)
Increase (decrease) in pension liability	(454,926)	(26,167)	6,461	-	(474,632)
Increase (decrease) in OPEB obligation	40,546	2,563	(60)	-	43,049
Increase (decrease) compensated absences	(16,427)	4,566	-	-	(11,861)
Net cash provided (used) by operating activities	<u>\$ 9,302,042</u>	<u>\$ 5,776,450</u>	<u>\$ 1,770,076</u>	<u>\$ 77,328</u>	<u>\$16,925,896</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND
Statement of Net Position - Fiduciary Funds
June 30, 2018

	Pension Trust Fund	Private Purpose Trust Fund	Agency Funds
Assets			
Cash and cash equivalents	\$ 204,228	\$ 96,914	\$ 1,093,656
Investments, at fair value	33,385,531	-	-
Accounts receivable	<u>-</u>	<u>2,503</u>	<u>107,027</u>
 Total assets	 <u>33,589,759</u>	 <u>99,417</u>	 <u>1,200,683</u>
Deferred outflows of resources			
None	<u>-</u>	<u>-</u>	<u>-</u>
 Total assets and deferred outflows of resources	 <u>\$ 33,589,759</u>	 <u>\$ 99,417</u>	 <u>\$ 1,200,683</u>
Liabilities			
Accounts payable	\$ -	\$ 3,234	\$ 346,991
Deposits held	<u>-</u>	<u>-</u>	<u>853,692</u>
 Total liabilities	 <u>-</u>	 <u>3,234</u>	 <u>1,200,683</u>
Deferred inflows of resources			
None	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Restricted for pension trust	33,589,759	-	-
Restricted for private purposes	<u>-</u>	<u>96,183</u>	<u>-</u>
 Total net position	 <u>33,589,759</u>	 <u>96,183</u>	 <u>-</u>
 Total liabilities and net position	 <u>\$ 33,589,759</u>	 <u>\$ 99,417</u>	 <u>\$ 1,200,683</u>

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND
Statement of Changes in Net Position - Fiduciary Funds
For the Year Ended June 30, 2018

	Pension Trust Fund	Private Purpose Trust Fund
Additions		
Employer contributions	\$ 3,881,000	\$ -
Plan member contributions	-	-
Investment income (net of related fees)	1,522,081	86
Other	-	13,662
 Total additions	 5,403,081	 13,748
Deductions		
Benefits paid	8,090,379	-
Administrative expenses	41,121	-
Social services	-	4,622
 Total deductions	 8,131,500	 4,622
 Other financing sources (uses):		
Transfers in	-	-
 Changes in fund equity held in trust for individuals, organizations, and other governments	 (2,728,419)	 9,126
 Net position, July 1, 2017	 36,318,178	 87,057
 Net position, June 30, 2018	 \$ 33,589,759	 \$ 96,183

The accompanying notes are an integral part of these statements

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies

A. Reporting entity

The City of Woonsocket was incorporated in 1888 under the provisions of Chapter 728 of the Public Laws of the State of Rhode Island. The City operates under a Home Rule Charter first adopted in 1952 and revised in 1960. The City operates under a Mayor - City Council form of government and provides a full range of services as authorized in its Charter, including, but not limited to, education services, police and fire protection, public works, parks, recreation, sanitation, health and certain social and general administration services.

On May 29, 2012, the Rhode Island Director of Revenue established a Budget Commission under RIGL 45-9-6. The Budget Commission was put in place as a result of recurring, as well as projected future, deficits by the Woonsocket Education Department. The purpose of the Budget Commission was to initiate and assure the implementation of appropriate measures to secure the financial stability of the City, and it had the authority to review and approve all expenditures, regardless of the source of funding. On March 19, 2015, the Rhode Island Director of Revenue determined that the Budget Commission had met its goal of returning financial stability to the City, and it was disbanded. At that time, all control of the City was returned to its executive, legislative and administrative functions, in accordance with its Charter.

B. Basic Financial Statements - Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's public safety, education, parks, library, recreation, public works, and general administrative services are classified as governmental activities. The City's water, wastewater, user fees and school lunch funds are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities. The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits and charges, etc.) The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with function (police, public works, community and economic development, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. However, fiduciary funds are not included in government-wide statements since these assets are held for the benefit of private parties and pension participants and cannot be used to satisfy obligations of the primary government. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

B. Basic Financial Statements - Government-Wide Statements (continued)

The net costs (by function or business type-activity) are normally covered by general revenue (property, excise taxes, intergovernmental revenues, interest income, etc.)

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

GASB 63 amends GASB 34 to incorporate deferred outflows of resources and deferred inflows of resources into the financial reporting model. Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. It has negative effect on net position, similar to liabilities.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by general classification within the financial statements.

The City reports the following major governmental funds:

1. The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
2. The *WED Unrestricted Fund* is the Education Department's primary operating fund. It accounts for all financial resources of the Woonsocket Education Department, except those required to be accounted for separately in another fund.

The City reports the following major proprietary funds:

3. The *Water Fund* accounts for the City's water use operations.
4. The *Regional Wastewater Fund* accounts for the operations of the City's regional wastewater treatment plant including billings to the member Cities and Towns.
5. The *User Charge Fund* accounts for the billings and collections pertaining to the regional wastewater treatment plan for Woonsocket residents
6. The *School Lunch Fund* accounts for the billings and collections pertaining to the WED school lunch operations.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

C. Basic Financial Statements - Fund Financial Statements (continued)

Additionally, the City reports the following fund types:

- a. The *Pension Trust Fund* accounts for the activity of the City's defined benefit pension plan, which accumulates resources for pension benefit payments to qualified employees.
- b. The *Private-Purpose Trust Fund* is used to account for assets held by the City in a trustee capacity for the benefit of various City facilities. There is no requirement that any portion of these resources be preserved as capital.
- c. The *Agency Funds* account for monies held by the City as custodian for student groups and City employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the City's sewer and water operations and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

D. Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. *Accrual*

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Under this basis of accounting and measurement focus, the City applies (a) all GASB pronouncements and (b) FASB statements and interpretations, APB Opinions, and Accounts Research Bulletins issued on or before November 30, 1989 except those that conflict with a GASB pronouncements.

2. *Modified Accrual*

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity

a. **Cash and Cash Equivalents**

The City's cash and cash equivalents consists of cash on hand, demand deposits, money market accounts and short-term investments with original maturities of three months or less from the date of acquisition.

The City's deposits are subject to certain State and municipal restrictions. Under Rhode Island general laws, depository institutions must insure deposits of the City 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 maturities. State Statutes and the City Charter authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

Certain proceeds of the Water Fund and Regional Wastewater Fund revenue bonds are classified as restricted assets on the statement of net position because they are maintained in separate escrow accounts managed by trustees in accordance with the bond covenants. These include debt service reserves and capitalized interest.

The Water Fund and Regional Wastewater Fund have additional cash and investments on the statement of net position classified as restricted since, by order of the Rhode Island Public Utilities Commission, it may only be used for debt service, capital, electricity, certain specified retiree/new hire benefits, or chemical expenditures.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

b. Investments

Investments - The City's investments are reported at fair value (generally based on quoted market prices). The City's investment guidelines are defined by City ordinance and a written investment policy that is approved by the City Council. The City has adopted a formal investment policy for its pension fund which identifies various authorized investment instruments, issuer diversification, maturity constraints, investment ratings and liquidity parameters. Authorized investments include obligations of the United States of America and its agencies, corporate debt obligations, asset-backed securities, money market instruments or funds, common stocks, convertible preferred stocks or bonds, repurchase agreements, commercial paper, foreign currency, commingled investment funds, guaranteed investment contracts, certain nonnegotiable certificates of deposit, and collateralized mortgage obligations.

Investment income is recorded in the fund in which it was earned.

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

c. Receivables and payables

Interfund transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes and other receivables

In the government-wide financial statements, all trade and property tax receivables are shown net of an allowance for uncollectible amounts. Allowance percentages range from 13% to 65% of outstanding receivable balances at June 30, 2018 and are calculated based upon prior collections.

The City's property tax is levied each July 1 on the assessed value listed as of the prior December 31 for all real property and personal property located in the City. Taxes are due in equal quarterly installments on July 15, October 15, January 15 and April 15 following the levy date. A full revaluation of all real property is required to be completed every nine years. The next full revaluation will be conducted in 2018 for the 2019 tax year. Every three years a statistical revaluation is conducted. The last statistical revaluation was performed as of December 31, 2015 for the 2016 tax year.

Taxes due and unpaid after the respective due dates are subject to interest charged at 12% per annum. An automatic lien is placed on the taxpayer's property if payment has not been received by the tax due date.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

Property taxes and other receivables (continued)

It is the policy of the City to record deferred inflows of resources in the fund financial statements for property taxes receivable at June 30 that have not been collected prior to September 1. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent year's assessment are reflected as deferred inflows of resources in both the fund financial statements and government-wide financial statements.

d. Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities' columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

Buildings	25-65
Land Improvements	10-65
Building Improvements	15-30
Machinery & Equipment	6-30
Infrastructure	65

e. Compensated absences

Employees of the City and the Education Department earn vacation and sick leave, which can accumulate, based on the provisions of negotiated contracts or other personnel policies. 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.

All vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. The current portion of the leave is determined based on historical and current usage. The current and noncurrent portion is recorded in the government-wide financial statements. The entire amount is reported as noncurrent in the proprietary fund financial statements.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

f. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

g. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports the deferred charge on refunding and deferred outflows related to pensions in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The deferred outflows applicable to pensions related to contributions made by the City after the measurement date, the net difference between projected and actual earnings on plan investments and changes in actuarial assumptions. The deferred outflows related to contributions will be recognized in the following year while the deferred outflows related to projected and actual earnings will be amortized over the average remaining service life of all plan members.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports advance collections and deferred inflows of resources related to pensions in this category. The deferred inflows of resources related to pensions is the net difference between projected and actual earnings on pension plan investments and changes in actuarial assumptions. These deferred inflows will be amortized over the average remaining service life of all plan members.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

h. Deferred outflows/inflows of resources (continued)

For governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds' balance sheet. The governmental funds report unavailable revenues from several sources: property taxes (including advance collections, if any), grants, charges for services and loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

i. 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.

j. Fund Balances/Net Position

Government-Wide Statements

Net Position is 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 borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted net position - Consists of net position 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 net position - All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

k. Fund Balances/Net Position (continued)

Fund Statements

Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for restricted purpose. In accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance - amounts that are not in spendable form (such as inventory or prepaid items) or are required to be maintained intact (such as the corpus of an endowment fund).

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. For the City, this formal action takes the form of ordinance which are passed by the City Council and approved by the Mayor.

Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance - amounts that are available for any purpose; these amounts are reported only in the general fund.

For purposes of fund balance classification, when both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are used, committed resources are used first, followed by assigned and unassigned resources, respectively.

The City, under Article 9 of the City Charter, has adopted, starting in fiscal 2017, a fund balance policy for the General Fund requiring an appropriation of 1% of the prior year budgeted general revenues into a fiscal stability reserve account until a balance equal to 8% of the current years estimated general revenues within the General Fund budget is achieved.

l. Net position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

m. Fund balance flow assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

n. 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.

o. Deferred Inflows of Resources (formerly known as 'deferred revenue')

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 resources represent amounts received in advance of expenditures incurred for certain grants or loans and accounts receivable that are measurable, but not available.

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

p. Claims and Judgments

The City is self-insured with respect to risks including workers' compensation with a \$500,000 cap per incident. In the fund financial statements, expenditures for claims and judgments are recorded on the basis of whether the liability has matured in the current period. Expenditures for workers' compensation are recorded when paid. Settlements relating to condemnation proceedings are reported when the liability is estimable. In the government-wide financial statements the estimated liability for all claims and judgments is recorded as a liability and as an expense.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

q. Revenues

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenues based on GASB No. 33. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred inflows of resources by the recipient.

For those voluntary non-exchange transactions arising from future subsidized principal payments, the City recognizes a receivable and revenue when all applicable eligibility requirements, including time requirements, are met, dependent on the applicable basis of accounting.

r. Expenditures/Expenses

Expenditures/expenses are recognized when the related fund liability is incurred. Indirect expenses such as retirement, pension and health insurance are allocated based on direct charges and the remainder is allocated based on a percentage of payroll costs by function.

s. Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

t. Pensions

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.

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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

1. Summary of significant accounting policies (continued)

E. Assets, liabilities, deferred outflows/inflows of resources and net position or equity (continued)

u. Use of estimates

The preparation of the 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 including disclosures of contingent assets and liabilities and reported revenues, expenses and expenditures during the fiscal year. Accordingly, actual results could differ from those estimates.

v. Reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

F. Implementation of New Accounting Principles

Effective for the fiscal year ended June 30, 2018, the City 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.

G. New Accounting Principles Not Yet Required to be Implemented

Effective for the fiscal year ending June 30, 2021, the City 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 City is currently evaluating the effects of GASB 87 on its financial statements. The following GASB standards will also be evaluated by the City: 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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

2. Stewardship, compliance and accountability

A. Budgets and budgetary accounting

The City establishes budgets for its General Fund and the following Special Revenue Funds: WED Unrestricted Fund in accordance with provisions of its Charter and the Rhode Island General Statutes.

The City follows these procedures in establishing the budgetary data reported in the financial statements:

- i. The Mayor shall file with the City Clerk at least fifty (50) days prior to the beginning of each fiscal year, a proposed operating budget, capital budget, and message containing an explanation of proposed financial policies and the important features of the budget plan. At that same time, the Mayor shall also file proposed appropriation ordinances providing for the support of the City for the ensuing fiscal year.
- ii. The City Clerk shall present the budgets and budget message to the City Council at its next regular or special meeting after the filing by the Mayor.
- iii. The Council shall hold a public hearing on the budgets no later than June 1 of each year, at which interested persons shall have an opportunity to be heard; legal notice shall be published at least ten (10) days in advance thereof.
- iv. The Council may insert new items or may increase or decrease the items of the budgets as presented by the Mayor, but if it shall increase the total proposed expenditures, it also shall provide for increasing the total anticipated revenues at least to equal the total proposed expenditures.
- v. Upon final passage of the appropriation ordinances, such changes as have been made in the ordinances as originally proposed shall be made in the budget document. A copy of the budget and appropriation ordinances shall be placed on file as a public record in the office of the City Clerk.

The legal level of control, the level at which expenditures may not exceed appropriations, is at the department level for the General Fund and the fund level for the WED Unrestricted Fund. The Finance Director may transfer amounts between line items within a department or agency in an amount not exceeding a total of five thousand dollars (\$5,000) within a fiscal year.

B. Basis of budgeting

The City uses a basis of budgeting under which purchase orders for contracts or other commitments are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued. Accordingly, encumbrances outstanding at year end are reported in the General Fund statement of revenues, expenditures and changes in fund balance budget and actual as encumbrances.

Encumbrances outstanding at year end are reported as assigned fund balance in the governmental funds' balance sheet in accordance with GAAP, since they do not constitute expenditures or liabilities. In addition, the liquidation of the prior year's encumbrances are reported as expenditures in the current year in the statement of revenues, expenditures and changes in fund balances - governmental funds as required by GAAP.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

2. Stewardship, compliance and accountability (continued)

C. Deficit fund balance

The following funds had a deficit fund balance at June 30, 2018:

<u>City special revenue funds</u>		<u>School special revenue funds</u>	
Rescue run public fund	\$ (73)	RISCA #2	(458)
Hazardous material grant fund	(9,261)	Career and Technical	(3,994)
CDBG	(60)	RI Commerce Corp P-Tech	(28,076)
Homeland security fire grant	(4,336)	State Sources	(630)
Cultural fund	(695)	Nellie Mae	(18,000)
Subtotal	<u>(14,425)</u>	Whole Kids Foundation	(574)
		Feinstein Foundation 7	(173)
		Feinstein Foundation 9	(2,780)
<u>City capital projects fund</u>		AFJROTC	(639)
Bond fund	<u>(354,137)</u>	Laure-Abel McName	(2)
Subtotal	<u>(354,137)</u>	Subtotal	<u>(55,326)</u>

Total fund deficits at June 30, 2018 were \$423,888.

3. Cash and cash equivalents

Cash and cash equivalents as of June 30, 2018 are classified in the accompanying financial statements as follow:

Cash and cash equivalents - Governmental Activities	\$ 29,490,901
Cash and cash equivalents - Business-Type Activities	39,234,984
Cash and cash equivalents - Pension Trust Fund	204,228
Cash and cash equivalents - Private Purpose Trust Funds	96,914
Cash and cash equivalents - Agency Funds	<u>1,093,656</u>
Total cash and cash equivalents	<u>\$ 69,819,541</u>

Deposits are in various financial institutions and are carried at cost. The carrying value is separately displayed on the Statement of Net Position as "Cash and cash equivalents." Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Rhode Island Public Law requires that 100% of public deposits in a qualified public depository with maturities greater than sixty (60) days are collateralized with either segregated assets, in the qualified depository institution's trust department or in the trust department of another qualified depository institution, or in the custodial accounts at a Federal reserve bank or Federal home loan bank. Any institution not meeting certain federally prescribed minimum capital standards must insure deposits or provide collateral regardless of maturities. At June 30, 2018, the City's deposits are not exposed to custodial credit risk since most of the deposits are held by financial institutions that meet federally required capital standards and most deposits have maturities less than sixty (60) days. At year end, the City's carrying value of deposits was \$69,819,541 and the bank balance was \$72,288,361. Of the bank balance, \$1,901,711 was covered by the Federal Deposit Insurance Corporation (FDIC), \$50,758,195 was covered by the Depository Insurance Fund, \$17,810,650 was backed by government securities, and \$1,817,706 was uninsured.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

3. Cash and cash equivalents (continued)

Financial instruments that potentially subject the City to significant concentrations of credit risk consist primarily of cash. From time to time, the City's cash account balances exceed the FDIC limit. The City reduces its credit risk by maintaining its cash deposits with major financial institutions and monitoring their credit ratings.

4. Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2018:

- U.S. Treasury securities of \$5,977,833 are valued using quoted market prices (Level 1 inputs)

The City Police and Fire Pension Plan (“the Plan”) hold significant amount of investments that are measured at fair value on a recurring basis. Because investing is a key part of the Plan’s activities, the Plan shows greater disaggregation in their disclosures. The Plan chooses to display a tabular format for disclosing the levels within the fair value hierarchy.

The Plan categorizes their fair market value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of June 30, 2018:

	<u>June 30, 2018:</u>	<u>Active Markets for Identical Assets (Level 1)*</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>Average Effective Maturity</u>	<u>Average Credit Quality Rating</u>
Investments by Fair Value Level:						
Equity Mutual Funds						
Domestic Equity Mutual Funds						
Blackrock GLB Allocation I	\$ 1,440,184	\$ 1,440,184	\$ -	\$ -	N/A	N/A
PIMCO All Asset Instl Fund #34	1,611,611	1,611,611	-	-	N/A	N/A
AB Large Cap Growth FD 1	1,968,940	1,968,940	-	-	N/A	N/A
ROBECO All Cap Value Instl	1,713,647	1,713,647	-	-	N/A	N/A
Westwood Income Opportunity - iShares	1,477,539	1,477,539	-	-	N/A	N/A
International Equity Mutual Funds						
Vanguard FTSE All-Wld Ex-US IDX Adm	1,733,687	1,733,687	-	-	N/A	N/A
Closed and Equity Mutual Funds						
iShares Intermediate Credit Bond ETF	1,096,880	1,096,880	-	-	4.7 years	A
Schwab US Broad Market ETF	3,914,094	3,914,094	-	-	N/A	N/A
Fixed Income Mutual Funds						
Closed -End Fixed Income						
Vanguard Total Bond Market ETF	<u>8,853,421</u>	<u>8,853,421</u>	<u>-</u>	<u>-</u>	<u>8.0 years</u>	<u>AA</u>
Total investments by fair value level	<u>\$ 23,810,003</u>	<u>\$ 23,810,003</u>	<u>\$ -</u>	<u>\$ -</u>		
Total investments measured at fair value	<u>\$ 23,810,003</u>	<u>\$ 23,810,003</u>	<u>\$ -</u>	<u>\$ -</u>		
Other investments held:						
US Treasury Bills	5,977,833					
Money Market Funds:						
Taxable Money Market Funds						
Dreyfus Prime Money Market Class B #463	<u>3,597,695</u>				<u>38 days</u>	<u>NR</u>
Total other investments held:	<u>9,575,528</u>					
Total investments held by the City						
Sponsored Police and Fire Pension Fund:	<u>\$ 33,385,531</u>					

*Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

4. Investments

Interest rate risk - The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - This is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The City has a formal investment policy that limits its investment choices due to credit risk.

Custodial credit risk - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City does not have a formal policy with respect to custodial credit risk. Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$100,000 of cash from sale or for purchase of investments, but not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money funds. The previously listed Plan investments are held by the counterparty's trust department or agent and are not in the City's name and, therefore, are subject to custodial credit risk.

5. Receivables

Receivable balances have been disaggregated by type and presented separately in the financial statements. Receivables for the City's financial statements, including the applicable allowances for uncollectible accounts, are presented below.

Governmental Activities:

	General Fund	School Unrestricted Fund	Non-Major Governmental Funds	Total
Property taxes	\$ 12,512,985	\$ -	\$ -	\$ 12,512,985
Loans	-	-	3,978,701	3,978,701
Other	1,715,401	114,482	1,089,368	2,919,251
Intergovernmental	<u>1,006,122</u>	<u>32,185</u>	<u>4,028,217</u>	<u>5,066,524</u>
Gross receivables	15,234,508	146,667	5,117,585	20,498,760
Less allowance for uncollectables	<u>5,149,865</u>	<u>-</u>	<u>-</u>	<u>5,149,865</u>
Net receivables	<u>\$ 10,084,643</u>	<u>\$ 146,667</u>	<u>\$ 5,117,585</u>	<u>\$ 15,348,895</u>

Business-Type Activities

	Water Fund	Wastewater Fund	Charge Fund	Lunch Fund	Total
Accounts	\$ 2,919,968	\$ 886,289	\$ 5,206,998	\$ -	\$ 9,013,255
Intergovernmental	<u>-</u>	<u>-</u>	<u>-</u>	<u>157,032</u>	<u>157,032</u>
Gross receivable	2,919,968	886,289	5,206,998	157,032	9,170,287
Less allowance for uncollectables	<u>700,000</u>	<u>119,182</u>	<u>647,368</u>	<u>-</u>	<u>1,466,550</u>
Net receivables	<u>\$ 2,219,968</u>	<u>\$ 767,107</u>	<u>\$ 4,559,630</u>	<u>\$ 157,032</u>	<u>\$ 7,703,737</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

6. Capital assets and Depreciation

Capital asset activity for *governmental activities* for the fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 5,862,586	\$ -	\$ -	\$ 5,862,586
Construction in progress	22,994	-	-	22,994
Total capital assets not being depreciated	<u>5,885,580</u>	<u>-</u>	<u>-</u>	<u>5,885,580</u>
Other capital assets:				
Buildings and improvements	217,156,304	973,065	-	218,129,369
Machinery, equipment and furniture	11,375,078	653,147	-	12,028,225
Motor vehicles	10,984,334	661,419	-	11,645,753
Infrastructure	<u>65,930,169</u>	<u>732,323</u>	<u>-</u>	<u>66,662,492</u>
Total other capital assets at historical cost	<u>305,445,885</u>	<u>3,019,954</u>	<u>-</u>	<u>308,465,839</u>
Total Assets	<u>311,331,465</u>	<u>3,019,954</u>	<u>-</u>	<u>314,351,419</u>
Less accumulated depreciation for:				
Buildings and improvements	86,741,821	3,396,635	-	90,138,456
Machinery, equipment and furniture	9,759,176	287,863	-	10,047,039
Motor vehicles	9,371,213	402,728	-	9,773,941
Infrastructure	<u>38,905,502</u>	<u>1,286,758</u>	<u>-</u>	<u>40,192,260</u>
Total accumulated depreciation	<u>144,777,712</u>	<u>5,373,984</u>	<u>-</u>	<u>150,151,696</u>
Governmental activities capital assets, net	<u>\$ 166,553,753</u>	<u>\$ (2,354,030)</u>	<u>\$ -</u>	<u>\$ 164,199,723</u>

Depreciation and amortization expense for governmental activity fixed assets were charged to the following functions:

Governmental activities:	
Legislative	\$ 111,599
Public safety	470,937
Public works	1,341,123
Parks & Recreation	514,846
Education	<u>2,935,479</u>
Total governmental activities depreciation expense	<u>\$ 5,373,984</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

6. Capital assets and Depreciation (continued)

Capital asset activity for *business-type* activities are as follows:

<u>WATER ENTERPRISE FUND</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets - not being depreciated:				
Land and improvements	\$ 454,566	\$ 135,289	\$ -	\$ 589,855
Construction in progress	7,308,983	10,841,555	-	18,150,538
Total capital assets - not being depreciated:	<u>7,763,549</u>	<u>10,976,844</u>	<u>-</u>	<u>18,740,393</u>
Capital assets - being depreciated:				
Machinery, equipment and furniture	6,030,812	12,220	-	6,043,032
Motor vehicles	688,009	80,165	-	768,174
Infrastructure	39,954,672	887,327	-	40,841,999
Total capital assets - being depreciated:	<u>46,673,493</u>	<u>979,712</u>	<u>-</u>	<u>47,653,205</u>
Total capital assets	<u>54,437,042</u>	<u>11,956,556</u>	<u>-</u>	<u>66,393,598</u>
Less accumulated depreciation for:				
Machinery, equipment and furniture	5,828,463	28,096	-	5,856,559
Motor vehicles	603,748	23,269	-	627,017
Infrastructure	16,561,424	874,243	-	17,435,667
Total accumulated depreciation	<u>22,993,635</u>	<u>925,608</u>	<u>-</u>	<u>23,919,243</u>
Business-type activities				
(water enterprise) capital assets, net	<u>\$ 31,443,407</u>	<u>\$ 11,030,948</u>	<u>\$ -</u>	<u>\$ 42,474,355</u>

Total depreciation expense for the Water Enterprise Fund is \$925,608.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

6. Capital assets and Depreciation (continued)

<u>WASTEWATER ENTERPRISE FUND</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets - not being depreciated:				
Land and improvements	\$ 570,321	\$ -	\$ -	\$ 570,321
Construction in progress	-	114,580	-	114,580
Total capital assets - not being depreciated:	<u>570,321</u>	<u>114,580</u>	<u>-</u>	<u>684,901</u>
Capital assets - being depreciated:				
Buildings and improvements	93,602,224	536,915	-	94,139,139
Machinery, equipment and furniture	-	-	-	-
Motor vehicles	47,291	-	-	47,291
Infrastructure	-	-	-	-
Total capital assets - being depreciated:	<u>93,649,515</u>	<u>536,915</u>	<u>-</u>	<u>94,186,430</u>
Total capital assets	<u>94,219,836</u>	<u>651,495</u>	<u>-</u>	<u>94,871,331</u>
Less accumulated depreciation for:				
Buildings and improvements	35,694,242	1,584,337	-	37,278,579
Machinery, equipment and furniture	-	-	-	-
Motor vehicles	37,403	1,079	-	38,482
Infrastructure	-	-	-	-
Total accumulated depreciation	<u>35,731,645</u>	<u>1,585,416</u>	<u>-</u>	<u>37,317,061</u>
Business-type activities (wastewater enterprise) capital assets, net	<u>\$ 58,488,191</u>	<u>\$ (933,921)</u>	<u>\$ -</u>	<u>\$ 57,554,270</u>

Total depreciation expense for the Wastewater Enterprise Fund is \$1,585,416.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

6. Capital assets and Depreciation (continued)

<u>USER CHARGES ENTERPRISE FUND</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets - not being depreciated:				
Construction in progress	\$ 269,109	\$ -	\$ (7,860)	\$ 261,249
Total capital assets - not being depreciated:	<u>269,109</u>	<u>-</u>	<u>(7,860)</u>	<u>261,249</u>
Capital assets - being depreciated:				
Machinery, equipment and furniture	2,163,104	-	-	2,163,104
Infrastructure	465,383	20,413	-	485,796
Total capital assets - being depreciated:	<u>2,628,487</u>	<u>20,413</u>	<u>-</u>	<u>2,648,900</u>
Total capital assets	<u>2,897,596</u>	<u>20,413</u>	<u>(7,860)</u>	<u>2,910,149</u>
Less accumulated depreciation for:				
Machinery, equipment and furniture	909,372	141,229	-	1,050,601
Infrastructure	57,002	43,663	-	100,665
Total accumulated depreciation	<u>966,374</u>	<u>184,892</u>	<u>-</u>	<u>1,151,266</u>
Business-type activities (user charges enterprise) capital assets, net	<u>\$ 1,931,222</u>	<u>\$ (164,479)</u>	<u>\$ (7,860)</u>	<u>\$ 1,758,883</u>

Total depreciation expense for the User Charge Enterprise Fund is \$184,892.

<u>SCHOOL PROPRIETARY ENTERPRISE FUND</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets - being depreciated:				
Machinery, equipment and furniture	\$ 340,420	\$ 14,895	\$ -	\$ 355,315
Motor vehicles	132,243	-	-	132,243
Total capital assets - being depreciated:	<u>472,663</u>	<u>14,895</u>	<u>-</u>	<u>487,558</u>
Total capital assets	<u>472,663</u>	<u>14,895</u>	<u>-</u>	<u>487,558</u>
Less accumulated depreciation for:				
Machinery, equipment and furniture	334,742	2,293	-	337,035
Motor vehicles	132,244	-	-	132,244
Total accumulated depreciation	<u>466,986</u>	<u>2,293</u>	<u>-</u>	<u>469,279</u>
Business-type activities (school proprietary enterprise) capital assets, net	<u>\$ 5,677</u>	<u>\$ 12,602</u>	<u>\$ -</u>	<u>\$ 18,279</u>

Total depreciation expense for the WED Proprietary Enterprise Fund (non-major) is \$2,293.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

7. Interfund activity

A. Interfund activity

A summary of interfund balances is as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Other Financing Sources</u>	<u>Other Financing Uses</u>
<u>Major Governmental Funds</u>				
General fund	\$ 9,218,990	\$ 10,276,990	\$ 804,082	\$ 16,166,330
School unrestricted fund	5,271,901	1,709,776	16,366,330	1,226,272
<u>Non-Major Governmental Funds</u>				
City special revenue	505,219	447,717	-	-
School special revenue	376,828	2,582,236	32,237	180,484
City capital projects	270,118	990,712	-	804,082
School capital projects	3,616,790	-	1,209,944	200,000
<u>Proprietary Funds</u>				
Water fund	11,228,238	12,325,707	-	-
Regional wastewater fund	5,229,230	1,338,143	-	-
User charge fund	3,660,867	10,402,084	-	-
School lunch fund	<u>695,184</u>	<u>-</u>	<u>164,575</u>	<u>-</u>
Totals	<u>\$ 40,073,365</u>	<u>\$ 40,073,365</u>	<u>\$ 18,577,168</u>	<u>\$ 18,577,168</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

8. Long-term obligations

A. Summary of changes

The following is a summary of changes in governmental activity long term obligations during the year:

Description	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance 7/1/2017	Additions	Deductions			Balance 6/30/2018	Current Portion
							Bond Principal Payments	Refundings	Other		
<u>Governmental Activities:</u>											
<u>General purpose bonds and notes:</u>											
Davison Ave landfill	5,000,000	5/26/2005	3/1/2035	5.0 - 6.0	2,505,000	-	-	-	-	2,505,000	-
Pension obligation	90,000,000	1/15/2003	6/30/2033	6.07 - 6.42	72,145,000	-	(2,720,000)	-	-	69,425,000	2,890,000
Promac settlement	2,450,000	3/6/2009	6/30/2019	4.25	439,744	-	(251,282)	-	-	188,462	188,462
Middle school	74,000,000	1/12/2009	6/30/2034	2.0 - 6.0	4,840,000	-	(2,375,000)	-	-	2,465,000	2,465,000
Middle school refunding	58,965,000	3/21/2017	6/30/2034	2.0 - 4.0	58,115,000	-	(135,000)	-	-	57,980,000	140,000
HUD loan school	2,050,000	7/21/2010	8/21/2019	1.9	550,000	-	(250,000)	-	-	300,000	250,000
Refunding bonds	6,540,000	3/11/2015	11/15/2020	1.83	4,425,000	-	(1,085,000)	-	-	3,340,000	1,095,000
GO refunding bonds	6,130,000	2/22/2016	8/1/2024	2.25	4,975,000	-	(1,215,000)	-	-	3,760,000	1,245,000
Total bonds and notes:					147,994,744	-	(8,031,282)	-	-	139,963,462	8,273,462
Premium					4,756,890	-			(275,813)	4,481,076	275,813
Total bonds, notes and related liabilities					152,751,634	-	(8,031,282)	-	(275,813)	144,444,538	8,549,275
<u>Lease purchase obligations:</u>											
Police Vehicles	250,895	10/25/2016	12/15/2018	2.00	162,218	-	-	-	(80,280)	81,938	81,938
Street Sweeper	263,981	2/15/2017	2/15/2022	4.09	-	220,195	-	-	(46,935)	173,260	46,935
Total lease purchase obligations:					162,218	220,195	-	-	(127,215)	255,198	128,873
Compensated absences - City					8,075,094	23,929			(21,105)	8,077,918	349,949
Compensated absences - School					1,909,589	91,792			(22,846)	1,978,535	20,758
Claims and judgments					-	-	-	-	-	-	-
Landfill - post-closure obligation					531,900	-			-	531,900	15,000
Net OPEB obligation - City					121,272,717	-			(2,652,686)	118,620,031	-
Net OPEB liability - School					26,780,387	-			(299,156)	26,481,231	-
Net pension liability (NPL)					157,340,008	2,032,069			-	159,372,077	-
TOTAL LONG-TERM OBLIGATIONS*:					\$ 468,823,547	\$ 2,367,985	\$ (8,031,282)	\$ -	\$ (3,398,821)	\$ 459,761,428	\$ 9,063,855

* - long-term obligations are generally liquidated by the General Fund.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

8. Long-term obligations (continued)

A. Summary of changes (continued)

The following is a summary of changes in business-type activity long term obligations during the year, which are funded by enterprise fund operations:

<u>Business-Type Activities</u>	Original Amount	Date of Issue	Date of Maturity	Interest Rate	Balance 7/1/2017	Additions	Deductions			Balance 6/30/2018	Current Portion
							Principal Payments	Refundings	Other		
<u>Water Enterprise Fund:</u>											
RI Clean Water Bonds	\$10,165,000	5/13/2003	9/1/2024	3.49	\$ 4,935,000	\$ -	\$ (535,000)	-		\$ 4,400,000	\$ 555,000
RI Clean Water Bonds	4,000,000	3/23/2005	9/1/2025	2.70	2,117,000	-	(204,000)	-		1,913,000	211,000
RI Clean Water Bonds	12,500,000	6/19/2018	9/1/2037	1.00 - 2.83	-	12,500,000	-	-		12,500,000	1,000
RI Clean Water Bonds	4,400,000	6/6/2013	9/1/2033	2.10	3,853,000	-	(186,000)	-		3,667,000	189,000
Total water enterprise bonds and notes:					10,905,000	12,500,000	(925,000)	-	-	22,480,000	956,000
Compensated absences - Water					367,906	17,686			(35,372)	350,220	-
Net OPEB liability - Water					3,998,409				(87,460)	3,910,949	-
Net pension liability (NPL)					2,225,920				(142,334)	2,083,586	-
TOTAL WATER ENTERPRISE LONG-TERM OBLIGATIONS:					\$ 17,497,235	\$ 12,517,686	\$ (925,000)	\$ -	\$ (265,166)	\$ 28,824,755	\$ 956,000
<u>Regional Wastewater Enterprise Fund:</u>											
RI Clean Water Bonds	\$10,000,000	6/6/2013	9/1/2034	2.12	\$ 9,182,000	\$ -	\$ (415,000)	-		\$ 8,767,000	\$ 420,000
RI Clean Water Bonds	20,000,000	3/6/2014	9/1/2034	2.12	18,384,000	-	(818,000)	-		17,566,000	828,000
RI Clean Water Bonds - 2015A	14,000,000	7/30/2015	9/1/2034	1.03 - 4.34	13,998,000	-	(639,000)	-		13,359,000	647,000
Total regional wastewater enterprise bonds and notes:					41,564,000	-	(1,872,000)	-	-	39,692,000	1,895,000
Lease purchase obligations:											
Wastewater lease	21,151,452	7/29/2003	7/29/2019	4.90	4,472,335	-	(1,724,265)	-		2,748,070	1,809,788
Compensated absences - Wastewater					28,498	7,828			(3,914)	32,412	-
Net OPEB liability - Wastewater					367,548				(8,040)	359,508	-
Net pension liability (NPL)					331,989	59,276			-	391,265	
TOTAL REGIONAL WASTEWATER ENTERPRISE LONG-TERM OBLIGATIONS:					\$ 46,764,370	\$ 67,104	\$ (3,596,265)	\$ -	\$ (11,954)	\$ 43,223,255	\$ 3,704,788
<u>User Charges Enterprise Fund:</u>											
RI Clean Water Bonds	1,100,000	12/12/2007	9/1/2027	1.54	605,000	-	(55,000)	-		550,000	55,000
Net OPEB liability - User					187,608	-			(4,104)	183,504	-
Net pension liability (NPL)					-	12,478				12,478	-
TOTAL USER CHARGES ENTERPRISE LONG-TERM OBLIGATIONS:					\$ 792,608	\$ 12,478	\$ (55,000)	\$ -	\$ (4,104)	\$ 745,982	\$ 55,000
TOTAL ENTERPRISE FUNDS - LONG-TERM OBLIGATIONS:					\$ 65,054,213	\$ 12,597,268	\$ (4,576,265)	\$ -	\$ (281,224)	\$ 72,793,992	\$ 4,715,788

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

8. Long-term obligations (continued)

A. Summary of changes (continued)

The City's future debt service requirements for bonds and note maturities for Governmental Activities and Business-Type Activities are as follows:

Fiscal Year Ending June 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest & Fees	Total Debt Service	Principal	Interest & Fees	Total Debt Service
2019	8,273,462	7,218,638	15,492,100	2,906,000	1,692,153	4,598,153
2020	8,320,000	6,848,883	15,168,883	2,971,000	1,743,792	4,714,792
2021	7,665,000	6,504,891	14,169,891	3,037,000	1,673,752	4,710,752
2022	6,645,000	6,138,561	12,783,561	3,113,000	1,596,079	4,709,079
2023	7,020,000	5,764,971	12,784,971	3,827,000	1,504,066	5,331,066
2024	7,410,000	5,366,662	12,776,662	3,940,000	1,406,937	5,346,937
2025	7,835,000	4,942,532	12,777,532	4,054,000	1,281,279	5,335,279
2026	8,290,000	4,496,033	12,786,033	3,438,000	1,172,776	4,610,776
2027	8,770,000	4,014,878	12,784,878	3,255,000	1,076,846	4,331,846
2028	9,275,000	3,505,511	12,780,511	3,353,000	979,688	4,332,688
2029	9,820,000	2,966,173	12,786,173	3,401,000	876,880	4,277,880
2030	10,385,000	2,394,856	12,779,856	3,511,000	768,550	4,279,550
2031	10,925,000	1,856,120	12,781,120	3,627,000	645,048	4,272,048
2032	11,500,000	1,275,756	12,775,756	3,746,000	526,066	4,272,066
2033	12,115,000	662,884	12,777,884	3,874,000	411,172	4,285,172
2034	5,405,000	234,650	5,639,650	4,005,000	282,649	4,287,649
2035	310,000	15,500	325,500	3,841,000	155,102	3,996,102
2036	-	-	-	914,000	77,373	991,373
2037	-	-	-	943,000	47,102	990,102
2038	-	-	-	966,000	15,844	981,844
	<u>\$ 139,963,462</u>	<u>\$ 64,207,499</u>	<u>\$ 204,170,961</u>	<u>\$ 62,722,000</u>	<u>\$ 17,933,154</u>	<u>\$ 80,655,154</u>

B. Capital Lease

At June 30, 2018, the City is committed under capital leases for Governmental Activities and Business-Type Activities. Under Governmental Activities, the leases are for public safety vehicles and various pieces of equipment. Under Business-Type Activities, the lease is for the Woonsocket Regional Wastewater Treatment Facility. These lease agreements qualify as capital leases for accounting purposes (title transfers at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

8. Long-term obligations (continued)

B. Capital Lease (continued)

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments as of June 30, 2018:

Year Ending June 30,	Governmental Activities	Business-Type Activities
2019	\$ 130,566	\$ 1,922,542
2020	46,935	960,911
2021	46,935	-
2022	46,936	-
2023	-	-
Total:	\$ 271,372	\$ 2,883,453
Less: Amount representing interest:	(16,174)	(135,742)
PV of minimum lease payments:	<u>\$ 255,198</u>	<u>\$ 2,747,711</u>

C. Landfill post closure care obligation

State and federal laws and regulations require that the City place a final cover on its landfill site and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. The City's Davison Avenue Landfill was closed and the City's closure plan was accepted by the Rhode Island Department of Environmental Management in November 2011. In accordance with Federal and State regulations, part of the closure plan requires the City to perform post closure monitoring procedures for a period of thirty (30) years after final closure is completed. In accordance with GASB Statement No. 18, *Landfill Closure and Postclosure Care Costs*, the City has recognized a liability equal to the estimated cost of post closure care of the landfill. The estimated liability for landfill post closure care costs is \$531,900 as of June 30, 2018. The estimated total current cost of the landfill post closure care (\$531,900) is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of June 30, 2018. However, the actual cost of postclosure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

8. Long-term obligations (continued)

D. Statutory debt limitations

State Statutes limit the amount of general obligation debt a governmental entity may have outstanding to 3% of its assessed value of property values. The City of Woonsocket's limit is \$52,669,089 at June 30, 2018. The City's outstanding general obligation debt is \$207,166,537 at year end, of which \$12,558,462 is subject to legal debt limits. The debt limit calculation does not include \$69,425,000 of pension obligation bonds, \$57,980,000 of Middle School bonds and \$62,722,000 of Rhode Island Clean water bonds as they are exempt from the legal debt limit calculation under Rhode Island Public Law.

E. Current year advanced refunding and amortization

In February 2016, the City issued \$6,130,000 of general obligation refunding bonds with an interest rate of 2.28%. These refunding bonds were issued to advance the defeasance of bonds issued in 1998, 2000 and 2005. The refunding resulted in an economic gain of \$345,040 and a total savings of \$444,336.

Differences between the reacquisition price and the net carrying value of the old debt pertaining to the current and prior year advance refunding is deferred and amortized to interest expense over six (6) years. Deferred outflows of resources of \$146,999 will be recognized in subsequent interest expense as follows:

Loss on Refunding	
6/30/2019	57,667
6/30/2020	57,667
6/30/2021	<u>31,665</u>
Total	<u>\$ 146,999</u>

In March 2017, the City issued \$58,965,000 of general obligation refunding bonds with an interest rate ranging from 2.0% to 4.0%. These refunding bonds were issued to advance the defeasance of bonds issued in 2009. The refunding resulted in an economic loss on refunding of \$2,100,000.

Differences between the reacquisition price and the net carrying value of the old debt pertaining to the current and prior year advance refunding is deferred and amortized to interest expense over seventeen (17) years. Deferred inflows of resources of \$1,866,667 will be recognized in subsequent interest expense as follows:

6/30/2019	116,667
6/30/2020	116,667
6/30/2021	116,667
6/30/2022	116,667
2023-2027	583,333
2028-2032	583,333
2033-2034	<u>233,333</u>
Total	<u>\$ 1,866,667</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

9. Fund balance classifications

As of June 30, 2018, fund balances are composed of the following:

	Major Funds		Non-Major Funds				Total	
	General Fund	School Unrestricted	City Special Revenue	School Special Revenue	City Capital Projects	School Capital Projects		Permanent Funds
Fund Balances								
Nonspendable								
In Form	\$ 307,659	\$ 813,435	\$ -	\$ -	\$ -	\$ -	\$ 185,929	\$ 1,307,023
Restricted for								
General government	-	-	587,921	-	-	-	-	587,921
Public safety programs	-	-	417,079	-	-	-	-	417,079
Educational purposes	-	5,478,108	-	383,748	-	-	-	5,861,856
Public works	-	-	18,171	-	-	-	-	18,171
Economic development	-	-	441,455	-	-	-	-	441,455
Human services	-	-	658,808	-	-	-	-	658,808
Capital projects	-	-	-	-	784,794	3,492,429	-	4,277,223
Various trusts	-	-	-	-	-	-	52,021	52,021
Committed to								
General government	417,934	-	578,653	-	-	-	-	996,587
Budget reserve	2,762,989	-	-	-	-	-	-	2,762,989
Public works	266,386	-	162,350	-	-	-	-	428,736
Public safety	-	-	26,604	-	-	-	-	26,604
Human services	-	-	13,376	-	-	-	-	13,376
Unassigned	<u>7,288,735</u>	<u>-</u>	<u>(14,425)</u>	<u>(55,326)</u>	<u>(354,137)</u>	<u>-</u>	<u>-</u>	<u>6,864,847</u>
	<u>\$ 11,043,703</u>	<u>\$ 6,291,543</u>	<u>\$ 2,889,992</u>	<u>\$ 328,422</u>	<u>\$ 430,657</u>	<u>\$ 3,492,429</u>	<u>\$ 237,950</u>	<u>\$ 24,714,696</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

10. Other information

A. Risk management

The City is exposed to various risks of loss related to public official liability, police professional liability, theft or impairment of assets, errors and omissions, injury to employees, natural disasters, and owners' and contractors' protective liability.

The City and Education Department (WED) are self-insured for medical and dental insurance claims for all eligible full-time employees. The activity is accounted for in the General Fund for the City's activity and the WED Unrestricted Fund for the WED's activity.

Health insurance premiums are based upon estimates by number of employees and type of coverage (single or family), trends in the insurance claims and estimates for administration. The claims liability reported in the fund is based upon the requirements of GASB Statements No. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The amount of claim accrual is based on the ultimate costs of settling the claim, which include past experience data, inflation and other future economic and societal factors and incremental claim adjustment expenses, net of estimated subrogation recoveries. The claim accrual does not include other allocated or unallocated claims adjustment expenses.

	Claims Payable July 1	Current Year Claims and Changes in Estimate	Claims Paid	Claims Payable June 30
2018	\$ 712,900	\$ 11,318,979	\$11,575,768	\$456,111
2017	903,382	10,989,300	11,179,782	712,900
2016	694,290	16,569,040	16,359,948	903,382

The City purchases commercial insurance for all other risks of loss, including blanket and umbrella policies. Settled claims have not exceeded commercial coverage in any of the past three years and there has not been any significant reduction in insurance coverage.

B. Commitments and litigation

Amounts received or receivable from Federal and State grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

On February 4, 2016, the Rhode Island Superior Court ruled against the City in *Hebert vs. The City of Woonsocket* and determined that the City and its Budget Commission had improperly either modified or cancelled police retirees' health benefits, and ordered that any such health benefit reductions be restored. The City has appealed the Superior Court's decision to the Rhode Island Supreme Court on March 14, 2016, and as of December 20, 2018 the appeal remains pending. Though the City is confident that it will prevail in this matter, there is a reasonable possibility that the Superior Court's judgment will be sustained. Accordingly, a liability of \$757,463 has been recorded in the financial statements as of June 30, 2018.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans

Summary

The City of Woonsocket qualified employees are included in one of three retirement plans in which the City participates. These are the Municipal Employees' Retirement System of Rhode Island (MERS), the Employees' Retirement System of Rhode Island (Teachers' Plan), and the Police and Fire Employee Pension Plan (the "Plan").

Municipal Employees' Retirement System of Rhode Island (MERS) Plan description

A. 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

B. Benefits provided

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

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

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

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

11. Employee retirement systems and pension plans (continued)

B. Benefits provided (continued)

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.

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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

B. Benefits provided (continued)

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.

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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

B. Benefits provided (continued)

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.

C. Employees covered by benefit terms

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

	General Employees	Police	Fire	Total
Retirees and beneficiaries	345	75	37	457
Inactive, non-retired members	175	19	5	199
Active members	360	91	106	557
Total	<u>880</u>	<u>185</u>	<u>148</u>	<u>1,213</u>

D. 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 2% 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 City of Woonsocket 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 City of Woonsocket contributed \$1,566,369, \$1,159,034 and \$762,378, respectively, for the general, police and fire portion of MERS in the year ended June 30, 2018 which was 11.62%, 26.47%, and 10.65%, respectively, of annual covered payroll.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

E. Actuarial assumptions

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.

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.

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

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

E. Actuarial assumptions (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 23 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.

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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

F. Changes in the net pension liability (asset)

	General Employees			Police			Fire		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2016	\$ 66,845,001	\$ 57,096,741	\$ 9,748,260	\$ 51,891,391	\$ 33,998,166	\$ 17,893,225	\$ 47,038,868	\$ 42,256,175	\$ 4,782,693
Changes for the Year:									
Service cost	1,132,512	-	1,132,512	1,068,474	-	1,068,474	1,303,888	-	1,303,888
Interest on the total pension liability	4,876,991	-	4,876,991	3,831,217	-	3,831,217	3,521,123	-	3,521,123
Changes in benefits	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	540,754	-	540,754	473,953	-	473,953	638,959	-	638,959
Changes in assumptions	3,947,539	-	3,947,539	2,856,332	-	2,856,332	2,434,276	-	2,434,276
Employer contributions	-	1,513,400	(1,513,400)	-	1,666,401	(1,666,401)	-	784,627	(784,627)
Employee contributions	-	353,190	(353,190)	-	576,684	(576,684)	-	685,843	(685,843)
Net investment income	-	6,446,631	(6,446,631)	-	3,971,309	(3,971,309)	-	5,011,678	(5,011,678)
Benefit payments, including employee refunds	(4,769,427)	(4,769,427)	-	(2,685,468)	(2,685,468)	-	(1,485,015)	(1,485,015)	-
Administrative expense	-	(60,905)	60,905	-	(37,519)	37,519	-	(47,348)	47,348
Other changes	-	125,084	(125,084)	-	(93,734)	93,734	-	(13,487)	13,487
Net changes	5,728,369	3,607,973	2,120,396	5,544,508	3,397,673	2,146,835	6,413,231	4,936,298	1,476,933
Balances as of June 30, 2017	\$ 72,573,370	\$ 60,704,714	\$ 11,868,656	\$ 57,435,899	\$ 37,395,839	\$ 20,040,060	\$ 53,452,099	\$ 47,192,473	\$ 6,259,626

G. 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.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (7.00%)
City's proportionate share of the net pension liability - general employees	\$ 20,388,646	\$ 11,868,656	\$ 5,523,016
City's proportionate share of the net pension liability - police	26,655,186	20,040,060	15,114,367
City's proportionate share of the net pension liability - fire	12,297,667	6,259,626	1,764,742
Total	\$ 59,341,499	\$ 38,168,342	\$ 22,402,125

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

H. Pension plan fiduciary net position

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

I. Pension expense, deferred outflows and deferred inflows of resources related to pensions

For the year ended June 30, 2018 the City recognized pension expense as follows:

General employees	\$	2,285,952
Police		3,125,959
Fire		2,117,397
Total	\$	<u>7,529,308</u>

For the year ended June 30, 2018 the City reported deferred outflows and inflows of resources related to pensions from the following sources:

General employees (City)

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 524,943	\$ 662,017
Changes of assumptions	3,042,830	-
Net difference between projected and actual earnings on pension plan investments	1,251,143	-
City contributions subsequent to measurement date	1,566,369	-
	<u>\$ 6,385,285</u>	<u>\$ 662,017</u>
Net amount of deferred outflows and (inflows) excluding City contributions subsequent to measurement date		<u>\$ 4,156,899</u>

The \$1,566,369 amount reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019.

Other amounts reported as deferred outflows (inflows) of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30	
2019	\$ 1,032,197
2020	1,782,389
2021	1,463,629
2022	(121,316)
2023	-
Thereafter	-
	<u>\$ 4,156,899</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

I. Pension expense, deferred outflows and deferred inflows of resources related to pensions (continued)

Police

The \$1,595,034 amount reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019.

<u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 568,610	\$ 877,243
Changes of assumptions	2,441,481	93,100
Net difference between projected and actual earnings on pension plan investments	637,245	-
City contributions subsequent to measurement date	<u>1,595,034</u>	<u>-</u>
	<u>\$ 5,242,370</u>	<u>\$ 970,343</u>
Net amount of deferred outflows and (inflows) excluding City contributions subsequent to measurement date		<u>\$ 2,676,993</u>

Other amounts reported as deferred outflows (inflows) of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	
2019	\$ 419,778
2020	884,005
2021	557,877
2022	48,822
2023	338,348
Thereafter	<u>428,163</u>
	<u>\$ 2,676,993</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

I. Pension expense, deferred outflows and deferred inflows of resources related to pensions (continued)

Fire

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 555,512	\$ 1,482,651
Changes of assumptions	2,116,365	-
Net difference between projected and actual earnings on pension plan investments	705,910	-
City contributions subsequent to measurement date	762,378	-
	\$ 4,140,165	\$ 1,482,651
Net amount of deferred outflows and (inflows) excluding City contributions subsequent to measurement date		\$ 1,895,136

The \$762,378 amount reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019.

Other amounts reported as deferred outflows (inflows) of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30	
2019	\$ 253,264
2020	810,568
2021	393,317
2022	(241,667)
2023	140,439
Thereafter	539,215
	\$ 1,895,136

11. Employee retirement systems and pension plans (continued)

A. Plan description

Certain employees of the Woonsocket Education Department (“WED”) 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>.

B. Benefit provisions

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

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

Cost of living adjustments are provided but are currently suspended until the collective plans administered by ERSRI reach a funded status of 80%. Until the plans reach an 80% funded status, interim cost of living adjustments 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.

C. 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 2015, WED 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 WED 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 WED; the rates were 9.89% and 13.24% of annual covered payroll for the fiscal year ended June 30, 2018 for the state and WED, respectively. The WED contributed \$4,397,024, \$4,349,784 and \$4,660,626 for the fiscal years ended June 30, 2018, 2017 and 2016, respectively, equal to 100% of the required contributions for each year.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

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

At June 30, 2018, the WED reported a liability of \$63,437,371 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the WED 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 WED were as follows:

City's proportionate share of the net pension liability	\$ 63,437,371
State's proportionate share of the net pension liability	<u>47,943,411</u>
Total	<u>\$ 111,380,782</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 WED's proportion of the net pension liability was based on a projection of the WED's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2017 the WED's proportion was 2.01% (rounded to nearest hundredth)

For the year ended June 30, 2018 the WED recognized gross pension expense of \$9,423,234 and revenue of \$4,374,089 for support provided by the State. At June 30, 2018 the WED reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description of Outflows/Inflows</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,503,950
Changes of assumptions	5,540,340	999,674
Net difference between projected and actual earnings on pension plan investments	1,602,470	-
Changes in proportion and differences between System contributions and proportionate share of contributions	576,990	4,116,868
System contributions subsequent to the measurement date	<u>4,397,024</u>	<u>-</u>
	<u>\$ 12,116,824</u>	<u>\$ 6,620,492</u>
Net amount of deferred outflows and (inflows) excluding City contributions subsequent to measurement date		<u>\$ 1,099,308</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

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

A total of \$4,397,024 was reported as deferred outflows of resources related to pensions resulting from the WED Department contributions in fiscal year 2018 subsequent to the measurement date. This 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:

<u>Year Ending June 30</u>	
2019	\$ 52,842
2020	1,108,993
2021	327,345
2022	(787,708)
2023	105,114
Thereafter	<u>292,722</u>
	<u>\$ 1,099,308</u>

E. 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	3.50% to 13.5%
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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

E. Actuarial Assumptions (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.

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.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

E. Actuarial Assumptions (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School's proportionate share of the net pension liability	\$ 79,725,618	\$ 63,437,371	\$ 51,305,218

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 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 WED recognized pension expense of \$254,475, for the fiscal year ended June 30, 2018.

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>.

City police and fire employee pension plan

A. Plan description

1. Plan administration

The City Police and Fire Employee Pension Plan (the Plan) is a single employer defined benefit pension plan. Woonsocket Police Employees hired before July 1, 1980 and Fire Employees hired before July 1, 1985 participate in the Plan. The Plan was established in accordance with the Woonsocket City Charter and are considered part of the City's financial reporting entity. The Police and Firemen's Combined Retirement Fund of the City of Woonsocket acts as a common investment fund and administrative agent for the defined benefit plan. The Plan is administered by the Woonsocket Pension Financial Advisory Board. Plan amendments are subject to approval by City Council. The Plan is included as a pension trust fund (Fiduciary Fund) in the annual financial report.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

A. Plan description (continued)

The Plan's pooled investments may be used to pay benefits to members or beneficiaries of either plan. The plan does not issue separate, stand-alone financial reports.

2. Participant Membership

*Inactive plan participants as of July 1, 2018:

Retirees and beneficiaries currently receiving benefits	168
Disabled employees currently receiving benefits	<u>49</u>
Total	<u><u>217</u></u>

*The plan has no active members and is closed to new participants

B. Plan provisions

Police plan:

All members of the permanent police department who were hired prior to July 1, 1980 were eligible to join the plan. The Plan provides retirement, death, and disability benefits. Participants in the Plan are eligible to retire at the later of attainment of age 65 or the completion of 20 years of service. Normal retirement benefits are equal to 60% of current annual salary plus 2% of salary for each year worked in excess of 20 years up to a maximum benefit of 70% of annual salary. Retirement benefits are payable in the form of a 66.7% joint and survivor annuity, if the participant is married at the retirement date, or a life annuity, if the participant is single at the retirement date. During the fiscal year, a cost of living provision was added to the plan.

Firemen's plan:

All members of the permanent fire department who were hired prior to July 1, 1985 were eligible to join the Plan. The Plan provides retirement, death, and disability benefits. Participants in the Plan are eligible to retire at the later of attainment of age 65 or the completion of 20 years of service. Normal retirement benefits are equal to 50% of current annual salary plus 2.5% of salary for each year worked in excess of 20 years up to a maximum benefit of 75% of annual salary. Retirement benefits are payable in the form of a 66.7% joint and survivor annuity, if the participant is married at the retirement date, or a life annuity, if the participant is single at the retirement date. During the fiscal year, a cost-of-living provision was added to the plan.

C. Contributions required

The City establishes contributions based on an actuarially determined contribution calculated by an independent actuary. The actuarially determined contribution is based on a 22-year contribution schedule targeted to fully fund the plan in that timeframe. The actuarially determined contribution is calculated in accordance with the Funding Improvement Plan developed by the Pension Study Commission.

Police plan:

Participants were required to contribute 7% of their annual salary.

Firemen's plan:

Participants were required to contribute 8% of their annual salary.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

D. Investments

Investment policy. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Police and Fire Pension Board by a majority vote of its members. It is the policy of the Police and Fire Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Pension Board periodically reviews the asset allocation and strategic objectives in light of market conditions, benefit payments, expenses, and expected contributions from the City of Woonsocket. The Pension Board adopted an asset allocation policy, which is a blend of Higher Risk, Lower Risk, and Liquidity assets. These blends translate into the following allocations:

<u>Asset Class</u>	<u>Long-Term Target Allocation</u>	<u>Short-Term Target Allocation</u>
Domestic equity	54.5%	27.2%
International equity	16.0%	9.2%
Fixed income	27.5%	33.3%
Cash	<u>2.2%</u>	<u>30.3%</u>
 Total	 <u>100%</u>	 <u>100%</u>

Concentrations. There were no investments in any one organization that represented 5% or more of the pension plans' net position.

Rate of return. For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.53%. The money-weighted rate of return expresses investment performance, adjusted for the changing amounts actually invested.

E. Net pension liability

The City's net pension liability at June 30, 2018 is \$60,253,693. The components of the net pension liability were as follows:

<u>Asset Class</u>	<u>Long-Term Nominal Expected Rate of Return</u>
Domestic equity	9.1%
International equity	5.6%
Fixed income	4.1%
Cash	2.2%

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

F. Actuarial assumptions

Cost method	Entry age normal
Measurement date	June 30, 2018
Valuation date	July 1, 2018
Amortization method	Closed, 16 years remaining as of July 1, 2018, based on the Funding Improvement Plan.
Asset valuation method	Fair Value of Assets adjusted to phase in asset gains and losses over a five-year period at a rate of 20% per year. Valuation assets are further limited to a 20% corridor around market value.
Mortality	RP2000 Mortality Table, projected to 2010 using Scale AA and then fully generational using Scale AA in future years. The mortality table is further modified to assume 115% of the male rates and 95% of the female rates.
Discount rate	6.20% per annum
Inflation	2.0% per annum
Salary projection	N/A - no active participants, all participants are retired.
Cost-of-living increase	Alternating 0% and 2% until fiscal year 2023, at which point the COLA is 2% each year until the plan becomes at least 80% funded, at which point the COLA is 3%.

Long term rate of return:

Best estimates of geometric nominal rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Nominal Expected Rate of Return</u>
Domestic equity	9.1%
International equity	5.6%
Fixed income	4.1%
Cash	2.2%

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

I. Discount rate

The discount rate used to measure the total pension liability was 6.20%. The projection of cash flows used to determine the discount rate assumed that plan contributions are determined in accordance with the Funding Improvement Plan. Furthermore, it is assumed that the City will deposit 50% of the required contribution for year 1, 70% of the required contribution for year 2, 90% of the required contribution for year 3, and 100% thereafter. This 20% per year increase is allowable and required under the Funding Improvement Plan for plans not making the annual required contribution. The initial percentage of 50% was determined based on historical contribution rates.

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 through the fiscal year ending June 30, 2031 (or 15 years out). At that point in time, the plan's expected fiduciary net position will be insufficient to satisfy benefit payments. Therefore, the long-term expected rate of return on pension plan investments (7.50%) was applied to years 1 through 15 (FYE 2017 - FYE 2031) of projected benefit payments and a bond rate of 2.71% was applied to projected benefit payments after the FYE June 30, 2035 to determine the total pension liability.

The bond rate of 2.89% is from the Bond Index Yield on June 30, 2018. It reflects 20-year, tax-exempt general obligation municipal bonds with an average rating of AA.

J. Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at the beginning of the period	\$ 98,473,116	\$ 36,318,178	\$ 62,154,938
Changes for the year:			
Service cost	-	-	-
Interest	5,565,214	-	5,565,214
Difference between expected and actual experience	582,211	-	582,211
Changes in assumptions	(2,686,710)	-	(2,686,710)
Contributions - employer	-	3,881,000	(3,881,000)
Contributions - employee	-	-	-
Net investment income	-	1,522,081	(1,522,081)
Benefit payments, including refunds of employee contributions	(8,090,379)	(8,090,379)	-
Administrative expense	-	(41,121)	41,121
Net changes	<u>(4,629,664)</u>	<u>(2,728,419)</u>	<u>(1,901,245)</u>
Balances at the end of the period	<u>\$ 93,843,452</u>	<u>\$ 33,589,759</u>	<u>\$ 60,253,693</u>

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

11. Employee retirement systems and pension plans (continued)

J. Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability, calculated using the discount rate of 6.20% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.20%) or 1-percentage point higher (7.20%) than the current rate:

	1% Decrease (5.20%)	Current Discount Rate (6.20%)	1% Increase (7.20%)
Net Pension Liability (City Police & Fire)	\$ 69,441,456	\$ 60,253,693	\$ 52,443,907

K. Pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

For the year ended June 30, 2018, City recognized gross pension expense of \$2,330,325. At June 30, 2018, the City 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
Net difference between projected and actual earnings on pension plan investments	\$ 2,729,210	\$ -
	<u>\$ 2,729,210</u>	<u>\$ -</u>

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

Year Ended June 30:	
2019	\$ 1,395,841
2020	833,804
2021	290,511
2022	209,054
2023	-
Thereafter	-
	<u>\$ 2,729,210</u>

12. Status of finance related provision

In 2003, the City of Woonsocket issued pension obligation bonds in the amount of \$90 million to finance the unfunded pension obligations of the City administered Police and Firemen's Pension Plans. The pension obligation bonds were issued pursuant to an Act passed in the General Assembly by the State of Rhode Island in January 2002. One of the provisions of the legislation requires that the City fund any unfunded pension obligations over a period of not more than five (5) years. The net pension obligation information presented in the audited financial statements reflects the estimated obligation using a thirty (30) year amortization period for the unfunded accrued liability. The amortization period used in the calculation is acceptable and in accordance with governmental accounting standards; however, it is not in accordance with the provision contained in the original legislation. The City has received a waiver from the General Assembly of the State of Rhode Island related to that provision. The annual required contribution for the fiscal year 2017 was \$3,633,000 using a 30-year amortization period versus \$8,870,727 using a 5-year amortization period.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

13. Defined Contribution Plan Description:

Certain employees participating in the defined benefit plan, as described above, may 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 1 to 1.5% of their annual covered salary and employers contribute 5% of annual covered salary. 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 City of Woonsocket recognized pension expense of \$179,144 for the fiscal year ended June 30, 2018.

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>.

14. Other post-employment benefit plan

A. Plan description

The City provides post-retirement healthcare benefits (health and dental insurance) in accordance with various union contracts. The plan does not issue stand-alone financial reports.

B. Benefit provisions and contributions

Benefit provisions

The Woonsocket Education Department offers health insurance for all bargaining unit members who retire with at least 28 years of credited service until the retiree attains the age of 65. Thereafter, if the retiree has 35 years of service, 25 in Woonsocket, the retiree is eligible for Plan 65 with a 15% employee contribution. The Woonsocket Education Department allows continuation of benefits to retirees with less than 28 years of service subject to the group rates. The plan does not issue stand-alone financial reports.

The City and the Woonsocket Education Department manage the benefits on a pay- as-you-go basis. Neither plan has established a Trust Fund for the purpose of holding assets for the payment of benefits to the members of the plans.

Employer contributions

The City's contributions are actuarially determined on an annual basis using the projected unit credit method.

Employee contributions

There are no employee contributions to the plan.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

14. Other post-employment benefit plan (continued)

C. Participant information

The number of participants as of July 1, 2018 (most recent actuarial valuation) is as follows:

	City Plan		
		Inactive or Beneficiaries	
	Active	Receiving	
	Employees	Benefits	Total
<u>Description</u>	<u>Employees</u>	<u>Benefits</u>	<u>Total</u>
Number	342	495	837

	School Plan		
		Inactive or Beneficiaries	
	Active	Receiving	
	Employees	Benefits	Total
<u>Description</u>	<u>Employees</u>	<u>Benefits</u>	<u>Total</u>
Number	625	93	718

D. Funded Status

	City Plan	
	Description	Amounts
	Total OPEB Liability (TOL)	\$ 123,073,992
	Fiduciary Net Position	-
	Net OPEB Liability (NOL)	123,073,992
	Funded ratio (Fiduciary Net Position / NOL)	0.00%
	Covered payroll (active plan members)	\$ 39,233,384
	NOL as a percentage of covered payroll	313.70%

	School Plan	
	Description	Amounts
	Total OPEB Liability (TOL)	\$ 26,481,231
	Fiduciary Net Position	-
	Net OPEB Liability (NOL)	26,481,231
	Funded ratio (Fiduciary Net Position / NOL)	0.00%
	Covered payroll (active plan members)	\$ 35,640,960
	NOL as a percentage of covered payroll	74.30%

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

14. Other post-employment benefit plan (continued)

E. Investment Policy

As the City does not maintain fund assets, an investment policy has not been adopted.

F. Net OPEB Liability

City Plan

Total OPEB liability	\$ 123,073,992
Plans fiduciary net position	<u>-</u>
Town's net OPEB liability	<u>\$ 123,073,992</u>

Plan net position as a percentage of the total OPEB liability	0.00%
--	-------

School Plan

Total OPEB liability	\$26,481,231
Plans fiduciary net position	<u>-</u>
Town's net OPEB liability	<u>\$26,481,231</u>

Plan net position as a percentage of the total OPEB liability	0.00%
--	-------

G. Actuarial methods and assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarially accrued liabilities and the actuarial value of assets.

The data presented in the schedules of funding progress and schedules of contributions were determined as part of the actuarial valuation at the date indicated. Additional information for all plans as of the latest valuation date is as follows:

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

14. Other post-employment benefit plan (continued)

G. Actuarial methods and assumptions (continued)

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

Actuarial Assumptions:

Investment Rate of Return: 3.87%, net of OPEB plan investment expense
 Medical inflation: For medical/rx benefits, the trend rates have been reset to an initial rate of 9.00% decreasing by 0.50% annually to an ultimate rate of 5.00%
 Salary Increases: 2.50% annually as of June 30, 2018 and for future periods
 Pre-Retirement Mortality: RPH-2014 total dataset mortality table projected using scale MP-2017
 Assumed rate of retirement: 55-66 25%, 67+ 100%
 Marriage assumptions: 75% assumed to be married with male spouses assumed three years older and female spouses three years younger

H. Discount rate

The discount rate used to measure the total OPEB liability was 3.87 percent. The projection of cash flows used to determine the discount rate assumed that City 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.

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentagepoint lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current discount rate:

City Plan			
Impact of 1% Change in Discount Rate			
	1% Decrease (2.87%)	Current discount rate (3.87%)	1% Increase (4.87%)
Total OPEB liability	\$ 153,287,805	\$ 123,073,992	\$ 110,275,960
School Plan			
Impact of 1% Change in Discount Rate			
	1% Decrease (2.87%)	Current discount rate (3.87%)	1% Increase (4.87%)
Total OPEB liability	\$ 33,184,006	\$ 26,481,231	\$ 23,581,275

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

14. Other post-employment benefits (continued)

J. Sensitivity of the net OPEB liability to changes in the health care trend rate

The following presents the net OPEB liability of the City, as well as what the City'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:

City Plan			
<u>Impact of 1% Change in Healthcare Trend Rate</u>			
	1% Decrease (8.00% decreasing to 4.00%)	Current trend rate (9.00% decreasing to 5.00%)	1% Increase (10.00% decreasing to 6.00%)
Total OPEB liability	\$ 105,493,100	\$ 123,073,992	\$ 145,804,358

School Plan			
<u>Impact of 1% Change in Healthcare Trend Rate</u>			
	1% Decrease (8.00% decreasing to 4.00%)	Current trend rate (9.00% decreasing to 5.00%)	1% Increase (10.00% decreasing to 6.00%)
Total OPEB liability	\$ 22,422,549	\$ 26,481,231	\$ 31,789,410

K. Deferred outflows and inflows of resources

For the year ended June 30, 2018 the City recognized OPEB expense of \$6,211,828. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred inflows of resources	
Changes in assumptions	<u>\$ 5,081,048</u>
Total	<u>\$ (5,081,048)</u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ (842,632)
2020	(842,632)
2021	(842,632)
2022	(842,632)
2023	(842,632)
Thereafter	(867,888)

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

14. Other post-employment benefits (continued)

K. Deferred outflows and inflows of resources (continued)

For the year ended June 30, 2018 the WED recognized OPEB expense of \$1,597,582. At June 30, 2018, the WED reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred inflows of resources	
Change in assumptions	<u>\$ 1,141,468</u>
Total	<u>\$ (1,141,468)</u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ (189,300)
2020	(189,300)
2021	(189,300)
2022	(189,300)
2023	(189,300)
Thereafter	(194,968)

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

15. Tax abatements

The following tax abatements are required to be disclosed per GASB statement 77.

Owner	Authority	Account	Parcel ID	True Assessment*	Address	TSA PAYMENT	TRUE TAX 12/31/16	Difference
RI Economic Delvopment Corp (CVS)		R00-0132-87	Various	\$ 58,072,100	Various	\$ 2,043,816	\$ 2,144,603	\$ (100,787)
CVS	97-R-114 & TSA Agreement	T00-4000-58	Pers Prop	\$ 14,130,079	1 CVS Drive	658,180	658,179	1
CVS (Former Unicom-Purchased by CVS in 2008)		R00-4000-12	59A-013-009	\$ 3,254,900	1026 Park East Drive	90,096	120,203	(30,108)
CVS (Former Unicom-Purchased by CVS in 2008)		T00-4000-57	Pers Prop	\$ 10,000,000	1026 Park East Drive	11,738	465,800	(454,062)
						\$ 2,803,830	\$ 3,388,785	\$ (584,956)

*True assessment is an estimate of value, as a formal appraisal has not been completed

Owner	Authority	acctnum	credit	amttax	type	TSA PAYMENT	TRUE TAX 12/31/16	Difference
FAIRMOUNT REALTY LLC	JCIP RIGL 44-3-9.1	R00-0037-87	\$ 352,900	\$ 13,032.60	50% of Account Asmt	\$ 13,033	\$ 26,065	\$ (13,033)
LEBEAUX ROBERT A TRUSTEE	JCIP RIGL 44-3-9.1	R00-0109-48	\$ 275,600	\$ 10,177.91	50% of Account Asmt	10,178	20,356	(10,178)
ACW REALTY LLC	JCIP RIGL 44-3-9.1	R00-1000-19	\$ 296,985	\$ 10,967.66	15% of Account Asmt	62,150	73,118	(10,968)
TONI REALTY LLC	JCIP RIGL 44-3-9.1	R00-4000-46	\$ 22,680	\$ 837.57	20% of Account Asmt	3,350	4,188	(838)
KEY PARKINSON REALTY GROUP LLC	JCIP RIGL 44-3-9.1	R00-8385-38	\$ 1,347,010	\$ 49,745.08	35% of Account Asmt	92,384	142,129	(49,745)
DIECI 345 LLC	JCIP RIGL 44-3-9.1	R00-8385-55	\$ 258,630	\$ 9,551.21	30% of Account Asmt	22,286	31,837	(9,551)
JM & KM REALTY LLC	JCIP RIGL 44-3-9.1	R10-0765-30	\$ 121,230	\$ 4,477.02	10% of Account Asmt	40,293	44,770	(4,477)
PIMENTAL MICHAEL	5+5 RIGL 44-3-9.1.1	R00-0109-52	\$ 61,200	\$ 2,260.12	50% of Account Asmt	2,260	4,520	(2,260)
FENG BIN	5+5 RIGL 44-3-9.1.1	R00-0236-91	\$ 90,960	\$ 2,737.90	60% of Account Asmt	1,825	4,563	(2,738)
YOON YOUNGSIK	5+5 RIGL 44-3-9.1.1	R00-8390-43	\$ 64,850	\$ 1,951.99	50% of Account Asmt	1,952	3,904	(1,952)
COSGROVE DAVID	5+5 RIGL 44-3-9.1.1	R00-8391-86	\$ 25,820	\$ 777.18	20% of Account Asmt	3,109	3,886	(777)
						\$ 252,820	\$ 359,336	\$ (106,516)
TOTALS						\$ 3,056,650	\$ 3,748,121	\$ (691,472)

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

16. Subsequent events

For the purposes of determining the effects of subsequent events on these financial statements, management has evaluated events which have occurred subsequent to June 30, 2018 and through January 4, 2019, the date on which the financial statements were available to be issued. The following represents these subsequent events:

- On November 1, 2018, the City of Woonsocket issued \$15,500,000 in revenue bonds from the Rhode Island Infrastructure Bank for use by the Woonsocket Water Division (WWD) in its ongoing project to design, construct and equip a new water treatment plant according to an ordinance passed by the City Council on September 5, 2017. The bonds will be amortized over a period from September 1, 2019 to 2038 and will have an effective yield of 2.619%. The new treatment plant, expected to be completed in the fall of 2020, is the result of a Rhode Island Department of Environmental Planning (RIDEM) mandate that the WWD replace its existing water treatment plant, which was built in 1962, with a new facility that meets current RIDEM regulations.
- On November 2, 2018, Moody's Investors Services upgraded the City's general obligation bond rating to an "investment grade" Baa3 from Ba3 with a stable outlook.
- On December 15, 2017, the Director of the RIDOH approved the application allowing Prime Healthcare Services (Prime) to transfer Woonsocket based Landmark Medical Center (Landmark) into the Prime Healthcare Foundation Inc., the company's charitable foundation. This action is effective as of January 1, 2018 and will convert Landmark from a "for profit" entity to a "non profit" entity beginning in fiscal year 2019/2020. The City has opposed Prime's conversion of Landmark into a nonprofit entity, and is continuing to pursue legislative remedies to prevent Prime from not paying property taxes starting in fiscal year 2019/2020; however, as of January 4, 2019 there is a reasonable likelihood that the City will not be successful. The 2018 property tax certification for Landmark was \$1,594,650. If Landmark's tax-exempt status is maintained, the City will be eligible to recoup a portion of the lost property taxes from the state's Payment in Lieu of Taxes (PILOT) program.

CITY OF WOONSOCKET, RHODE ISLAND

Notes to the Financial Statements

June 30, 2018

17. Restatement

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Water Fund</u>	<u>Regional Wastewater Fund</u>	<u>User Charge Fund</u>	<u>Pension Trust Fund</u>
Beginning balance, July 1, 2017	\$ (177,865,122)	\$ 64,739,773	\$ 32,537,507	\$ 23,088,587	\$ 8,351,035	\$ 35,616,859
To remove GASB 45 OPEB obligation in accordance with GASB 75	73,129,779	1,402,254	1,485,681	(4,880)	(78,547)	-
To restate for GASB 75 net OPEB liability	(148,053,104)	(4,553,565)	(3,998,409)	(367,548)	(187,608)	-
To restate to tie net position to actuarial valuation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>701,319</u>
Beginning balance, July 1, 2017, restated	<u>\$ (252,788,447)</u>	<u>\$ 61,588,462</u>	<u>\$ 30,024,779</u>	<u>\$ 22,716,159</u>	<u>\$ 8,084,880</u>	<u>\$ 36,318,178</u>

Required Supplementary Information

CITY OF WOONSOCKET, RHODE ISLAND
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2018

	Prior Encumbrances	Budget Amounts		Total Available	Actual Amounts (Budgetary Basis)	Encumbrances	Variance Favorable (Unfavorable)
		Original	Final				
Revenues:							
Property taxes							
Current taxes	\$ -	\$ 59,706,158	\$ 58,368,906	\$ 58,368,906	\$ 58,511,576	\$ -	\$ 142,670
Prior taxes	-	1,100,000	1,100,000	1,100,000	2,278,722	-	1,178,722
Interest on taxes	-	800,000	800,000	800,000	1,450,374	-	650,374
Payment in lieu of taxes	-	3,486,919	3,486,919	3,486,919	3,323,737	-	(163,182)
Total property taxes	-	65,093,077	63,755,825	63,755,825	65,564,409	-	1,808,584
State aid - City							
Telephone tax	-	529,588	529,588	529,588	520,903	-	(8,685)
Meals and beverage tax	-	581,307	581,307	581,307	579,179	-	(2,128)
Distressed communities	-	924,681	924,681	924,681	924,681	-	-
Municipal incentive aid	-	-	-	-	-	-	-
Chapter 26 - school housing	-	4,866,543	4,866,543	4,866,543	4,959,285	-	92,742
State library construction	-	166,898	166,898	166,898	166,898	-	-
State motor vehicle phase-out	-	402,183	1,739,435	1,739,435	1,715,119	-	(24,316)
Library grant in aid	-	186,880	186,880	186,880	186,880	-	-
Hotel tax	-	69,712	69,712	69,712	46,635	-	(23,077)
Total state aid - City	-	7,727,792	9,065,044	9,065,044	9,099,580	-	34,536
Licenses, fees, and rentals							
Business licenses and fees	-	1,119,250	1,119,250	1,119,250	1,329,963	-	210,713
Trash collection fees	-	-	-	-	2,504	-	2,504
Interest - trash pickup	-	-	-	-	1,748	-	1,748
Rental of City properties	-	182,400	182,400	182,400	141,935	-	(40,465)
Total licenses, fees, and rentals	-	1,301,650	1,301,650	1,301,650	1,476,150	-	174,500
Investment income - short term	-	10,000	10,000	10,000	64,984	-	54,984
Departmental revenues							
Host community	-	1,689,768	1,689,768	1,689,768	1,713,742	-	23,974
Wastewater department	-	435,226	435,226	435,226	435,226	-	-
Water department	-	309,735	309,735	309,735	309,735	-	-
Solid waste program	-	220,780	220,780	220,780	220,780	-	-
Federal housing	-	250,000	250,000	250,000	254,700	-	4,700
Total departmental revenue	-	2,905,509	2,905,509	2,905,509	2,934,183	-	28,674
Restricted receipts							
Education department - General Fund	-	61,711,758	61,711,758	61,711,758	62,461,912	-	750,154
Miscellaneous revenue							
City pension administration	-	70,000	70,000	70,000	70,000	-	-
Miscellaneous - City	-	1,768,450	1,768,450	1,768,450	2,022,958	-	254,508
Total miscellaneous revenue	-	1,838,450	1,838,450	1,838,450	2,092,958	-	254,508
Total revenues	-	140,588,236	140,588,236	140,588,236	143,694,176	-	3,105,940

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2018

	Prior Encumbrances	Budget Amounts		Total Available	Actual Amounts (Budgetary Basis)	Encumbrances	Variance Favorable (Unfavorable)
		Original	Final				
Expenditures:							
Executive:							
Office of the Mayor	-	138,013	148,883	148,883	148,539	-	344
Legislative:							
City council	-	75,850	75,850	75,850	75,047	-	803
City clerk	-	155,962	155,962	155,962	151,093	-	4,869
Probate court	-	8,700	8,700	8,700	6,711	-	1,989
Board of assessment reviews	-	1,050	1,050	1,050	1,050	-	-
Board of canvassers	-	96,376	96,376	96,376	95,668	-	708
Zoning board of reviews	-	9,108	9,108	9,108	11,811	-	(2,703)
Board of library trustees	-	1,120,592	1,120,592	1,120,592	1,103,579	-	17,013
Total legislative	-	1,467,638	1,467,638	1,467,638	1,444,959	-	22,679
Planning and development	-	713,874	713,874	713,874	724,076	-	(10,202)
Finance department	10,180	1,864,870	1,890,070	1,900,250	1,890,233	-	10,017
Law:							
City solicitor	-	468,296	468,296	468,296	547,065	-	(78,769)
Public safety:							
Police division	41,180	9,884,696	9,884,696	9,925,876	9,683,032	-	242,844
Fire division	-	9,016,472	9,366,472	9,366,472	9,495,977	-	(129,505)
Public safety director	-	10,200	10,200	10,200	10,200	-	-
Emergency management division	25,415	42,917	42,917	68,332	58,503	-	9,829
Total public safety	66,595	18,954,285	19,304,285	19,370,880	19,247,712	-	123,168
Public works:							
Office of the director	-	741,674	740,174	740,174	763,404	-	(23,230)
Engineering division	-	273,732	273,732	273,732	268,937	-	4,795
Highway division	150,876	3,456,800	3,478,587	3,629,463	3,527,218	-	102,245
City property division	166,000	623,922	576,635	742,635	603,976	91,386	47,273
Thundermist hydro	-	16,576	16,576	16,576	16,576	-	-
Parks and recreation division	-	338,360	360,360	360,360	348,164	-	12,196
Solid waste disposal division	-	2,149,790	2,149,790	2,149,790	2,114,608	-	35,182
Total public works	316,876	7,600,854	7,595,854	7,912,730	7,642,883	91,386	178,461

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2018

	Prior Encumbrances	Budget Amounts		Total Available	Actual Amounts (Budgetary Basis)	Encumbrances	Variance Favorable (Unfavorable)
		Original	Final				
Expenditures:							
Economic development	-	-	-	-	-	-	-
Human services:							
Human services	-	215,765	215,765	215,765	212,440	-	3,325
Budget commission	-	33,482	33,482	33,482	33,229	-	253
Education:							
Education department expenditures	-	61,711,758	61,711,758	61,711,758	60,318,496	-	1,393,262
Miscellaneous:							
Insurance	-	1,031,773	1,031,773	1,031,773	982,928	-	48,845
Claims and judgments	-	-	-	-	-	-	-
Holiday	-	15,000	15,000	15,000	15,000	-	-
Contingency	-	1,193,429	818,229	818,229	28,694	175,000	614,535
Contribution to City funds	-	6,079,606	6,079,606	6,079,606	6,127,444	-	(47,838)
Pension	-	7,968,555	7,966,555	7,966,555	7,896,357	-	70,198
Miscellaneous	-	(368,482)	431,730	431,730	342,928	-	88,802
Total miscellaneous	-	15,919,881	16,342,893	16,342,893	15,393,351	175,000	774,542
Debt service	-	15,333,190	15,333,190	15,333,190	15,329,841	-	3,349
Total expenditures	393,651	124,421,906	125,225,988	125,619,639	122,932,824	266,386	2,420,429
Excess of revenues over expenditures before other financing uses	(393,651)	16,166,330	15,362,248	14,968,597	20,761,352	(266,386)	5,526,369
Other financing uses:							
Anticipated (surplus) deficit	-	-	-	-	-	-	-
Transfer in	-	-	804,082	804,082	804,082	-	-
Transfers out	-	(16,166,330)	(16,166,330)	(16,166,330)	(16,166,330)	-	-
Net change in fund balance	\$ (393,651)	\$ -	\$ -	\$ (393,651)	5,399,104	\$ (266,386)	\$ 5,526,369
Adjustment of budgetary basis to U.S. GAAP					(2,940,416)		
Excess of revenue and other financing sources over expenditures and other financing uses, U.S. GAAP basis					2,458,688	-	
Fund balance, beginning of year					8,585,015		
Fund balance, end of year					\$ 11,043,703		

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND
Notes to Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2018

Adoption:

The budget is adopted for the General Fund on a legally enacted budgetary basis which differs from accounting principles generally accepted in the United States of America (U.S. GAAP) in several regards. Budget is adopted on the modified accrual basis of accounting, except that budgetary expenditures include encumbrances in the year incurring the commitment to purchase, and budgetary revenues include subsidies from fund balance previously recognized under U.S. GAAP.

Encumbrances are not liabilities and, therefore, are not recognized as expenditures under U.S. GAAP until receipt of materials or services. For budgetary purposes, unencumbered and unexpended appropriations lapse at year end and outstanding encumbrances are included in the budgetary expenditures in the year committed. The City reserves a portion of fund balance in the governmental fund financial statements equal to outstanding encumbrances at year end.

A reconciliation of revenues and expenditures between the accounting treatment required by GAAP and budgetary requirements is as follows:

	General Fund
Excess (deficiency) of revenues and other sources over expenditures and other uses (Non-GAAP Budgetary Basis)	\$ 5,399,104
Education Department revenues and expenditures reported in the General Fund for budget purposes	(2,143,416)
Unbudgeted health reserve transfer out	<u>(797,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	<u>\$ 2,458,688</u>

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System of Rhode Island
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2018

General Employee Plan

	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015	Year Ended June 30, 2014
A. Total pension liability				
1. Service Cost	\$ 1,132,512	\$ 1,070,217	\$ 975,030	\$ 1,020,440
2. Interest on the Total Pension Liability	4,876,991	4,888,626	4,663,406	4,582,516
3. Changes of benefit terms	-	-	1,390,082	-
4. Difference between expected and actual experience of the Total Pension Liability	540,754	(1,368,205)	585,689	85,597
5. Changes of assumptions	3,947,539	-	-	-
6. Benefit payments, including refunds of employee contributions	<u>(4,769,427)</u>	<u>(4,784,418)</u>	<u>(4,533,303)</u>	<u>(4,641,346)</u>
7. Net change in total pension liability	5,728,369	(193,780)	3,080,904	1,047,207
8. Total pension liability – beginning	<u>66,845,001</u>	<u>67,038,781</u>	<u>63,957,877</u>	<u>62,910,670</u>
9. Total pension liability – ending (a)	<u><u>\$ 72,573,370</u></u>	<u><u>\$ 66,845,001</u></u>	<u><u>\$ 67,038,781</u></u>	<u><u>\$ 63,957,877</u></u>
B. Plan fiduciary net position				
1. Contributions – employer	\$ 1,513,400	\$ 1,225,093	\$ 1,066,595	\$ 1,000,863
2. Contributions – employee	353,190	328,429	214,617	222,933
3. Net investment income	6,446,631	15,616	1,418,447	8,312,035
4. Benefit payments, including refunds of employee contributions	(4,769,427)	(4,784,418)	(4,533,303)	(4,641,346)
5. Pension Plan Administrative Expense	(60,905)	(88,748)	(55,038)	(52,050)
6. Other	<u>125,084</u>	<u>(125,825)</u>	<u>7,383</u>	<u>(77,808)</u>
7. Net change in plan fiduciary net position	3,607,973	(3,429,853)	(1,881,299)	4,764,627
8. Plan fiduciary net position – beginning	<u>57,096,741</u>	<u>60,526,594</u>	<u>62,407,893</u>	<u>57,643,266</u>
9. Plan fiduciary net position – ending (b)	<u><u>\$ 60,704,714</u></u>	<u><u>\$ 57,096,741</u></u>	<u><u>\$ 60,526,594</u></u>	<u><u>\$ 62,407,893</u></u>
C. Net pension liability - ending (a) - (b)	<u><u>\$ 11,868,656</u></u>	<u><u>\$ 9,748,260</u></u>	<u><u>\$ 6,512,187</u></u>	<u><u>\$ 1,549,984</u></u>
D. Plan fiduciary net position as a percentage of the total pension liability	83.65%	85.42%	90.29%	97.58%
E. Covered employee payroll	\$ 12,898,768	\$ 11,760,623	\$ 10,621,237	\$ 10,444,622
F. Net pension liability as a percentage of covered payroll	92.01%	82.89%	61.31%	14.84%

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System of Rhode Island
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2018

Police Department Plan

	<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	\$ 1,068,474	\$ 986,113	\$ 929,591	\$ 859,338
2. Interest on the Total Pension Liability	3,831,217	3,765,049	3,466,073	3,347,966
3. Changes of benefit terms	-	-	1,821,886	-
4. Difference between expected and actual experience of the Total Pension Liability	473,953	(1,243,195)	290,285	(250,852)
5. Changes of assumptions	2,856,332	-	-	-
6. Benefit payments, including refunds of employee contributions	<u>(2,685,468)</u>	<u>(2,648,348)</u>	<u>(2,451,137)</u>	<u>(2,382,513)</u>
7. Net change in total pension liability	5,544,508	859,619	4,056,698	1,573,939
8. Total pension liability – beginning	<u>51,891,391</u>	<u>51,031,772</u>	<u>46,975,074</u>	<u>45,401,135</u>
9. Total pension liability – ending (a)	<u><u>\$ 57,435,899</u></u>	<u><u>\$ 51,891,391</u></u>	<u><u>\$ 51,031,772</u></u>	<u><u>\$ 46,975,074</u></u>
B. Plan fiduciary net position				
1. Contributions – employer	\$ 1,666,401	\$ 1,436,140	\$ 1,288,328	\$ 948,214
2. Contributions – employee	576,684	548,404	442,102	413,635
3. Net investment income	3,971,309	(11,800)	813,302	4,613,983
4. Benefit payments, including refunds of employee contributions	(2,685,468)	(2,648,348)	(2,451,137)	(2,382,563)
5. Pension Plan Administrative Expense	(37,519)	(31,746)	(31,759)	(28,893)
6. Other	<u>(93,734)</u>	<u>1,086</u>	<u>1,183</u>	<u>(36,501)</u>
7. Net change in plan fiduciary net position	3,397,673	(706,264)	62,019	3,527,875
8. Plan fiduciary net position – beginning	<u>33,998,166</u>	<u>34,704,430</u>	<u>34,642,411</u>	<u>31,114,536</u>
9. Plan fiduciary net position – ending (b)	<u><u>\$ 37,395,839</u></u>	<u><u>\$ 33,998,166</u></u>	<u><u>\$ 34,704,430</u></u>	<u><u>\$ 34,642,411</u></u>
C. Net pension liability - ending (a) - (b)	<u><u>\$ 20,040,060</u></u>	<u><u>\$ 17,893,225</u></u>	<u><u>\$ 16,327,342</u></u>	<u><u>\$ 12,332,663</u></u>
D. Plan fiduciary net position as a percentage of the total pension liability	65.11%	65.52%	68.01%	73.75%
E. Covered employee payroll	\$ 5,766,182	\$ 5,469,289	\$ 5,523,414	\$ 5,146,036
F. Net pension liability as a percentage of covered payroll	347.54%	327.16%	295.60%	239.65%

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System of Rhode Island
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2018

Fire Department Plan

	<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	\$ 1,303,888	\$ 1,281,829	\$ 1,204,725	\$ 1,190,291
2. Interest on the Total Pension Liability	3,521,123	3,396,115	3,054,737	2,860,552
3. Changes of benefit terms	-	-	1,786,433	-
4. Difference between expected and actual experience of the Total Pension Liability	638,959	(1,693,424)	(387,186)	(399,383)
5. Changes of assumptions	2,434,276	-	-	-
6. Benefit payments, including refunds of employee contributions	<u>(1,485,015)</u>	<u>(1,172,547)</u>	<u>(1,118,560)</u>	<u>(1,020,514)</u>
7. Net change in total pension liability	6,413,231	1,811,973	4,540,149	2,630,946
8. Total pension liability – beginning	<u>47,038,868</u>	<u>45,226,895</u>	<u>40,686,746</u>	<u>38,055,800</u>
9. Total pension liability – ending (a)	<u>\$ 53,452,099</u>	<u>\$ 47,038,868</u>	<u>\$ 45,226,895</u>	<u>\$ 40,686,746</u>
B. Plan fiduciary net position				
1. Contributions – employer	\$ 784,627	\$ 786,233	\$ 757,891	\$ 516,516
2. Contributions – employee	685,843	694,209	554,205	550,936
3. Net investment income	5,011,678	(14,667)	984,331	5,442,627
4. Benefit payments, including refunds of employee contributions	(1,485,015)	(1,172,547)	(1,118,560)	(1,020,514)
5. Pension Plan Administrative Expense	(47,348)	(39,457)	(39,472)	(34,082)
6. Other	<u>(13,487)</u>	<u>4</u>	<u>17</u>	<u>1</u>
7. Net change in plan fiduciary net position	4,936,298	253,775	1,138,412	5,455,484
8. Plan fiduciary net position – beginning	<u>42,256,175</u>	<u>42,002,400</u>	<u>40,863,988</u>	<u>35,408,504</u>
9. Plan fiduciary net position – ending (b)	<u>\$ 47,192,473</u>	<u>\$ 42,256,175</u>	<u>\$ 42,002,400</u>	<u>\$ 40,863,988</u>
C. Net pension liability - ending (a) - (b)	<u>\$ 6,259,626</u>	<u>\$ 4,782,693</u>	<u>\$ 3,224,495</u>	<u>\$ (177,242)</u>
D. Plan fiduciary net position as a percentage of the total pension liability	88.29%	89.83%	92.87%	100.44%
E. Covered employee payroll	\$ 6,851,752	\$ 6,966,460	\$ 6,927,686	\$ 6,908,246
F. Net pension liability as a percentage of covered payroll	91.36%	68.65%	46.55%	-2.57%

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System of Rhode Island
Schedule of Contributions
For the Year Ended June 30, 2018

	General Employee Plan			
	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 1,566,369	\$ 1,513,400	\$ 1,225,093	\$ 1,066,595
Contributions in relation to the actuarially determined contribution	<u>1,566,369</u>	<u>1,513,400</u>	<u>1,225,093</u>	<u>1,066,595</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	<u>\$ 13,479,213</u>	<u>\$ 12,898,768</u>	<u>\$ 11,760,623</u>	<u>\$ 10,621,237</u>
Contributions as a percentage of covered-employee payroll	11.62%	11.73%	10.42%	10.04%

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.*

*See accompanying notes to required supplementary information
 See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System of Rhode Island
Schedule of Contributions
For the Year Ended June 30, 2018

Police Department Plan

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 1,595,034	\$ 1,666,401	\$ 1,436,140	\$ 1,288,328
Contributions in relation to the actuarially determined contribution	<u>1,595,034</u>	<u>1,666,401</u>	<u>1,436,140</u>	<u>1,288,328</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	<u>\$ 6,025,660</u>	<u>\$ 5,766,182</u>	<u>\$ 5,469,289</u>	<u>\$ 5,523,414</u>
Contributions as a percentage of covered-employee payroll	26.47%	28.90%	26.26%	23.32%

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.

See accompanying notes to required supplementary information
See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Municipal Employees' Retirement System of Rhode Island
Schedule of Contributions
For the Year Ended June 30, 2018

	Fire Department Plan			
	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>	<u>Fiscal 2016</u>	<u>Fiscal 2015</u>
Actuarially determined contribution	\$ 762,378	\$ 784,627	\$ 786,233	\$ 757,891
Contributions in relation to the actuarially determined contribution	<u>762,378</u>	<u>784,627</u>	<u>786,233</u>	<u>757,891</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	<u>\$ 7,160,081</u>	<u>\$ 6,851,752</u>	<u>\$ 6,966,460</u>	<u>\$ 6,927,686</u>
Contributions as a percentage of covered-employee payroll	10.65%	11.45%	11.29%	10.94%

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.

See accompanying notes to required supplementary information
See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

**Employees' Retirement System of Rhode Island
Schedule of Proportionate Share of Net Liability
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	2.01%	2.17%	2.14%	2.18%
Employer's proportionate share of the net pension liability	\$ 63,437,371	\$ 64,654,823	\$ 58,882,764	\$ 52,940,748
State's proportionate share of the net pension liability associated with the school district	<u>47,943,411</u>	<u>44,279,060</u>	<u>40,226,856</u>	<u>36,303,910</u>
Total	<u>\$ 111,380,782</u>	<u>\$ 108,933,883</u>	<u>\$ 99,109,620</u>	<u>\$ 89,244,658</u>
Employer's covered employee payroll	\$ 36,748,096	\$ 35,829,790	\$ 35,544,170	\$ 46,807,004
Employer's proportionate share of the net pension liability as a percentage of its covered employee payroll	303.09%	304.03%	165.66%	113.10%
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.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Employees' Retirement System of Rhode Island

Schedule of Contributions

For the Year Ended June 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 4,397,024	\$ 4,349,784	\$ 4,660,626	\$ 4,282,918
Contributions in relation to the actuarially determined contribution	<u>4,397,024</u>	<u>4,349,784</u>	<u>4,660,626</u>	<u>4,282,918</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 36,748,096	\$ 35,829,790	\$ 35,544,170	\$ 46,807,004
Contributions as a percentage of covered- employee payroll	11.97%	12.14%	13.11%	9.15%

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 accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Employees' Retirement System of Rhode Island
Notes to the Pension Schedules
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.

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Employees' Retirement System of Rhode Island

Notes to the Pension Schedules

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 accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

**Police and Fire Employee Pension Plans
Schedule of Changes in Net Pension Liability and Related Ratios**

*For the Last 5 Years**

June 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	5,565,214	5,173,401	5,879,999	5,227,317	5,897,857
Changes in benefit terms	-	-	-	12,915,190	-
Differences between expected and actual experience	582,211	(939,186)	835,816	2,159,333	(832,201)
Changes in assumptions	(2,686,710)	(9,150,079)	11,009,736	1,400,059	8,827,989
Benefit payments, including refunds of employee contributions	<u>(8,090,379)</u>	<u>(8,235,548)</u>	<u>(7,762,631)</u>	<u>(8,574,752)</u>	<u>(7,852,600)</u>
Net change in total pension liability	(4,629,664)	(13,151,412)	9,962,920	13,127,147	6,041,045
Total pension liability - beginning	98,473,116	111,624,528	101,661,608	88,534,461	82,493,416
Total pension liability - ending (a)	<u>\$ 93,843,452</u>	<u>\$ 98,473,116</u>	<u>\$ 111,624,528</u>	<u>\$ 101,661,608</u>	<u>\$ 88,534,461</u>
Plan fiduciary net position					
Contributions - employer	\$ 3,881,000	\$ 3,721,000	\$ 3,633,301	\$ 3,550,035	\$ 3,466,953
Contributions - employee	-	-	482	3,256	3,125
Net investment income	1,522,081	2,318,085	314,956	533,041	3,749,908
Benefit payments, including refunds of employee contributions	(8,090,379)	(8,235,548)	(7,762,631)	(8,574,752)	(7,852,600)
Administrative expense	<u>(41,121)</u>	<u>(78,978)</u>	<u>(75,664)</u>	<u>(137,308)</u>	<u>(84,461)</u>
Net change in plan fiduciary net position	(2,728,419)	(2,275,441)	(3,889,556)	(4,625,728)	(717,075)
Plan fiduciary net position - beginning	36,318,178	38,593,619	42,483,175	47,108,903	47,825,978
Plan fiduciary net position - ending (b)	<u>\$ 33,589,759</u>	<u>\$ 36,318,178</u>	<u>\$ 38,593,619</u>	<u>\$ 42,483,175</u>	<u>\$ 47,108,903</u>
Plan's net pension liability - ending (a) - (b)	<u>\$ 60,253,693</u>	<u>\$ 62,154,938</u>	<u>\$ 73,030,909</u>	<u>\$ 59,178,433</u>	<u>\$ 41,425,558</u>
Plan fiduciary net position as a percentage of the total pension liability	35.79%	36.88%	34.57%	41.79%	53.21%
Covered-employee payroll*	\$ -	\$ -	\$ -	\$ -	\$ -
Plan's net pension liability as a percentage of covered employee payroll	N/A*	N/A*	N/A*	N/A*	N/A*

* - As of June 30, 2014 and thereafter, there are no active participants in the plan and therefore there is no covered employee payroll. This plan is closed to new entrants.

*Per paragraph 138 of GASB Statement No. 68, the City is not required to retrospectively present its' 10-year RSI schedules, as this information was not available at transition and historical information was not measured in accordance with the parameters of GASB Statement No. 68

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Police and Fire Employee Pension Plans
Schedule of Investment Returns and Schedule of Contributions
*For the Last 5 & 10 Years**
June 30, 2018

Schedule of Investment Returns
Last Five Fiscal Years

Measurement Period Ended June 30,	2018	2017	2016	2015	2014
Annual money weighted rate of return, net investment expenses	4.53%	6.64%	1.45%	1.47%	8.28%

Measurement Period Ended June 30,	GASB Statement No. 67/68 Data					GASB Statement No. 27 Data				
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 3,881,000	\$ 3,721,000	\$ 3,633,000	\$ 3,548,000	\$ 3,465,000	\$ 3,618,476	\$ 3,610,195	\$ 2,775,469	\$ 2,707,382	\$ 1,695,606
Contributions in relation to the actuarially determined contribution	3,881,000	3,721,000	3,633,301	3,550,035	3,466,953	1,003,151	1,006,677	1,011,371	15,612	24,046
Contribution deficiency (excess)	\$ -	\$ -	\$ (301)	\$ (2,035)	\$ (1,953)	\$ 2,615,325	\$ 2,603,518	\$ 1,764,098	\$ 2,691,770	\$ 1,671,560
Covered-employee payroll*	\$ -	\$ -	\$ -	\$ -	\$ 65,494	\$ 374,815	\$ 374,815	\$ 622,556	\$ 1,228,245	\$ 1,117,844
Contributions as a percentage of covered-employee payroll	N/A*	N/A*	N/A*	N/A*	5293.54%	267.64%	268.58%	162.45%	1.27%	2.15%

* - As of June 30, 2014 and thereafter, there are no active participants in the plan and therefore there is no covered employee payroll. This plan is closed to new entrants.

*Per paragraph 138 of GASB Statement No. 68, the City is not required to retrospectively present its' 10-year RSI schedules, as this information was not available at transition and historical information was not measured in accordance with the parameters of GASB Statement No. 68

See accompanying notes to required supplementary information
See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

**Police and Fire Employee Pension Plans
Notes to the Pension Schedules**

June 30, 2018

Changes of benefit terms	None
Change in assumptions	Discount rate increased from 5.89% to 6.20%
Method and assumptions used in calculation of actuarially determined contributions	Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year
The following actuarial methods and assumptions were used to determine the contribution rates reported in that schedule:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Closed, based upon the Funding Improvement Plan
Remaining Amortization Period	16 years as of July 1, 2018
Asset Valuation Method	Fair value, 5 year smoothed (20% per year)
Inflation	2.00%
Salary Increases	N/A - no active participants
Investment Rate of Return	7.5%, net of pension plan investment expense, including inflation
Cost of Living Increases	Beginning in 2015, alternating 0% and 2% until fiscal year ended 2023, at which point the COLA is 2% each year until the plan becomes at least 80% funded, at which point the COLA becomes 3%.

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
June 30, 2018

	<u>June 30, 2018</u>
Total OPEB liability	
Service cost	\$ 2,528,263
Interest on net OPEB liability and service cost	4,526,197
Change of benefit terms	-
Differences between actual and expected experience	-
Changes of assumptions	(5,923,680)
Benefit payments, including refunds	<u>(3,883,070)</u>
 Net change in total OPEB liability	 (2,752,290)
 Total OPEB liability - beginning	 <u>125,826,282</u>
Total OPEB liability - ending	<u><u>\$ 123,073,992</u></u>
 OPEB fiduciary net position	
Benefit payments, including refunds	\$ (3,883,070)
Trust administrative expenses	-
Contributions - employer	3,883,070
Contribution - active employees	-
Net investment income	<u>-</u>
 Net change in plan fiduciary net position	 -
 Plan fiduciary net position - beginning	 <u>-</u>
Plan fiduciary net position - ending	<u><u>\$ -</u></u>
 Plan's net pension liability - ending	 <u><u>\$ 123,073,992</u></u>

* First year of implementation of GASB 75, therefore only one year of the ten required data is available.

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	-	123,073,992	123,073,992	0.00%	39,233,384	313.70%

* First year of implementation of GASB 75, only one year of the ten required data is available.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

Other Post-Employment Benefits
Schedule of Changes in the School's Net OPEB Liability and Related Ratios
June 30, 2018

	<u>June 30, 2018</u>
Total OPEB liability	
Service cost	\$ 812,458
Interest on net OPEB liability and service cost	974,424
Change of benefit terms	-
Differences between actual and expected experience	-
Changes of assumptions	(1,330,768)
Benefit payments, including refunds	<u>(775,270)</u>
 Net change in total OPEB liability	 (319,156)
 Total OPEB liability - beginning	 <u>26,780,387</u>
Total OPEB liability - ending	<u><u>\$ 26,461,231</u></u>
 OPEB fiduciary net position	
Benefit payments, including refunds	\$ (775,270)
Contributions - employer	775,270
Net investment income	<u>-</u>
 Net change in plan fiduciary net position	 -
 Plan fiduciary net position - beginning	 <u>-</u>
Plan fiduciary net position - ending	<u><u>\$ -</u></u>
 Plan's net pension liability - ending	 <u><u>\$ 26,461,231</u></u>

* First year of implementation of GASB 75, therefore only one year of the ten required data is available.

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	-	26,481,231	26,481,231	0.00%	35,640,960	74.30%

* First year of implementation of GASB 75, only one year of the ten required data is available.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

**Other Post-Employment Benefits
Schedule of Employers Contributions
June 30, 2018**

	June 30, 2018
Actuarial determined contribution	\$ 3,883,070
Contributions in relation to the actuarially determined contribution	<u>3,883,070</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 39,233,384
Contributions as a percentage of covered-employee payroll	9.90%

* First year of implementation of GASB 75, only one year of the ten required data is available.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

**Other Post-Employment Benefits
Schedule of Employers Contributions
June 30, 2018**

	<u>June 30, 2018</u>
Actuarial determined contribution	\$ 755,270
Contributions in relation to the actuarially determined contribution	<u>755,270</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 35,640,960
Contributions as a percentage of covered-employee payroll	2.12%

* First year of implementation of GASB 75, therefore only one year of the ten required data is available.

*See accompanying notes to required supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND

Required Supplementary Information

**Other Post-Employment Benefits
Notes to Other Post-Employment Benefits**

June 30, 2018

Notes to Required Supplementary Information:

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

Actuarial Assumptions:

Investment Rate of Return: 3.87%, net of OPEB plan investment expense
Medical inflation: For medical/rx benefits, the trend rates have been reset to an initial rate of 9.00% decreasing by 0.50% annually to an ultimate rate of 5.00%
Salary Increases: 2.50% annually as of June 30, 2018 and for future periods
Pre-Retirement Mortality: RPH-2014 total dataset mortality table projected using scale MP-2017
Assumed rate of retirement: 55-66 25%, 67+ 100%
Marriage assumptions: 75% assumed to be married with male spouses assumed three years older and female spouses three years younger

See Independent Auditor's Report

Supplementary Information

CITY OF WOONSOCKET, RHODE ISLAND
Woonsocket Education Department Unrestricted Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2018

	Original Budget		Total Available	Actual	Encumbrances Carried to FY 19	Variance Favorable (Unfavorable)
	Emcumbrances Carried to FY 18	Budget As Adopted				
Revenues						
State aid for education	\$ -	\$ 59,502,258	\$ 59,502,258	\$ 59,502,258	\$ -	\$ -
Tuition career center and other	-	254,000	254,000	340,623	-	86,623
Athletic receipts	-	9,000	9,000	4,977	-	(4,023)
Facility rentals	-	100,000	100,000	222,301	-	122,301
Impact aid	-	10,000	10,000	13,584	-	3,584
Indirect costs	-	250,000	250,000	-	-	(250,000)
Medicaid	-	1,572,000	1,572,000	2,227,988	-	655,988
Miscellaneous	-	14,500	14,500	52,048	-	37,548
Total revenues	-	61,711,758	61,711,758	62,363,779	-	652,021
Expenditures						
Salaries	-	42,196,060	42,196,060	42,011,464	-	184,596
Employee benefits	-	18,945,016	18,945,016	16,466,551	-	2,478,465
Purchased services	-	12,908,196	12,908,196	13,089,010	-	(180,814)
Supplies and materials	-	2,723,000	2,723,000	2,735,651	-	(12,651)
Other	-	43,500	43,500	46,721	-	(3,221)
Capital outlay	-	1,062,316	1,062,316	746,059	-	316,257
Total expenditures	-	77,878,088	77,878,088	75,095,456	-	2,782,632
Excess of expenditures over revenues, budgetary basis	-	(16,166,330)	(16,166,330)	(12,731,677)	-	3,434,653
Other financing sources (uses)						
Appropriation from Town's general fund	-	16,166,330	16,166,330	16,166,330	-	-
Transfer to other funds	-	-	-	(1,226,272)	-	1,226,272
Total other financing sources (uses)	-	16,166,330	16,166,330	14,940,058	-	(1,226,272)
Excess of revenues and other financing sources over expenditures and other financing uses, budgetary basis	\$ -	\$ -	\$ -	2,208,381	\$ -	\$ 2,208,381
Adjustment of budgetary basis to U.S. GAAP basis				131,032		
Excess of revenues and other financing sources over expenditures and other financing uses, U.S. GAAP basis				2,339,413		
Fund balance, beginning of year				3,952,130		
Fund balance, end of year				\$ 6,291,543		

*See accompanying notes to supplementary information
See Independent Auditor's Report*

CITY OF WOONSOCKET, RHODE ISLAND
Woonsocket Education Department Unrestricted Fund
Notes to Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2018

A reconciliation of revenues and expenditures between the accounting treatment required by GAAP and budgetary requirements is as follows:

	School Unrestricted
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ 2,208,381
State contribution to teachers' pension plan revenue on behalf	(3,634,387)
State contribution to teacher's pension plan expense on behalf	3,634,387
Unbudgeted transfer from capital projects	200,000
Activity from funds consolidated with the Unrestricted fund for financial reporting	(68,968)
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP)	\$ 2,339,413

See Independent Auditor's Report

General Fund

The general fund is the principal fund of the City and is used to account for all activities of the City, except those required to be accounted for in another fund. The general fund accounts for the normal recurring activities of the City (i.e., general government, public safety, public works, health, social services, recreation, education, etc.). These activities are funded principally by property taxes, user fees and grants from other governmental units.

CITY OF WOONSOCKET, RHODE ISLAND

Report of Tax Collector

For the Year Ended June 30, 2018

Tax Roll Year	Balance July 1, 2017	Assessment	Additions	Abatements & Adjustments	Amount to be collected	Current Year Collections	Refunds	Balance June 30, 2018	FY 2018 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	\$ -	\$ 61,291,439	\$ -	\$ 1,614,309	\$ 59,677,130	\$ 57,150,262	\$ 417,986	\$ 2,944,854		\$ 57,150,262	\$ 57,150,262	\$ 447,861
2016	4,752,234	-	572,412	238,191	5,086,455	3,527,057	41,570	1,600,968	676,502	2,850,555	3,527,057	82,852
2015	1,563,028	-	1,002	16,244	1,547,786	586,387	265	961,664	59,651	526,736	586,387	14,026
2014	1,192,977	-	544	21,938	1,171,583	230,306	481	941,758	23,621	206,685	230,306	7,153
2013	918,721	-	1,614	17,240	903,095	67,447	66	835,714	7,554	59,893	67,447	5,598
2012	887,258	-	1,123	3,638	884,743	37,799	47	846,991	2,654	35,145	37,799	8,587
2011	713,596	-	-	432	713,164	34,186	-	678,978	1,528	32,658	34,186	5,203
2010	686,726	-	-	6,955	679,771	17,251	248	662,768	900	16,351	17,251	2,783
2009	390,291	-	-	6,603	383,688	3,112	50	380,626	927	2,185	3,112	30
2008	399,085	-	-	458	398,627	6,325	-	392,302	1,278	5,047	6,325	416
2007	381,010	-	-	11	380,999	6,764	-	374,235	644	6,120	6,764	368
2006	358,344	-	-	-	358,344	5,273	-	353,071	219	5,054	5,273	124
2005	287,904	-	-	-	287,904	3,252	-	284,652	413	2,839	3,252	188
2004	274,236	-	-	-	274,236	3,327	-	270,909	58	3,269	3,327	-
2003	134,474	-	-	156	134,318	624	-	133,694	-	624	624	-
2002	138,363	-	-	481	137,882	678	-	137,204	-	678	678	-
2001	150,053	-	-	481	149,572	588	-	148,984	-	588	588	-
2000 and prior	569,429	-	-	4,155	565,274	1,661	-	563,613	-	1,661	1,661	-
	<u>\$ 13,797,729</u>	<u>\$ 61,291,439</u>	<u>\$ 576,695</u>	<u>\$ 1,931,292</u>	<u>\$ 73,734,571</u>	<u>\$ 61,682,299</u>	<u>\$ 460,713</u>	<u>\$ 12,512,985</u>	<u>\$ 775,949</u>	<u>\$ 60,906,350</u>	<u>\$ 61,682,299</u>	<u>\$ 575,189</u>
Less: Allowance for Uncollectible accounts	(4,896,454)							(5,149,865)				
	<u>\$ 8,901,275</u>							<u>\$ 7,363,120</u>				

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND

Report of Tax Collector

For the Year Ended June 30, 2018

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

	Valuation	Levy
Real property	\$ 1,621,978,100	\$ 52,168,767
Motor vehicles	219,924,581	10,244,087
Tangible personal property	<u>119,053,100</u>	<u>5,545,493</u>
Total	1,960,955,781	67,958,347
Less: Exemptions and motor vehicle phase out		
Real property	(177,478,646)	(5,370,082)
Motor vehicles	(27,840,840)	(1,296,826)
Tangible personal property	<u>-</u>	<u>-</u>
Total	<u>\$ 1,755,636,295</u>	<u>\$ 61,291,439</u>

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	\$ 61,682,299
60-day FY18 Accrual	575,189
<i>July-August 2018 Collections</i>	
60-day FY17 Accrual	<u>(775,949)</u>
<i>July-August 2017 Collections</i>	
Current Year Property Tax Revenue	<u><u>\$ 61,481,539</u></u>

See Independent Auditor's Report

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Capital Projects Funds

Capital projects funds are used to account for specific resources that are committed to expenditures associated with capital asset development.

Permanent Funds

Permanent funds are used to account for resources legally held in trust for specific functions, normally provided by governments. In most cases, only the earnings on the principal can be expended.

CITY OF WOONSOCKET, RHODE ISLAND

Non-Major Governmental Funds

Combining Balance Sheets

June 30, 2018

	<u>City Special Revenue</u>	<u>School Special Revenue</u>	<u>City Capital Projects</u>	<u>School Capital Projects</u>	<u>Permanent Trust Funds</u>	<u>Total General Fund</u>
Assets						
Cash and cash equivalents	\$ 3,732,268	\$ -	\$ 1,151,251	\$ -	\$ 237,950	\$ 5,121,469
Receivables:						
Loans	3,978,701	-	-	-	-	3,978,701
Accounts receivable	1,089,368	-	-	-	-	1,089,368
Intergovernmental	277,005	3,369,921	-	381,291	-	4,028,217
Due from other funds	<u>505,219</u>	<u>376,828</u>	<u>270,118</u>	<u>3,616,790</u>	<u>-</u>	<u>4,768,955</u>
Total assets	<u>9,582,561</u>	<u>3,746,749</u>	<u>1,421,369</u>	<u>3,998,081</u>	<u>237,950</u>	<u>18,986,710</u>
Deferred outflows of resources						
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 9,582,561</u>	<u>\$ 3,746,749</u>	<u>\$ 1,421,369</u>	<u>\$ 3,998,081</u>	<u>\$ 237,950</u>	<u>\$ 18,986,710</u>
Liabilities						
Accounts payable and accrued expenses	\$ 953,310	\$ 829,731	\$ -	\$ 124,361	\$ -	\$ 1,907,402
Due to other funds	447,717	2,582,236	990,712	-	-	4,020,665
Other liabilities	<u>-</u>	<u>6,360</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,360</u>
Total liabilities	<u>1,401,027</u>	<u>3,418,327</u>	<u>990,712</u>	<u>124,361</u>	<u>-</u>	<u>5,934,427</u>
Deferred inflows of resources						
Unavailable revenue - intergovernmental	230,624	-	-	381,291	-	611,915
Unavailable revenue - loans	3,978,701	-	-	-	-	3,978,701
Unavailable revenue - EMS charges receivable	<u>1,082,217</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,082,217</u>
Total deferred inflows of resources	<u>5,291,542</u>	<u>-</u>	<u>-</u>	<u>381,291</u>	<u>-</u>	<u>5,672,833</u>
Fund balance						
Nonspendable	-	-	-	-	185,929	185,929
Restricted	2,123,434	383,748	784,794	3,492,429	52,021	6,836,426
Committed	780,983	-	-	-	-	780,983
Unassigned	<u>(14,425)</u>	<u>(55,326)</u>	<u>(354,137)</u>	<u>-</u>	<u>-</u>	<u>(423,888)</u>
Total fund balance	<u>2,889,992</u>	<u>328,422</u>	<u>430,657</u>	<u>3,492,429</u>	<u>237,950</u>	<u>7,379,450</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,582,561</u>	<u>\$ 3,746,749</u>	<u>\$ 1,421,369</u>	<u>\$ 3,998,081</u>	<u>\$ 237,950</u>	<u>\$ 18,986,710</u>

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	<u>City Special Revenue</u>	<u>School Special Revenue</u>	<u>City Capital Projects</u>	<u>School Capital Projects</u>	<u>Permanent Trust Funds</u>	<u>Total General Fund</u>
Revenues						
Federal and state grants	\$ 2,964,946	\$ 8,057,574	\$ -	\$ 2,583,580	\$ -	\$ 13,606,100
Charges for services	1,727,109	-	-	-	-	1,727,109
Interest and investment income	64	-	1,621	-	481	2,166
Other revenues	<u>1,337,778</u>	<u>337,397</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,675,175</u>
Total revenue	<u>6,029,897</u>	<u>8,394,971</u>	<u>1,621</u>	<u>2,583,580</u>	<u>481</u>	<u>17,010,550</u>
Expenditures						
Legislative - general government	138,975	-	-	-	-	138,975
Public safety	3,071,468	-	-	-	-	3,071,468
Public works	691,313	-	(8,480)	-	-	682,833
Economic development	1,121,143	-	-	-	-	1,121,143
Human services	462,367	-	-	-	-	462,367
Education	-	8,044,501	-	3,245,989	-	11,290,490
Capital	<u>-</u>	<u>-</u>	<u>11,040</u>	<u>-</u>	<u>-</u>	<u>11,040</u>
Total Expenditures	<u>5,485,266</u>	<u>8,044,501</u>	<u>2,560</u>	<u>3,245,989</u>	<u>-</u>	<u>16,778,316</u>
Excess (deficiency) of revenues over expenditures	544,631	350,470	(939)	(662,409)	481	232,234
Other financing sources (uses)						
Transfers in	-	32,237	-	1,209,944	-	1,242,181
Transfers out	<u>-</u>	<u>(180,484)</u>	<u>(804,082)</u>	<u>(200,000)</u>	<u>-</u>	<u>(1,184,566)</u>
Total other financing sources (uses)	<u>-</u>	<u>(148,247)</u>	<u>(804,082)</u>	<u>1,009,944</u>	<u>-</u>	<u>57,615</u>
Excess of revenue and other sources over expenditures and other uses	544,631	202,223	(805,021)	347,535	481	289,849
Fund balance, July 1, 2017	<u>2,345,361</u>	<u>126,199</u>	<u>1,235,678</u>	<u>3,144,894</u>	<u>237,469</u>	<u>7,089,601</u>
Fund balance, June 30, 2018	<u>\$ 2,889,992</u>	<u>\$ 328,422</u>	<u>\$ 430,657</u>	<u>\$ 3,492,429</u>	<u>\$ 237,950</u>	<u>\$ 7,379,450</u>

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Balance Sheets
June 30, 2018

	Harris Library Grant Fund	Planning Board Fund	Library Services Fund	City Clerks Restoration Fund	Woonsocket Senior Citizens Fund	ESG	Land and Outdoor Recreation Fund	Police Drug Forfeiture #1	Police Drug Forfeiture #2
Assets									
Cash and cash equivalents	\$ 2,142	\$ 18,824	\$ 46,813	\$ 144,700	\$ 18,200	\$ -	\$ 128,977	\$ 131,448	\$ 159,818
Receivables:									
Loans	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	18,480	-	-	-
Due from other funds	-	538	-	-	-	-	-	-	-
Total assets	2,142	19,362	46,813	144,700	18,200	18,480	128,977	131,448	159,818
Deferred outflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 2,142	\$ 19,362	\$ 46,813	\$ 144,700	\$ 18,200	\$ 18,480	\$ 128,977	\$ 131,448	\$ 159,818
Liabilities									
Accounts payable	\$ 1,268	\$ -	\$ 14,639	\$ -	\$ 3,875	\$ 18,480	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	2,050	-
Total liabilities	1,268	-	14,639	-	3,875	18,480	-	2,050	-
Deferred inflows of resources									
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-
Unavailable revenue - EMS charges receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	874	-	32,174	144,700	14,325	-	-	129,398	159,818
Committed	-	19,362	-	-	-	-	128,977	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balance	874	19,362	32,174	144,700	14,325	-	128,977	129,398	159,818
Total liabilities, deferred inflows of resources and fund balance	\$ 2,142	\$ 19,362	\$ 46,813	\$ 144,700	\$ 18,200	\$ 18,480	\$ 128,977	\$ 131,448	\$ 159,818

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Balance Sheets
June 30, 2018

	Building Inspection Services Fund	Bramley Bill Fund	Task Force on Drug & Alcohol Abuse Fund	Rescue Run Public Fund	Rhode Island Home Fund	Hazardous Material Grant Fund	Special Squad Holding Fund	Neighborhood Crime Watch Fund	Lead Hazard Control Fund	Brownsfield Assessment Program Fund
Assets										
Cash and cash equivalents	\$ 10,980	\$ -	\$ -	\$ 334,145	\$ 521,794	\$ 11	\$ 60,607	\$ 11	\$ 2,834	\$ 201,683
Receivables:										
Loans	-	-	-	-	3,844,953	-	-	-	-	-
Accounts receivable	-	-	-	1,082,217	-	-	-	-	-	-
Intergovernmental	-	-	-	-	12,755	-	-	-	-	-
Due from other funds	-	-	-	353	-	-	2,050	-	-	-
Total assets	10,980	-	-	1,416,715	4,379,502	11	62,657	11	2,834	201,683
Deferred outflows of resources										
None	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 10,980	\$ -	\$ -	\$ 1,416,715	\$ 4,379,502	\$ 11	\$ 62,657	\$ 11	\$ 2,834	\$ 201,683
Liabilities										
Accounts payable	\$ -	\$ -	\$ -	\$ 334,571	\$ 16,193	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	9,272	-	-	-	200,000
Total liabilities	-	-	-	334,571	16,193	9,272	-	-	-	200,000
Deferred inflows of resources										
Unavailable revenue - intergovernmental	-	-	-	-	230,624	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	3,844,953	-	-	-	-	-
Unavailable revenue - EMS charges receivable	-	-	-	1,082,217	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	1,082,217	4,075,577	-	-	-	-	-
Fund balance										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	10,980	-	-	-	287,732	-	62,657	11	2,834	1,683
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(73)	-	(9,261)	-	-	-	-
Total fund balance	10,980	-	-	(73)	287,732	(9,261)	62,657	11	2,834	1,683
Total liabilities, deferred inflows of resources and fund balance	\$ 10,980	\$ -	\$ -	\$ 1,416,715	\$ 4,379,502	\$ 11	\$ 62,657	\$ 11	\$ 2,834	\$ 201,683

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Balance Sheets
June 30, 2018

	Lead Hazard Demo Grant Fund	CDBG	CDBG PI	Business Revolving Loan Fund	CDBG Housing Preservation Grant Fund	UDAG Loan Repayment	Hamlet Ave. Economic Program Fund	Retiree Medical	LLEBG Grant 2004-2006 Fund	Library Fines & Fees Fund
Assets										
Cash and cash equivalents	\$ 129,248	\$ 198	\$ -	\$ 2,398	\$ 1,507	\$ 129	\$ 781	\$ 557,084	\$ 3,910	\$ 22,592
Receivables:										
Loans	-	-	-	69,195	64,553	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	2,207	-	3,213
Intergovernmental	-	60,417	-	-	-	-	-	-	-	-
Due from other funds	-	1,495	-	-	-	-	-	-	-	-
Total assets	<u>129,248</u>	<u>62,110</u>	<u>-</u>	<u>71,593</u>	<u>66,060</u>	<u>129</u>	<u>781</u>	<u>559,291</u>	<u>3,910</u>	<u>25,805</u>
Deferred outflows of resources										
None	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 129,248</u>	<u>\$ 62,110</u>	<u>\$ -</u>	<u>\$ 71,593</u>	<u>\$ 66,060</u>	<u>\$ 129</u>	<u>\$ 781</u>	<u>\$ 559,291</u>	<u>\$ 3,910</u>	<u>\$ 25,805</u>
Liabilities										
Accounts payable	\$ -	\$ 62,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,517
Due to other funds	-	-	-	1,496	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>62,170</u>	<u>-</u>	<u>1,496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,517</u>
Deferred inflows of resources										
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	69,195	64,553	-	-	-	-	-
Unavailable revenue - EMS charges receivable	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,195</u>	<u>64,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	129,248	-	-	902	1,507	129	781	-	3,910	12,288
Committed	-	-	-	-	-	-	-	559,291	-	-
Unassigned	-	(60)	-	-	-	-	-	-	-	-
Total fund balance	<u>129,248</u>	<u>(60)</u>	<u>-</u>	<u>902</u>	<u>1,507</u>	<u>129</u>	<u>781</u>	<u>559,291</u>	<u>3,910</u>	<u>12,288</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 129,248</u>	<u>\$ 62,110</u>	<u>\$ -</u>	<u>\$ 71,593</u>	<u>\$ 66,060</u>	<u>\$ 129</u>	<u>\$ 781</u>	<u>\$ 559,291</u>	<u>\$ 3,910</u>	<u>\$ 25,805</u>

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Balance Sheets
June 30, 2018

	Prime Health Fine	Comprehensive Planning Grant Fund	Homeland Security Fire Grant Fund	Fire Dept. P.P.E Grant Fund	Juvenile Fire Setter Educational Fund	LLEBG Grant 2002-2004 Fund	Rivers Edge Recreation Grant Fund	Recycling Coordinator Fund
Assets								
Cash and cash equivalents	\$ -	\$ 2,034	\$ -	\$ 1,396	\$ -	\$ 109	\$ 1,646	\$ 9,068
Receivables:								
Loans	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Due from other funds	500,000	-	-	-	-	-	-	-
Total assets	500,000	2,034	-	1,396	-	109	1,646	9,068
Deferred outflows of resources								
None	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 500,000	\$ 2,034	\$ -	\$ 1,396	\$ -	\$ 109	\$ 1,646	\$ 9,068
Liabilities								
Accounts payable	287,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,068
Due to other funds	-	-	4,336	-	-	-	-	-
Total liabilities	287,215	-	4,336	-	-	-	-	9,068
Deferred inflows of resources								
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-
Unavailable revenue - EMS charges receivable	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balance								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	212,785	2,034	-	-	-	109	1,646	-
Committed	-	-	-	1,396	-	-	-	-
Unassigned	-	-	(4,336)	-	-	-	-	-
Total fund balance	212,785	2,034	(4,336)	1,396	-	109	1,646	-
Total liabilities, deferred inflows of resources and fund balance	\$ 500,000	\$ 2,034	\$ -	\$ 1,396	\$ -	\$ 109	\$ 1,646	\$ 9,068

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 City Special Revenue Combining Balance Sheets
 June 30, 2018

	Woonsocket EMA Grant Fund	Cass Park Improvements	Cultural Fund	War Memorial Preservation Fund	Police OT Special Projects Fund	Woonsocket Parks Donations Fund	Woonsocket Police Confiscated Cash Fund	Municipal Court	Fire EMA Donations Fund
Assets									
Cash and cash equivalents	\$ 11,239	\$ 194	\$ 5	\$ 13,376	\$ 5,040	\$ 9,675	\$ 25,208	\$ 136,017	\$ 40,790
Receivables:									
Loans	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	1,619	-
Intergovernmental	74,250	111,103	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Total assets	<u>85,489</u>	<u>111,297</u>	<u>5</u>	<u>13,376</u>	<u>5,040</u>	<u>9,675</u>	<u>25,208</u>	<u>137,636</u>	<u>40,790</u>
Deferred outflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 85,489</u>	<u>\$ 111,297</u>	<u>\$ 5</u>	<u>\$ 13,376</u>	<u>\$ 5,040</u>	<u>\$ 9,675</u>	<u>\$ 25,208</u>	<u>\$ 137,636</u>	<u>\$ 40,790</u>
Liabilities									
Accounts payable	\$ -	\$ 71,045	\$ -	\$ -	\$ -	\$ 270	\$ -	\$ 6,936	\$ -
Due to other funds	74,250	24,088	700	-	-	-	-	130,700	-
Total liabilities	<u>74,250</u>	<u>95,133</u>	<u>700</u>	<u>-</u>	<u>-</u>	<u>270</u>	<u>-</u>	<u>137,636</u>	<u>-</u>
Deferred inflows of resources									
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-
Unavailable revenue - EMS charges receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	11,239	-	-	-	5,040	9,405	-	-	40,790
Committed	-	16,164	-	13,376	-	-	25,208	-	-
Unassigned	-	-	(695)	-	-	-	-	-	-
Total fund balance	<u>11,239</u>	<u>16,164</u>	<u>(695)</u>	<u>13,376</u>	<u>5,040</u>	<u>9,405</u>	<u>25,208</u>	<u>-</u>	<u>40,790</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 85,489</u>	<u>\$ 111,297</u>	<u>\$ 5</u>	<u>\$ 13,376</u>	<u>\$ 5,040</u>	<u>\$ 9,675</u>	<u>\$ 25,208</u>	<u>\$ 137,636</u>	<u>\$ 40,790</u>

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Balance Sheets
June 30, 2018

	Renaud Field Donations Fund	Blighted Buildings	2013 JAG Grant	WWII Park Grant	2014 JAG Grant	2015 JAG Grant	Tobacco	TIFF Fund	Police Explorers	Total City Special Revenue
Assets										
Cash and cash equivalents	\$ 5,545	402,708	\$ 1,672	\$ 447,735	\$ 844	\$ 4,938	\$ 16,499	\$ 94,695	\$ 1,001	\$ 3,732,268
Receivables:										
Loans	-	-	-	-	-	-	-	-	-	3,978,701
Accounts receivable	-	-	-	112	-	-	-	-	-	1,089,368
Intergovernmental	-	-	-	-	-	-	-	-	-	277,005
Due from other funds	-	33	-	-	-	-	750	-	-	505,219
Total assets	<u>5,545</u>	<u>402,741</u>	<u>1,672</u>	<u>447,847</u>	<u>844</u>	<u>4,938</u>	<u>17,249</u>	<u>94,695</u>	<u>1,001</u>	<u>9,582,561</u>
Deferred outflows of resources										
None	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 5,545</u>	<u>\$ 402,741</u>	<u>\$ 1,672</u>	<u>\$ 447,847</u>	<u>\$ 844</u>	<u>\$ 4,938</u>	<u>\$ 17,249</u>	<u>\$ 94,695</u>	<u>\$ 1,001</u>	<u>\$ 9,582,561</u>
Liabilities										
Accounts payable	\$ -	98,370	\$ -	\$ 15,324	\$ -	\$ 329	\$ 40	\$ -	\$ -	\$ 953,310
Due to other funds	-	-	-	825	-	-	-	-	-	447,717
Total liabilities	-	98,370	-	16,149	-	329	40	-	-	1,401,027
Deferred inflows of resources										
Unavailable revenue - intergovernmental	-	-	-	-	-	-	-	-	-	230,624
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-	3,978,701
Unavailable revenue - EMS charges receivable	-	-	-	-	-	-	-	-	-	1,082,217
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	5,291,542
Fund balance										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	5,545	304,371	1,672	431,698	844	4,609	-	94,695	1,001	2,123,434
Committed	-	-	-	-	-	-	17,209	-	-	780,983
Unassigned	-	-	-	-	-	-	-	-	-	(14,425)
Total fund balance	<u>5,545</u>	<u>304,371</u>	<u>1,672</u>	<u>431,698</u>	<u>844</u>	<u>4,609</u>	<u>17,209</u>	<u>94,695</u>	<u>1,001</u>	<u>2,889,992</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 5,545</u>	<u>\$ 402,741</u>	<u>\$ 1,672</u>	<u>\$ 447,847</u>	<u>\$ 844</u>	<u>\$ 4,938</u>	<u>\$ 17,249</u>	<u>\$ 94,695</u>	<u>\$ 1,001</u>	<u>\$ 9,582,561</u>

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Harris Library Grant Fund	Planning Board Fund	Library Services Fund	City Clerks Restoration Fund	Woonsocket Senior Citizens Fund	ESG	Land and Outdoor Recreation Fund	Police Drug Forfeiture #1	Police Drug Forfeiture #2
Revenues:									
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ 63,988	\$ 107,908	\$ -	\$ 33,573	\$ 32,510
Charges for services	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-
Other revenue	-	12,090	40,366	-	-	-	1,267	-	-
Total revenues	-	12,090	40,366	-	63,988	107,908	1,267	33,573	32,510
Expenditures :									
Current:									
Legislative - general government	15,428	(815)	58,442	3,020	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	78,902	6,000
Public works	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	107,908	-	-	-
Human services	-	-	-	-	59,237	-	-	-	-
Total expenditures	15,428	(815)	58,442	3,020	59,237	107,908	-	78,902	6,000
Excess (deficiency) of revenues over expenditures	(15,428)	12,905	(18,076)	(3,020)	4,751	-	1,267	(45,329)	26,510
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess of revenue and other sources over expenditures and other uses	(15,428)	12,905	(18,076)	(3,020)	4,751	-	1,267	(45,329)	26,510
Fund balance - beginning	16,302	6,457	50,250	147,720	9,574	-	127,710	174,727	133,308
Fund balance - ending	\$ 874	\$ 19,362	\$ 32,174	\$ 144,700	\$ 14,325	\$ -	\$ 128,977	\$ 129,398	\$ 159,818

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Building Inspection Services Fund	Bramley Bill Fund	Task Force on Drug & Alcohol Abuse Fund	Rescue Run Public Fund	Rhode Island Home Fund	Hazardous Material Grant Fund	Special Squad Holding Fund	Neighborhood Crime Watch Fund	Lead Hazard Control Fund	Brownsfield Assessment Program Fund
Revenues:										
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ 281,316	\$ -	\$ 25,840	\$ -	\$ -	\$ -
Charges for services	-	-	-	1,675,295	-	-	-	-	-	-
Investment Income	15	-	2	-	-	-	-	-	6	-
Other revenue	-	-	-	-	-	-	-	-	-	408
Total revenues	15	-	2	1,675,295	281,316	-	25,840	-	6	408
Expenditures :										
Current:										
Legislative - general government	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	1,828	1,675,368	-	10,032	44,206	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	138,883	-	-	-	-	-
Human services	-	104	-	-	-	-	-	-	-	-
Total expenditures	-	104	1,828	1,675,368	138,883	10,032	44,206	-	-	-
Excess (deficiency) of revenues over expenditures	15	(104)	(1,826)	(73)	142,433	(10,032)	(18,366)	-	6	408
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess of revenue and other sources over expenditures and other uses	15	(104)	(1,826)	(73)	142,433	(10,032)	(18,366)	-	6	408
Fund balance - beginning	10,965	104	1,826	-	145,299	771	81,023	11	2,828	1,275
Fund balance - ending	\$ 10,980	\$ -	\$ -	\$ (73)	\$ 287,732	\$ (9,261)	\$ 62,657	\$ 11	\$ 2,834	\$ 1,683

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Lead Hazard Demo Grant Fund	CDBG	CDBG PI	Business Revolving Loan Fund	CDBG Housing Preservation Grant Fund	UDAG Loan Repayment	Hamlet Ave. Economic Program Fund	Retiree Medical	LLEBG Grant 2004-2006 Fund	Library Fines & Fees Fund
Revenues:										
Intergovernmental grants and contracts	\$ 48,440	\$ 817,123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	6,750	5,600	-	-	-	-	-	39,464
Investment Income	-	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	2	60,056	8	-
Total revenues	48,440	817,123	6,750	5,600	-	-	2	60,056	8	39,464
Expenditures :										
Current:										
Legislative - general government	-	-	-	-	-	-	-	-	-	47,630
Public safety	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Economic development	-	818,078	46,018	10,256	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-
Total expenditures	-	818,078	46,018	10,256	-	-	-	-	-	47,630
Excess (deficiency) of revenues over expenditures	48,440	(955)	(39,268)	(4,656)	-	-	2	60,056	8	(8,166)
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess of revenue and other sources over expenditures and other uses	48,440	(955)	(39,268)	(4,656)	-	-	2	60,056	8	(8,166)
Fund balance - beginning	80,808	895	39,268	5,558	1,507	129	779	499,235	3,902	20,454
Fund balance - ending	<u>\$ 129,248</u>	<u>\$ (60)</u>	<u>\$ -</u>	<u>\$ 902</u>	<u>\$ 1,507</u>	<u>\$ 129</u>	<u>\$ 781</u>	<u>\$ 559,291</u>	<u>\$ 3,910</u>	<u>\$ 12,288</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 City Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Prime Health Fine	Comprehensive Planning Grant Fund	Homeland Security Fire Grant Fund	Fire Dept. P.P.E Grant Fund	LLEBG Grant 2002-2004 Fund	Riveres Edge Recreation Grant Fund	Recycling Coordinator Fund
Revenues:							
Intergovernmental grants and contracts	\$ -	\$ -	\$ 24,016	\$ 1,058,938	\$ -	\$ -	\$ 12,359
Charges for services	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	3	-
Other revenue	<u>500,000</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>
Total revenues	<u>500,000</u>	<u>4</u>	<u>24,016</u>	<u>1,058,938</u>	<u>1</u>	<u>3</u>	<u>12,359</u>
Expenditures :							
Current:							
Legislative - general government	-	-	-	-	-	-	-
Public safety	-	-	26,787	1,060,093	-	-	-
Public works	-	-	-	-	-	-	31,127
Economic development	-	-	-	-	-	-	-
Human services	<u>287,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>287,215</u>	<u>-</u>	<u>26,787</u>	<u>1,060,093</u>	<u>-</u>	<u>-</u>	<u>31,127</u>
Excess (deficiency) of revenues over expenditures	212,785	4	(2,771)	(1,155)	1	3	(18,768)
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over expenditures and other uses	212,785	4	(2,771)	(1,155)	1	3	(18,768)
Fund balance - beginning	<u>-</u>	<u>2,030</u>	<u>(1,565)</u>	<u>2,551</u>	<u>108</u>	<u>1,643</u>	<u>18,768</u>
Fund balance - ending	<u>\$ 212,785</u>	<u>\$ 2,034</u>	<u>\$ (4,336)</u>	<u>\$ 1,396</u>	<u>\$ 109</u>	<u>\$ 1,646</u>	<u>\$ -</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 City Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Woonsocket EMA Grant Fund	Cass Park Improvements	Cultural Fund	War Memorial Preservation Fund	Police OT Special Projects Fund	Woonsocket Parks Donations Fund	Police Conf Cash	Municipal Court	Fire EMA Donations Fund
Revenues:									
Intergovernmental grants and contracts	\$ 151,750	\$ -	\$ 2,565	\$ -	\$ -	\$ 3,538	\$ -	\$ -	\$ 4,736
Charges for services	-	-	-	-	-	-	-	-	-
Investment Income	-	-	-	27	-	-	-	-	-
Other revenue	-	283,044	-	-	11	-	2,266	-	-
Total revenues	151,750	283,044	2,565	27	11	3,538	2,266	-	4,736
Expenditures :									
Current:									
Legislative - general government	-	-	-	-	-	-	-	-	-
Public safety	121,862	-	-	-	-	-	-	-	10,735
Public works	-	269,806	-	-	-	3,784	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Human services	-	-	3,162	-	-	-	-	-	-
Total expenditures	121,862	269,806	3,162	-	-	3,784	-	-	10,735
Excess (deficiency) of revenues over expenditures	29,888	13,238	(597)	27	11	(246)	2,266	-	(5,999)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-	-
Excess of revenue and other sources over expenditures and other uses	29,888	13,238	(597)	27	11	(246)	2,266	-	(5,999)
Fund balance - beginning	(18,649)	2,926	(98)	13,349	5,029	9,651	22,942	-	46,789
Fund balance - ending	\$ 11,239	\$ 16,164	\$ (695)	\$ 13,376	\$ 5,040	\$ 9,405	\$ 25,208	\$ -	\$ 40,790

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
City Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Renaud Field Donations Fund	Blighted Buildings	2013 JAG Grant	WWII Park Grant	2014 JAG Grant	2015 JAG Grant	Tobacco	TIFF Fund	Police Explorers	Total City Special Revenue
Revenues:										
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ 250,112	\$ 10,717	\$ 17,010	\$ 17,506	\$ -	\$ 1,001	\$ 2,964,946
Charges for services	-	-	-	-	-	-	-	-	-	1,727,109
Investment Income	11	-	-	-	-	-	-	-	-	64
Other revenue	-	328,290	-	-	-	-	-	109,965	-	1,337,778
Total revenues	11	328,290	-	250,112	10,717	17,010	17,506	109,965	1,001	6,029,897
Expenditures :										
Current:										
Legislative - general government	-	-	-	-	-	-	-	15,270	-	138,975
Public safety	-	-	-	-	19,127	16,231	297	-	-	3,071,468
Public works	-	386,596	-	-	-	-	-	-	-	691,313
Economic development	-	-	-	-	-	-	-	-	-	1,121,143
Human services	-	-	-	112,649	-	-	-	-	-	462,367
Total expenditures	-	386,596	-	112,649	19,127	16,231	297	15,270	-	5,485,266
Excess (deficiency) of revenues over expenditures	11	(58,306)	-	137,463	(8,410)	779	17,209	94,695	1,001	544,631
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Excess of revenue and other sources over expenditures and other uses	11	(58,306)	-	137,463	(8,410)	779	17,209	94,695	1,001	544,631
Fund balance - beginning	5,534	362,677	1,672	294,235	9,254	3,830	-	-	-	2,345,361
Fund balance - ending	\$ 5,545	\$ 304,371	\$ 1,672	\$ 431,698	\$ 844	\$ 4,609	\$ 17,209	\$ 94,695	\$ 1,001	\$ 2,889,992

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Balance Sheet
 June 30, 2018

	Sped IDEA Part B	Targeted	Title I	Title IIA	Title III	Title IV	Perkins Vocational	Homeless Children	USDA FFVP
Assets									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:									
Intergovernmental	703,274	12,340	1,667,915	314,345	41,049	295,778	156,510	36,974	79,319
Due from other funds	-	-	-	-	-	-	-	-	12,368
Total assets	<u>703,274</u>	<u>12,340</u>	<u>1,667,915</u>	<u>314,345</u>	<u>41,049</u>	<u>295,778</u>	<u>156,510</u>	<u>36,974</u>	<u>91,687</u>
Deferred outflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 703,274</u>	<u>\$ 12,340</u>	<u>\$ 1,667,915</u>	<u>\$ 314,345</u>	<u>\$ 41,049</u>	<u>\$ 295,778</u>	<u>\$ 156,510</u>	<u>\$ 36,974</u>	<u>\$ 91,687</u>
Liabilities									
Accounts payable	\$ 177,588	\$ 477	\$ 433,640	\$ 94,914	\$ 2,883	104,051	7,801	1,161	-
Due to other funds	525,686	11,863	1,234,275	219,431	38,166	191,727	148,505	8,112	91,687
Other liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	<u>703,274</u>	<u>12,340</u>	<u>1,667,915</u>	<u>314,345</u>	<u>41,049</u>	<u>295,778</u>	<u>156,306</u>	<u>9,273</u>	<u>91,687</u>
Deferred inflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance									
Restricted	-	-	-	-	-	-	204	27,701	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-	<u>204</u>	<u>27,701</u>	-
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 703,274</u>	<u>\$ 12,340</u>	<u>\$ 1,667,915</u>	<u>\$ 314,345</u>	<u>\$ 41,049</u>	<u>\$ 295,778</u>	<u>\$ 156,510</u>	<u>\$ 36,974</u>	<u>\$ 91,687</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Balance Sheet
 June 30, 2018

	CDC	General Assembly - 1	General Assembly - 4	General Assembly - 5	RIDE Selection	RISCA #1	NAESP Grant	RISCA #2
Assets								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:								
Intergovernmental	3,225	-	-	-	-	-	-	-
Due from other funds	-	973	5,979	-	247	64	4,352	-
Total assets	<u>3,225</u>	<u>973</u>	<u>5,979</u>	<u>-</u>	<u>247</u>	<u>64</u>	<u>4,352</u>	<u>-</u>
Deferred outflows of resources								
None	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 3,225</u>	<u>\$ 973</u>	<u>\$ 5,979</u>	<u>\$ -</u>	<u>\$ 247</u>	<u>\$ 64</u>	<u>\$ 4,352</u>	<u>\$ -</u>
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	3,225	-	-	-	-	-	-	458
Other liabilities	-	-	-	-	-	-	-	-
Total liabilities	<u>3,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>458</u>
Deferred inflows of resources								
None	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balance								
Restricted	-	973	5,979	-	247	64	4,352	-
Unassigned	-	-	-	-	-	-	-	(458)
Total fund balance	<u>-</u>	<u>973</u>	<u>5,979</u>	<u>-</u>	<u>247</u>	<u>64</u>	<u>4,352</u>	<u>(458)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,225</u>	<u>\$ 973</u>	<u>\$ 5,979</u>	<u>\$ -</u>	<u>\$ 247</u>	<u>\$ 64</u>	<u>\$ 4,352</u>	<u>\$ -</u>

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CITY OF WOONSOCKET, RHODE ISLAND
Non-Major Governmental Funds
School Special Revenue Combining Balance Sheet
June 30, 2018

	Adult Education	Career and Technical	RI Dept of Human Science	Career and Technical 1 & 2	Career and Technical Education Trust	State Funds	RI Commerce Corp P-Tech	State Sources	Champlin Foundation	Feinstein Foundation
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:										
Intergovernmental	-	-	-	-	-	-	-	59,192	-	-
Due from other funds	<u>1,632</u>	<u>-</u>	<u>4,664</u>	<u>126,488</u>	<u>-</u>	<u>1,271</u>	<u>-</u>	<u>-</u>	<u>84,610</u>	<u>5,205</u>
Total assets	<u>1,632</u>	<u>-</u>	<u>4,664</u>	<u>126,488</u>	<u>-</u>	<u>1,271</u>	<u>-</u>	<u>59,192</u>	<u>84,610</u>	<u>5,205</u>
Deferred outflows of resources										
None	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 1,632</u>	<u>\$ -</u>	<u>\$ 4,664</u>	<u>\$ 126,488</u>	<u>\$ -</u>	<u>\$ 1,271</u>	<u>\$ -</u>	<u>\$ 59,192</u>	<u>\$ 84,610</u>	<u>\$ 5,205</u>
Liabilities										
Accounts payable	\$ 1,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,959	\$ -	\$ -	\$ -
Due to other funds	-	3,994	-	-	-	-	23,117	59,822	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,632</u>	<u>3,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,076</u>	<u>59,822</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources										
None	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-
Fund balance										
Restricted	-	-	4,664	126,488	-	1,271	-	-	84,610	5,205
Unassigned	-	(3,994)	-	-	-	-	(28,076)	(630)	-	-
Total fund balance	<u>-</u>	<u>(3,994)</u>	<u>4,664</u>	<u>126,488</u>	<u>-</u>	<u>1,271</u>	<u>(28,076)</u>	<u>(630)</u>	<u>84,610</u>	<u>5,205</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,632</u>	<u>\$ -</u>	<u>\$ 4,664</u>	<u>\$ 126,488</u>	<u>\$ -</u>	<u>\$ 1,271</u>	<u>\$ -</u>	<u>\$ 59,192</u>	<u>\$ 84,610</u>	<u>\$ 5,205</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Balance Sheet
June 30, 2018

	Feinstein Foundation 2	Kiducation	Lowes Charitable	United Way	Nellie Mae Education	Feinstein Foundation 3	Feinstein Foundation 4	Nellie Mae	Verizon Foundation
Assets									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:									
Intergovernmental	-	-	-	-	-	-	-	-	-
Due from other funds	<u>10,660</u>	<u>185</u>	<u>64</u>	<u>11,051</u>	<u>31,055</u>	<u>3,623</u>	<u>4,556</u>	-	-
Total assets	<u>10,660</u>	<u>185</u>	<u>64</u>	<u>11,051</u>	<u>31,055</u>	<u>3,623</u>	<u>4,556</u>	-	-
Deferred outflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 10,660</u>	<u>\$ 185</u>	<u>\$ 64</u>	<u>\$ 11,051</u>	<u>\$ 31,055</u>	<u>\$ 3,623</u>	<u>\$ 4,556</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	18,000	-
Other liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	<u>18,000</u>	-
Deferred inflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance									
Restricted	10,660	185	64	11,051	31,055	3,623	4,556	-	-
Unassigned	-	-	-	-	-	-	-	(18,000)	-
Total fund balance	<u>10,660</u>	<u>185</u>	<u>64</u>	<u>11,051</u>	<u>31,055</u>	<u>3,623</u>	<u>4,556</u>	<u>(18,000)</u>	-
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 10,660</u>	<u>\$ 185</u>	<u>\$ 64</u>	<u>\$ 11,051</u>	<u>\$ 31,055</u>	<u>\$ 3,623</u>	<u>\$ 4,556</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Balance Sheet
 June 30, 2018

	United Way 2	Feinstein Foundation 5	Feinstein Foundation 6	Gen You Foundation	Whole Kids Foundation	Feinstein Foundation 7	Feinstein Foundation 8
Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:							
Intergovernmental	-	-	-	-	-	-	-
Due from other funds	<u>6,701</u>	<u>9,304</u>	<u>11,506</u>	<u>1,612</u>	-	-	<u>3,529</u>
Total assets	<u>6,701</u>	<u>9,304</u>	<u>11,506</u>	<u>1,612</u>	-	-	<u>3,529</u>
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 6,701</u>	<u>\$ 9,304</u>	<u>\$ 11,506</u>	<u>\$ 1,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,529</u>
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	574	173	-
Other liabilities	-	<u>1,600</u>	<u>7,287</u>	-	-	-	<u>(2,527)</u>
Total liabilities	-	<u>1,600</u>	<u>7,287</u>	-	<u>574</u>	<u>173</u>	<u>(2,527)</u>
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	6,701	7,704	4,219	1,612	-	-	6,056
Unassigned	-	-	-	-	<u>(574)</u>	<u>(173)</u>	-
Total fund balance	<u>6,701</u>	<u>7,704</u>	<u>4,219</u>	<u>1,612</u>	<u>(574)</u>	<u>(173)</u>	<u>6,056</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 6,701</u>	<u>\$ 9,304</u>	<u>\$ 11,506</u>	<u>\$ 1,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,529</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Balance Sheet
 June 30, 2018

	Feinstein Foundation 9	Target	Walmart	VCS Caremark	RI Interlocal Risk	Verizon	Donations and Gifts	Smile Program URI	Playground Donation
Assets									
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:									
Intergovernmental	-	-	-	-	-	-	-	-	-
Due from other funds	-	162	-	10,572	3	18,189	-	-	2,136
Total assets	-	162	-	10,572	3	18,189	-	-	2,136
Deferred outflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ -	\$ 162	\$ -	\$ 10,572	\$ 3	\$ 18,189	\$ -	\$ -	\$ 2,136
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 625	\$ -	\$ -	\$ -
Due to other funds	2,780	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	2,780	-	-	-	-	625	-	-	-
Deferred inflows of resources									
None	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-
Fund balance									
Restricted	-	162	-	10,572	3	17,564	-	-	2,136
Unassigned	(2,780)	-	-	-	-	-	-	-	-
Total fund balance	(2,780)	162	-	10,572	3	17,564	-	-	2,136
Total liabilities, deferred inflows of resources and fund balance	\$ -	\$ 162	\$ -	\$ 10,572	\$ 3	\$ 18,189	\$ -	\$ -	\$ 2,136

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Balance Sheet
June 30, 2018

	AFJROTC	RIF Citizens	Scholarship America	RI School	Riverzedge Grant	Laure-Abel McName	Total School Restricted Funds
Assets							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:							
Intergovernmental	-	-	-	-	-	-	3,369,921
Due from other funds	-	6	355	1,100	2,606	-	376,828
Total assets	-	6	355	1,100	2,606	-	3,746,749
Deferred outflows of resources							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 355</u>	<u>\$ 1,100</u>	<u>\$ 2,606</u>	<u>\$ -</u>	<u>\$ 3,746,749</u>
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 829,731
Due to other funds	639	-	-	-	-	2	2,582,236
Other liabilities	-	-	-	-	-	-	6,360
Total liabilities	639	-	-	-	-	2	3,418,327
Deferred inflows of resources							
None	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	-	6	355	1,100	2,606	-	383,748
Unassigned	(639)	-	-	-	-	(2)	(55,326)
Total fund balance	(639)	6	355	1,100	2,606	(2)	328,422
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 355</u>	<u>\$ 1,100</u>	<u>\$ 2,606</u>	<u>\$ -</u>	<u>\$ 3,746,749</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Sped IDEA Part B	Targeted	Title I	Title IIA	Title III	Title IV	Perkins Vocational	Homeless Children	USDA FFVP
Revenues:									
Intergovernmental grants and contracts	\$ 1,733,652	\$ 40,526	\$ 3,866,270	\$ 687,544	\$ 81,060	\$ 631,883	\$ 364,539	\$ 47,392	\$ 164,575
Other revenue	-	-	-	-	-	-	-	-	-
Total revenues	<u>1,733,652</u>	<u>40,526</u>	<u>3,866,270</u>	<u>687,544</u>	<u>81,060</u>	<u>631,883</u>	<u>364,539</u>	<u>47,392</u>	<u>164,575</u>
Expenditures :									
Current:									
Education	<u>1,733,652</u>	<u>40,526</u>	<u>3,866,270</u>	<u>687,544</u>	<u>81,060</u>	<u>631,883</u>	<u>364,919</u>	<u>47,262</u>	-
Total expenditures	<u>1,733,652</u>	<u>40,526</u>	<u>3,866,270</u>	<u>687,544</u>	<u>81,060</u>	<u>631,883</u>	<u>364,919</u>	<u>47,262</u>	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	(380)	130	164,575
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(164,575)
Other financing sources (uses)	-	-	-	-	-	-	-	-	(164,575)
Excess of revenue and other sources over expenditures and other uses	-	-	-	-	-	-	(380)	130	-
Fund balance - beginning	-	-	-	-	-	-	584	27,571	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204</u>	<u>\$ 27,701</u>	<u>\$ -</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	CDC	General Assembly - 1	General Assembly - 4	General Assembly - 5	RIDE Selection	RISCA #1	NAESP Grant	RISCA #2
Revenues:								
Intergovernmental grants and contracts	\$ 3,225	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ 2,700
Other revenue	-	-	-	-	-	-	-	-
Total revenues	<u>3,225</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700</u>
Expenditures :								
Current:								
Education	<u>3,225</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700</u>
Total expenditures	<u>3,225</u>	<u>-</u>	<u>-</u>	<u>202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,700</u>
Excess (deficiency) of revenues over expenditures	-	-	3,000	(202)	-	-	-	-
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over expenditures and other uses	-	-	3,000	(202)	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>973</u>	<u>2,979</u>	<u>202</u>	<u>247</u>	<u>64</u>	<u>4,352</u>	<u>(458)</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 973</u>	<u>\$ 5,979</u>	<u>\$ -</u>	<u>\$ 247</u>	<u>\$ 64</u>	<u>\$ 4,352</u>	<u>\$ (458)</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Adult Education	Career and Technical	RI Dept of Human Science	Career and Technical 1 & 2	Career and Technical Education Trust	State Funds	RI Commerce Corp P-Tech	State Sources	Champlin Foundation	Feinstein Foundation
Revenues:										
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	230,089	\$ 49,455	\$ -	\$ -	\$ 151,664	\$ -	\$ -
Other revenue	-	-	-	-	-	-	100,000	-	100,000	2,480
Total revenues	-	-	-	230,089	49,455	-	100,000	151,664	100,000	2,480
Expenditures :										
Current:										
Education	-	-	-	105,895	49,455	-	128,076	128,041	15,390	2,217
Total expenditures	-	-	-	105,895	49,455	-	128,076	128,041	15,390	2,217
Excess (deficiency) of revenues over expenditures	-	-	-	124,194	-	-	(28,076)	23,623	84,610	263
Other financing sources (uses):										
Transfers in	4,002	-	-	-	-	-	-	-	-	2,675
Transfers out	-	-	-	-	-	-	-	-	-	(13,236)
Other financing sources (uses)	4,002	-	-	-	-	-	-	-	-	(10,561)
Excess of revenue and other sources over expenditures and other uses	4,002	-	-	124,194	-	-	(28,076)	23,623	84,610	(10,298)
Fund balance - beginning	(4,002)	(3,994)	4,664	2,294	-	1,271	-	(24,253)	-	15,503
Fund balance - ending	\$ -	\$ (3,994)	\$ 4,664	\$ 126,488	\$ -	\$ 1,271	\$ (28,076)	\$ (630)	\$ 84,610	\$ 5,205

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Feinstein Foundation 2	Kiducation	Lowes Charitable	United Way	Nellie Mae Education	Feinstein Foundation 3	Feinstein Foundation 4	Nellie Mae	Verizon Foundation
Revenues:									
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	<u>1,000</u>	-	-	-	<u>18,000</u>	<u>3,000</u>	<u>2,000</u>	<u>1,639</u>	<u>9,998</u>
Total revenues	<u>1,000</u>	-	-	-	<u>18,000</u>	<u>3,000</u>	<u>2,000</u>	<u>1,639</u>	<u>9,998</u>
Expenditures :									
Current:									
Education	<u>8,299</u>	-	-	-	<u>4,945</u>	<u>4,997</u>	<u>2,543</u>	<u>12,798</u>	<u>9,998</u>
Total expenditures	<u>8,299</u>	-	-	-	<u>4,945</u>	<u>4,997</u>	<u>2,543</u>	<u>12,798</u>	<u>9,998</u>
Excess (deficiency) of revenues over expenditures	(7,299)	-	-	-	13,055	(1,997)	(543)	(11,159)	-
Other financing sources (uses):									
Transfers in	1,660	-	-	-	-	1,569	2,425	-	-
Transfers out	<u>-</u>	-	-	-	-	-	<u>(2,673)</u>	-	-
Other financing sources (uses)	<u>1,660</u>	-	-	-	-	<u>1,569</u>	<u>(248)</u>	-	-
Excess of revenue and other sources over expenditures and other uses	(5,639)	-	-	-	13,055	(428)	(791)	(11,159)	-
Fund balance - beginning	<u>16,299</u>	<u>185</u>	<u>64</u>	<u>11,051</u>	<u>18,000</u>	<u>4,051</u>	<u>5,347</u>	<u>(6,841)</u>	-
Fund balance - ending	<u>\$ 10,660</u>	<u>\$ 185</u>	<u>\$ 64</u>	<u>\$ 11,051</u>	<u>\$ 31,055</u>	<u>\$ 3,623</u>	<u>\$ 4,556</u>	<u>\$ (18,000)</u>	<u>\$ -</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	United Way 2	Feinstein Foundation 5	Feinstein Foundation 6	Gen You Foundation	Whole Kids Foundation	Feinstein Foundation 7	Feinstein Foundation 8
Revenues:							
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	-	2,000	1,000	-	-	3,000	3,147
Total revenues	-	2,000	1,000	-	-	3,000	3,147
Expenditures :							
Current:							
Education	-	4,521	4,268	-	-	15,450	4,688
Total expenditures	-	4,521	4,268	-	-	15,450	4,688
Excess (deficiency) of revenues over expenditures	-	(2,521)	(3,268)	-	-	(12,450)	(1,541)
Other financing sources (uses):							
Transfers in	-	1,649	1,888	-	-	1,069	1,528
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	1,649	1,888	-	-	1,069	1,528
Excess of revenue and other sources over expenditures and other uses	-	(872)	(1,380)	-	-	(11,381)	(13)
Fund balance - beginning	6,701	8,576	5,599	1,612	(574)	11,208	6,069
Fund balance - ending	<u>\$ 6,701</u>	<u>\$ 7,704</u>	<u>\$ 4,219</u>	<u>\$ 1,612</u>	<u>\$ (574)</u>	<u>\$ (173)</u>	<u>\$ 6,056</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Feinstein Foundation 9	Target	Walmart	VCS Caremark	RI Interlocal Risk	Verizon	Donations and Gifts	Smile Program URI	Playground Donation
Revenues:									
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other revenue	-	-	-	10,000	-	10,000	-	6,700	-
Total revenues	-	-	-	10,000	-	10,000	-	6,700	-
Expenditures :									
Current:									
Education	1,188	-	1,213	-	-	625	3,448	14,110	-
Total expenditures	1,188	-	1,213	-	-	625	3,448	14,110	-
Excess (deficiency) of revenues over expenditures	(1,188)	-	(1,213)	10,000	-	9,375	(3,448)	(7,410)	-
Other financing sources (uses):									
Transfers in	1,447	-	-	-	-	-	-	12,325	-
Transfers out	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	1,447	-	-	-	-	-	-	12,325	-
Excess of revenue and other sources over expenditures and other uses	259	-	(1,213)	10,000	-	9,375	(3,448)	4,915	-
Fund balance - beginning	(3,039)	162	1,213	572	3	8,189	3,448	(4,915)	2,136
Fund balance - ending	<u>\$ (2,780)</u>	<u>\$ 162</u>	<u>\$ -</u>	<u>\$ 10,572</u>	<u>\$ 3</u>	<u>\$ 17,564</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,136</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Special Revenue Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	AFJROTC	RIF Citizens	Scholarship America	RI School	Riverzedge Grant	Laure-Abel McName	Total School Restricted Funds
Revenues:							
Intergovernmental grants and contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,057,574
Other revenue	<u>62,033</u>	<u>-</u>	<u>700</u>	<u>700</u>	<u>-</u>	<u>-</u>	<u>337,397</u>
Total revenues	<u>62,033</u>	<u>-</u>	<u>700</u>	<u>700</u>	<u>-</u>	<u>-</u>	<u>8,394,971</u>
Expenditures :							
Current:							
Education	<u>62,033</u>	<u>-</u>	<u>1,060</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,044,501</u>
Total expenditures	<u>62,033</u>	<u>-</u>	<u>1,060</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,044,501</u>
Excess (deficiency) of revenues over expenditures	-	-	(360)	700	-	-	350,470
Other financing sources (uses):							
Transfers in	-	-	-	-	-	-	32,237
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(180,484)</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(148,247)</u>
Excess of revenue and other sources over expenditures and other uses	-	-	(360)	700	-	-	202,223
Fund balance - beginning	<u>(639)</u>	<u>6</u>	<u>715</u>	<u>400</u>	<u>2,606</u>	<u>(2)</u>	<u>126,199</u>
Fund balance - ending	<u><u>\$ (639)</u></u>	<u><u>\$ 6</u></u>	<u><u>\$ 355</u></u>	<u><u>\$ 1,100</u></u>	<u><u>\$ 2,606</u></u>	<u><u>\$ (2)</u></u>	<u><u>\$ 328,422</u></u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 City Capital Projects Combining Balance Sheet
 June 30, 2018

	Immaterial Cap Proj	Bond Fund	City Capital Funds	Total
Assets				
Cash cash equivalents	\$ 312	\$ 366,457	\$ 784,482	\$ 1,151,251
Due from other funds	-	270,118	-	270,118
Total assets	312	636,575	784,482	1,421,369
Deferred outflows of resources				
None	-	-	-	-
Total assets and deferred outflows of resources	\$ 312	\$ 636,575	\$ 784,482	\$ 1,421,369
Liabilities				
Accounts payable and accrued expense	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	990,712	-	990,712
Total liabilities	-	990,712	-	990,712
Deferred inflows of resources				
None	-	-	-	-
Fund Balances				
Restricted	312	-	784,482	784,794
Unassigned	-	(354,137)	-	(354,137)
Total liabilities, deferred inflows of resources, and fund balances	\$ 312	\$ 636,575	\$ 784,482	\$ 1,421,369

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 City Capital Projects Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	<u>Immaterial Cap Proj</u>	<u>Bond Fund</u>	<u>City Capital Funds</u>	<u>Total</u>
Revenues				
Interest on investments	\$ 1	\$ -	\$ 1,620	\$ 1,621
Total revenues	<u>1</u>	<u>-</u>	<u>1,620</u>	<u>1,621</u>
Expenditures				
Capital outlay	-	-	11,040	11,040
Public works	-	(8,480)	-	(8,480)
Total expenditures	<u>-</u>	<u>(8,480)</u>	<u>11,040</u>	<u>2,560</u>
Excess (deficiency) of revenue over expenditures	1	8,480	(9,420)	(939)
Other financing sources (uses)				
Transfer from (to) other funds	-	-	(804,082)	(804,082)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(804,082)</u>	<u>(804,082)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	1	8,480	(813,502)	(805,021)
Fund Balance, July 1, 2017	<u>311</u>	<u>(362,617)</u>	<u>1,597,984</u>	<u>1,235,678</u>
Fund Balance, June 30, 2018	<u>\$ 312</u>	<u>\$ (354,137)</u>	<u>\$ 784,482</u>	<u>\$ 430,657</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 School Capital Projects Combining Balance Sheet
June 30, 2018

	<u>School Improvements</u>	<u>Computer Technology</u>	<u>School Housing Aid</u>	<u>Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
Assets						
Due from other funds	\$ 704,687	\$ 626,800	\$ 822,706	\$ 1,462,597	\$ -	\$ 3,616,790
Due from state	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>381,291</u>	<u>381,291</u>
Total assets	<u>704,687</u>	<u>626,800</u>	<u>822,706</u>	<u>1,462,597</u>	<u>381,291</u>	<u>3,998,081</u>
Deferred outflows of resources						
None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 704,687</u>	<u>\$ 626,800</u>	<u>\$ 822,706</u>	<u>\$ 1,462,597</u>	<u>\$ 381,291</u>	<u>\$ 3,998,081</u>
Liabilities						
Accounts payable and accrued expenses	\$ 104,687	\$ -	\$ 5,881	\$ 13,793	\$ -	\$ 124,361
Total liabilities	<u>104,687</u>	<u>-</u>	<u>5,881</u>	<u>13,793</u>	<u>-</u>	<u>124,361</u>
Deferred inflows of resources						
Unavailable revenue - intergovernmental	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>381,291</u>	<u>381,291</u>
Fund Balances						
Restricted	<u>600,000</u>	<u>626,800</u>	<u>816,825</u>	<u>1,448,804</u>	<u>-</u>	<u>3,492,429</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 704,687</u>	<u>\$ 626,800</u>	<u>\$ 822,706</u>	<u>\$ 1,462,597</u>	<u>\$ 381,291</u>	<u>\$ 3,998,081</u>

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CITY OF WOONSOCKET, RHODE ISLAND

Non-Major Governmental Funds

School Capital Projects Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2018

	<u>School Improvements</u>	<u>Computer Technology</u>	<u>School Housing Aid</u>	<u>Capital Projects</u>	<u>Other Capital Projects</u>	<u>Total</u>
Revenues						
Federal and state grants	\$ -	\$ -	\$ 1,383,580	\$ 1,200,000	\$ -	\$ 2,583,580
Total revenues	<u>-</u>	<u>-</u>	<u>1,383,580</u>	<u>1,200,000</u>	<u>-</u>	<u>2,583,580</u>
Expenditures						
Education	<u>1,873,855</u>	<u>70,709</u>	<u>54,887</u>	<u>1,246,538</u>	<u>-</u>	<u>3,245,989</u>
Total expenditures	<u>1,873,855</u>	<u>70,709</u>	<u>54,887</u>	<u>1,246,538</u>	<u>-</u>	<u>3,245,989</u>
Excess (deficiency) of revenue over expenditures	(1,873,855)	(70,709)	1,328,693	(46,538)	-	(662,409)
Other financing sources (uses)						
Transfer from (to) other funds	<u>1,726,765</u>	<u>400,000</u>	<u>(1,126,765)</u>	<u>-</u>	<u>9,944</u>	<u>1,009,944</u>
Total other financing sources (uses)	<u>1,726,765</u>	<u>400,000</u>	<u>(1,126,765)</u>	<u>-</u>	<u>9,944</u>	<u>1,009,944</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(147,090)	329,291	201,928	(46,538)	9,944	347,535
Fund Balance, July 1, 2017	<u>747,090</u>	<u>297,509</u>	<u>614,897</u>	<u>1,495,342</u>	<u>(9,944)</u>	<u>3,144,894</u>
Fund Balance, June 30, 2018	<u>\$ 600,000</u>	<u>\$ 626,800</u>	<u>\$ 816,825</u>	<u>\$ 1,448,804</u>	<u>\$ -</u>	<u>\$ 3,492,429</u>

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CITY OF WOONSOCKET, RHODE ISLAND

Non-Major Governmental Funds

Permanent Funds Combining Balance Sheet

June 30, 2018

	<u>Cecile Lescault Scholarship Trust</u>	<u>Stella M. Gould Trust Fund</u>	<u>Adams, Deziel & Allard (ADA) Memorial Trust Fund</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 13,430	\$ 201,596	\$ 22,924	\$ 237,950
Total assets	<u>13,430</u>	<u>201,596</u>	<u>22,924</u>	<u>237,950</u>
Deferred outflows of resources				
None	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 13,430</u>	<u>\$ 201,596</u>	<u>\$ 22,924</u>	<u>\$ 237,950</u>
Liabilities				
Accounts payable and accrued expense	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources				
None	-	-	-	-
Fund Balances				
Nonspendable	-	185,929	-	185,929
Restricted	13,430	15,667	22,924	52,021
Unassigned	-	-	-	-
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,430</u>	<u>\$ 201,596</u>	<u>\$ 22,924</u>	<u>\$ 237,950</u>

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CITY OF WOONSOCKET, RHODE ISLAND
 Non-Major Governmental Funds
 Permanent Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Year Ended June 30, 2018

	Cecile Lescault Scholarship Trust	Stella M. Gould Trust Fund	Adams, Deziel & Allard (ADA) Memorial Trust Fund	Total
Revenues				
Investment income	\$ 27	\$ 408	\$ 46	\$ 481
Total revenues	27	408	46	481
Expenditures				
Education	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenue over expenditures	27	408	46	481
Other financing sources (uses)				
Transfer from (to) other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	27	408	46	481
Fund Balance, July 1, 2017	13,403	201,188	22,878	237,469
Fund Balance, June 30, 2018	\$ 13,430	\$ 201,596	\$ 22,924	\$ 237,950

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Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations or other governments.

Private-Purpose Trust Funds

A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

Agency Funds

Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

CITY OF WOONSOCKET, RHODE ISLAND
 Fiduciary Funds
 Private Purpose Trust Funds
 Combining Statement of Fiduciary Net Position
June 30, 2018

	EMS Fund	Volais Trust Fund	American Legion Trust Fund	Sandra H. Whipple Trust	Arthur J Cournoyer	Animal Exp Trust	Fire Dept Honor Guard	Total
Assets								
Cash	\$ 305	\$ 22,456	\$ 23,007	\$ 16,950	\$ 6,230	\$ 27,790	\$ 176	\$ 96,914
Accounts receivable	-	-	-	-	-	2,503	-	2,503
Total assets	<u>\$ 305</u>	<u>\$ 22,456</u>	<u>\$ 23,007</u>	<u>\$ 16,950</u>	<u>\$ 6,230</u>	<u>\$ 30,293</u>	<u>\$ 176</u>	<u>\$ 99,417</u>
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,234	\$ -	\$ 3,234
Net position								
Restricted for other purposes	<u>305</u>	<u>22,456</u>	<u>23,007</u>	<u>16,950</u>	<u>6,230</u>	<u>27,059</u>	<u>176</u>	<u>96,183</u>
Total liabilities and net position	<u>\$ 305</u>	<u>\$ 22,456</u>	<u>\$ 23,007</u>	<u>\$ 16,950</u>	<u>\$ 6,230</u>	<u>\$ 30,293</u>	<u>\$ 176</u>	<u>\$ 99,417</u>

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
 Fiduciary Funds
 Private Purpose Trust Funds
 Combining Statement of Changes in Fiduciary Net Position
 For the Year Ended June 30, 2018

	EMS Fund	Volais Trust Fund	Legion Trust Fund	Sandra H. Whipple Trust	Arthur J Cournoyer	Animal Exp Trust	Fire Dept Honor Guard	Total
Additions								
Donations	\$ -	\$ 45	\$ -	\$ -	\$ -	\$ 13,617	\$ -	\$ 13,662
Interest	-	-	-	73	13	-	-	86
Total additions	-	45	-	73	13	13,617	-	13,748
Deductions								
Social services	-	-	-	-	-	4,622	-	4,622
Total deductions	-	-	-	-	-	4,622	-	4,622
Excess of Revenues and Other Sources Over Expenditures and Other Uses	-	45	-	73	13	8,995	-	9,126
Fund balance, July 1, 2017	305	22,411	23,007	16,877	6,217	18,064	176	87,057
Fund balance, June 30, 2018	\$ 305	\$ 22,456	\$ 23,007	\$ 16,950	\$ 6,230	\$ 27,059	\$ 176	\$ 96,183

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
 Agency Funds
 Combining Statement of Assets and Liabilities
 June 30, 2018

	Sidewalk Dep Fund	Curbing Dep Fund	Fire Dental Plan	City Clerks Restoration Fund	Wasilewski- Bebe COLA	Donations - Harris	Donations - Coleman	Donations - Pothier	Donations - Citizens	Donations - Bernon
Assets										
Cash and cash equivalents	\$ 1	\$ 4,113	\$ 613,029	\$ (594)	\$ 2,299	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	59,114	39	9,138	3,630	7,858	1,372	11,962
Total assets	<u>1</u>	<u>4,113</u>	<u>613,029</u>	<u>58,520</u>	<u>2,338</u>	<u>9,138</u>	<u>3,630</u>	<u>7,858</u>	<u>1,372</u>	<u>11,962</u>
Deferred outflows of resources										
None	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 1</u>	<u>\$ 4,113</u>	<u>\$ 613,029</u>	<u>\$ 58,520</u>	<u>\$ 2,338</u>	<u>\$ 9,138</u>	<u>\$ 3,630</u>	<u>\$ 7,858</u>	<u>\$ 1,372</u>	<u>\$ 11,962</u>
Liabilities										
Accounts payable	\$ 1	\$ -	\$ 28,202	\$ 50,997	\$ 1,049	\$ -	\$ 662	\$ -	\$ 563	\$ -
Deposits held	-	4,113	584,827	7,523	1,289	9,138	2,968	7,858	809	11,962
Total liabilities	<u>\$ 1</u>	<u>\$ 4,113</u>	<u>\$ 613,029</u>	<u>\$ 58,520</u>	<u>\$ 2,338</u>	<u>\$ 9,138</u>	<u>\$ 3,630</u>	<u>\$ 7,858</u>	<u>\$ 1,372</u>	<u>\$ 11,962</u>

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
 Agency Funds
 Combining Statement of Assets and Liabilities
 June 30, 2018

	Donations - Globe	School Act 1	School Act 2	WHS Activities	WMS Activities	WMS Villa Nova SA	WACTC VICA / Skills	Sr Banquet Act	WMS Library Account	Construction Escrow Acct	Total Agency
Assets											
Cash and cash equivalents	\$ -	\$ -	\$ 1,650	\$ 422,930	\$ 21,010	\$ -	\$ 15,995	\$ 10,487	\$ 681	\$ 2,055	\$ 1,093,656
Accounts receivable	4,505	455	-	-	-	8,954	-	-	-	-	107,027
Total assets	<u>4,505</u>	<u>455</u>	<u>1,650</u>	<u>422,930</u>	<u>21,010</u>	<u>8,954</u>	<u>15,995</u>	<u>10,487</u>	<u>681</u>	<u>2,055</u>	<u>1,200,683</u>
Deferred outflows of resources											
None	-	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 4,505</u>	<u>\$ 455</u>	<u>\$ 1,650</u>	<u>\$ 422,930</u>	<u>\$ 21,010</u>	<u>\$ 8,954</u>	<u>\$ 15,995</u>	<u>\$ 10,487</u>	<u>\$ 681</u>	<u>\$ 2,055</u>	<u>\$ 1,200,683</u>
Liabilities											
Accounts payable	\$ -	\$ -	\$ -	\$ 250,824	\$ 8,768	\$ -	\$ -	\$ -	\$ -	\$ 5,925	\$ 346,991
Deposits held	4,505	455	1,650	172,106	12,242	8,954	15,995	10,487	681	(3,870)	853,692
Total liabilities	<u>\$ 4,505</u>	<u>\$ 455</u>	<u>\$ 1,650</u>	<u>\$ 422,930</u>	<u>\$ 21,010</u>	<u>\$ 8,954</u>	<u>\$ 15,995</u>	<u>\$ 10,487</u>	<u>\$ 681</u>	<u>\$ 2,055</u>	<u>\$ 1,200,683</u>

See Independent Auditor's Report

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)

CITY OF WOONSOCKET, 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	\$ 57,381,507	\$ -
Last Year's Levy Tax Collection	1,298,159	-
Prior Years Property Tax Collection	980,563	-
Interest & Penalty	1,450,374	-
PILOT & Tax Treaty (excluded from levy) Collection	3,323,737	-
Other Local Property Taxes	1,130,069	-
Licenses and Permits	1,146,162	-
Fines and Forfeitures	183,801	-
Investment Income	64,984	-
Departmental	3,356,826	-
Rescue Run Revenue	1,573,076	-
Police & Fire Detail	645,965	-
Other Local Non-Property Tax Revenues	200,370	-
Tuition	-	340,623
Impact Aid	-	13,584
Medicaid	-	2,227,988
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	2,834,436
CDBG	529,454	-
COPS Grants	58,371	-
SAFER Grants	-	-
Other Federal Aid Funds	18,563	7,620,665
MV Excise Tax Reimbursement & Phase-out	1,715,119	-
State PILOT Program	-	-
Distressed Community Relief Fund	924,681	-
Library Resource Aid	186,880	-
Library Construction Aid	166,898	-
Public Service Corporation Tax	520,903	-
Meals & Beverage Tax / Hotel Tax	625,814	-
LEA Aid	-	59,630,299
Group Home	-	-
Housing Aid Capital Projects	-	1,383,580
Housing Aid Bonded Debt	4,959,285	-
State Food Service Revenue	-	21,498
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	89,034	1,508,868
Other Revenue	-	1,124,487
Local Appropriation for Education	-	16,166,330
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	\$ 82,530,595	\$ 92,872,357
Financing Sources: Transfer from Capital Funds	\$ 804,082	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	\$ 804,082	\$ -

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
 Supplementary Information
 Annual Supplemental Transparency Portal (MTP2)
 For the Year Ended June 30, 2018

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public	Parks and	Police
	Government	Finance	Services	IT					
Compensation- Group A	\$ 709,876	\$ 876,818	\$ 74,921	\$ -	\$ 882,302	\$ 567,750	\$ 1,638,414	\$ 131,938	\$ 6,234,046
Compensation - Group B	-	-	-	-	-	-	-	-	225,929
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	61	21,639	-	-	11,377	5,594	253,941	1,801	960,087
Overtime - Group B	-	-	-	-	-	-	-	-	19,106
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	577,597
Active Medical Insurance - Group A	126,617	193,258	-	-	119,954	162,639	416,913	16,252	1,096,486
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	52,602
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	16,942	25,860	-	-	16,051	12,806	56,575	1,386	91,723
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	3,783
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	51,885	66,767	5,731	-	51,898	44,126	137,108	3,976	105,670
Life Insurance	7,693	8,524	818	-	6,359	5,565	16,941	614	40,836
State Defined Contribution- Group A	6,729	8,246	743	-	5,617	4,644	16,414	535	173,657
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	6,777
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	27,600	-	-	17,334	6,163	826	-	318,282
Other Benefits- Group B	-	-	-	-	-	-	-	-	5,248
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	1,940,500
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	68,034	83,367	7,510	-	56,798	52,356	160,517	5,433	1,551,134
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	60,345
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	166,196	518,200	1,506	-	33,022	96,373	243,781	29,513	333,300
Materials/Supplies	8,935	4,748	618	-	9,214	12,771	45,139	32,110	125,855
Software Licenses	-	47,542	-	-	-	-	-	-	33,965
Capital Outlays	303,727	19,440	-	-	347	4,993	1,307,738	62,278	493,649
Insurance	917,091	-	-	-	-	-	-	-	-
Maintenance	-	-	30,000	-	-	8,998	271,596	94,056	51,670
Vehicle Operations	196	-	-	-	5,104	-	278,118	6,444	134,923
Utilities	166,114	-	-	-	-	135,029	-	50,217	89,844
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	621,322	-	-
Revaluation	-	262,670	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	359,230	-	-
Trash Removal & Recycling	-	-	-	-	-	-	1,704,726	-	-
Claims & Settlements	150,637	-	-	-	-	-	-	-	-
Community Support	118,743	-	-	-	-	-	-	-	-
Other Operation Expenditures	58,756	28,694	-	-	-	-	389,651	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 2,878,232	\$ 2,193,373	\$ 121,847	\$ -	\$ 1,215,377	\$ 1,119,807	\$ 7,918,950	\$ 436,553	\$ 14,727,014

See Independent Auditor's Report

CITY OF WOONSOCKET, RHODE ISLAND
 Supplementary Information
 Annual Supplemental Transparency Portal (MTP2)
 For the Year Ended June 30, 2018

<u>EXPENDITURES</u>	<u>Fire</u>	<u>Centralized</u>	<u>Public Safety</u>	<u>Education</u>	<u>Debt</u>	<u>OPEB</u>	<u>Total</u>	<u>Education</u>
	<u>Department</u>	<u>Dispatch</u>	<u>Other</u>	<u>Appropriation</u>			<u>Municipal</u>	<u>Department</u>
Compensation - Group A	\$ 7,313,409	\$ 563,132	\$ 10,200	\$ -	\$ -	\$ -	\$ 19,002,806	\$ 36,537,851
Compensation - Group B	61,352	-	-	-	-	-	287,281	3,473,359
Compensation - Group C	-	-	-	-	-	-	-	6,850,875
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	813,943	245,722	-	-	-	-	2,314,165	-
Overtime - Group B	-	-	-	-	-	-	19,106	-
Overtime - Group C	-	-	-	-	-	-	-	153,840
Police & Fire Detail	25,312	-	-	-	-	-	602,909	-
Active Medical Insurance - Group A	1,220,575	127,415	-	-	-	-	3,480,109	4,639,194
Active Medical Insurance- Group B	15,918	-	-	-	-	-	68,520	362,967
Active Medical Insurance- Group C	-	-	-	-	-	-	-	1,719,191
Active Dental Insurance- Group A	105,000	8,844	-	-	-	-	335,187	273,113
Active Dental Insurance- Group B	1,278	-	-	-	-	-	5,061	25,076
Active Dental Insurance- Group C	-	-	-	-	-	-	-	123,865
Payroll Taxes	114,807	59,582	148	-	-	-	641,698	3,955,423
Life Insurance	44,111	4,913	-	-	-	-	136,374	78,080
State Defined Contribution- Group A	216,003	5,633	-	-	-	-	438,221	263,756
State Defined Contribution - Group B	443	-	-	-	-	-	7,220	24,760
State Defined Contribution - Group C	-	-	-	-	-	-	-	63,878
Other Benefits- Group A	282,764	1,765	-	-	-	-	654,734	-
Other Benefits- Group B	-	-	-	-	-	-	5,248	-
Other Benefits- Group C	-	-	-	-	-	-	-	2,775
Local Defined Benefit Pension- Group A	1,940,500	-	-	-	-	-	3,881,000	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	796,840	56,950	-	-	-	-	2,838,939	4,548,755
State Defined Benefit Pension - Group B	4,750	-	-	-	-	-	65,095	420,139
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	588,566
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	216,206	-	-	-	-	-	1,638,097	16,252,092
Materials/Supplies	102,659	-	-	-	-	-	342,049	1,165,414
Software Licenses	-	-	-	-	-	-	81,507	133,823
Capital Outlays	382,445	-	-	-	-	-	2,574,617	4,093,706
Insurance	-	-	-	-	-	-	917,091	248,740
Maintenance	29,820	-	-	-	-	-	486,140	497,717
Vehicle Operations	275,518	-	-	-	-	-	700,303	87,746
Utilities	70,910	-	-	-	-	-	512,114	1,878,548
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	621,322	-
Revaluation	-	-	-	-	-	-	262,670	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	359,230	-
Trash Removal & Recycling	-	-	-	-	-	-	1,704,726	-
Claims & Settlements	-	-	-	-	-	-	150,637	3,500
Community Support	-	-	-	-	-	-	118,743	-
Other Operation Expenditures	-	-	-	-	-	-	477,101	153,510
Local Appropriation for Education	-	-	-	16,166,330	-	-	16,166,330	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	4,185,000	-	4,185,000	-
Municipal Debt- Interest	-	-	-	-	4,713,438	-	4,713,438	-
School Debt- Principal	-	-	-	-	3,846,282	-	3,846,282	-
School Debt- Interest	-	-	-	-	2,896,909	-	2,896,909	-
Retiree Medical Insurance- Total	-	-	-	-	-	3,178,648	3,178,648	-
Retiree Dental Insurance- Total	-	-	-	-	-	159,362	159,362	-
OPEB Contribution- Total	-	-	-	-	-	-	-	1,124,836
Non-Qualified OPEB Trust Contribution	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 14,034,563	\$ 1,073,956	\$ 10,348	\$ 16,166,330	\$ 15,641,629	\$ 3,338,010	\$ 80,875,989	\$ 89,745,093

Financing Uses: Transfer to Capital Funds	\$ -	\$ -
Financing Uses: Transfer to Other Funds	-	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ -	\$ -
Net Change in Fund Balance¹	2,458,688	3,127,265
Fund Balance¹- beginning of year	\$ 8,585,015	\$ 8,263,755
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	-	-
Prior period adjustments	-	-
Misc. Adjustment	-	4
Fund Balance¹ - beginning of year adjusted	8,585,015	8,263,759
Rounding	-	-
Fund Balance¹ - end of year	\$ 11,043,703	\$ 11,391,024

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

CITY OF WOONSOCKET, 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 ² (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ² (Deficit)	Ending Fund Balance ³ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2017						\$ 8,585,015		\$ 8,585,015	
<i>No funds removed from RGS for fiscal 2018</i>						-		-	
<i>No funds added to RGS for Fiscal 2018</i>						-		-	
<i>No misc. adjustments made for fiscal 2018</i>						-		-	
Fund Balance¹ - per MTP-2 at June 30, 2017 adjusted						<u>\$ 8,585,015</u>		<u>\$ 8,585,015</u>	
General Fund	\$ 81,232,264	\$ 804,082	\$ 63,411,328	\$ 16,166,330	\$ 2,458,688	\$ 8,585,015	\$ -	\$ 8,585,015	\$ 11,043,703
CDBG Community Development	817,123	-	818,078	-	(955)	895	-	895	(60)
Totals per audited financial statements	<u>\$ 82,049,387</u>	<u>\$ 804,082</u>	<u>\$ 64,229,406</u>	<u>\$ 16,166,330</u>	<u>\$ 2,457,733</u>	<u>\$ 8,585,910</u>	<u>\$ -</u>	<u>\$ 8,585,910</u>	<u>\$ 11,043,643</u>
Reconciliation from financial statements to MTP2									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	\$ 16,166,330	\$ (16,166,330)	\$ -	\$ -	\$ -	\$ -	\$ -
CDBG activity not reported on the MTP2 because not for administration.	(287,669)	-	(288,624)	-	955	(895)	-	(895)	60
COPS Grant reported as expenditure credits on financial statements but revenue on MPT2	58,371	-	58,371	-	-	-	-	-	-
Other Federal Funds recorded as credits on financial statements but revenue on MPT2	18,563	-	18,563	-	-	-	-	-	-
Other State Revenue recorded as credits on financial statements but revenue on MPT2	89,034	-	89,034	-	-	-	-	-	-
Police and Fire Detail Recorded on Balance Sheet in Audit Revenue and Exp on MPT2	602,909	-	602,909	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	<u>\$ 82,530,595</u>	<u>\$ 804,082</u>	<u>\$ 80,875,989</u>	<u>\$ -</u>	<u>\$ 2,458,688</u>	<u>\$ 8,585,015</u>	<u>\$ -</u>	<u>\$ 8,585,015</u>	<u>\$ 11,043,703</u>

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

See Independent Auditor's Report

CITY OF WOONSOCKET, 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						\$ 8,263,755		\$ 8,263,755	
<i>Rounding for fiscal year 2018</i>						4		4	
Fund Balance ¹ - per MTP-2 at June 30, 2017 adjusted						<u>\$ 8,263,759</u>		<u>\$ 8,263,759</u>	
School Unrestricted Fund	\$ 66,096,299	\$ 16,366,330	\$ 78,896,944	\$ 1,226,272	\$ 2,339,413	\$ 3,952,130	\$ -	\$ 3,952,130	\$ 6,291,543
School Special Revenue Funds	8,394,971	32,237	8,044,501	180,484	202,223	126,199	-	126,199	328,422
School Capital Project Funds	2,583,580	1,209,944	3,245,989	200,000	347,535	3,144,894	-	3,144,894	3,492,429
Permanent Funds	481	-	-	-	481	237,469	-	237,469	237,950
Fiduciary Funds	86	-	-	-	86	46,101	-	46,101	46,187
Enterprise Fund1	3,263,901	164,575	3,193,341	-	235,135	762,644	-	762,644	997,779
Totals per audited financial statements	<u>\$ 80,339,318</u>	<u>\$ 17,773,086</u>	<u>\$ 93,380,775</u>	<u>\$ 1,606,756</u>	<u>\$ 3,124,873</u>	<u>\$ 8,269,437</u>	<u>\$ -</u>	<u>\$ 8,269,437</u>	<u>\$ 11,394,310</u>
Reconciliation from financial statements to MTP2									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 16,166,330	\$ (16,166,330)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(3,634,387)	-	(3,634,387)	-	-	-	-	-	-
Eliminate fund transfers per UCOA	-	(1,606,756)	-	(1,606,756)	-	-	-	-	-
Depreciation expense not reported in UCOA	-	-	(2,293)	-	2,293	(5,677)	-	(5,677)	(3,384)
Rounding	1,096	-	998	-	99	(1)	-	(1)	98
Totals Per MTP2	<u>\$ 92,872,357</u>	<u>\$ -</u>	<u>\$ 89,745,093</u>	<u>\$ -</u>	<u>\$ 3,127,265</u>	<u>\$ 8,263,759</u>	<u>\$ -</u>	<u>\$ 8,263,759</u>	<u>\$ 11,391,024</u>
Reconciliation from MTP2 to UCOA									
Rounding	<u>\$ (667)</u>		<u>\$ (1)</u>						
Totals per UCOA Validated Totals Report	<u>\$ 92,871,690</u>		<u>\$ 89,745,092</u>						

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

See Independent Auditor's Report

CITY OF WOONSOCKET, 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 budget and accounting system. To report these costs, the City 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

CITY OF WOONSOCKET, 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/>.

Trend Information

CITY OF WOONSOCKET, RHODE ISLAND

Net Position by Component (Unaudited)

Last Ten Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental activities:					
Net investment in capital assets	\$ 17,780,319	\$ 9,317,622	\$ 12,872,596	\$ 102,916,832	\$ 101,963,913
Restricted	12,314,534	9,668,563	7,336,171	5,721,937	4,537,526
Unrestricted	<u>(279,412,133)</u>	<u>(196,851,307)</u>	<u>(208,281,067)</u>	<u>(269,826,582)</u>	<u>(264,723,987)</u>
Total governmental activities net position	<u>(249,317,280)</u>	<u>(177,865,122)</u>	<u>(188,072,300)</u>	<u>(161,187,813)</u>	<u>(158,222,548)</u>
Business-type activities:					
Net investment in capital assets	37,273,999	37,153,661	26,985,501	31,172,354	29,593,323
Restricted	6,562,803	6,097,816	7,289,646	7,561,236	22,433,356
Unrestricted	<u>22,865,969</u>	<u>21,488,296</u>	<u>26,500,729</u>	<u>15,585,792</u>	<u>(3,215,654)</u>
Total business-type activities	<u>66,702,771</u>	<u>64,739,773</u>	<u>60,775,876</u>	<u>54,319,382</u>	<u>48,811,025</u>
Total net position:					
Net investment in capital assets	55,054,318	46,471,283	39,858,097	134,089,186	131,557,236
Restricted	18,877,337	15,766,379	14,625,817	13,283,173	26,970,882
Unrestricted	<u>(256,546,164)</u>	<u>(175,363,011)</u>	<u>(336,995,260)</u>	<u>(254,240,790)</u>	<u>(267,939,641)</u>
Total net position	<u><u>\$(182,614,509)</u></u>	<u><u>\$(113,125,349)</u></u>	<u><u>\$(282,511,346)</u></u>	<u><u>\$(106,868,431)</u></u>	<u><u>\$(109,411,523)</u></u>

CITY OF WOONSOCKET, RHODE ISLAND

Net Position by Component (Unaudited)

Last Ten Years

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities:					
Net investment in capital assets	\$ 101,948,625	\$ 97,455,150	\$ 96,210,606	\$ 93,385,222	\$ 101,536,700
Restricted	2,318,397	-	-	-	-
Unrestricted	<u>(163,476,108)</u>	<u>(154,586,033)</u>	<u>(135,120,405)</u>	<u>(129,143,063)</u>	<u>(120,907,484)</u>
Total governmental activities net position	<u>(59,209,086)</u>	<u>(57,130,883)</u>	<u>(38,909,799)</u>	<u>(35,757,841)</u>	<u>(19,370,784)</u>
Business-type activities:					
Net investment in capital assets	29,948,199	31,456,816	29,159,522	27,245,486	24,797,024
Restricted	16,755,396	-	-	-	-
Unrestricted	<u>(2,352,719)</u>	<u>9,737,835</u>	<u>9,554,887</u>	<u>7,858,114</u>	<u>7,789,772</u>
Total business-type activities	<u>44,350,876</u>	<u>41,194,651</u>	<u>38,714,409</u>	<u>35,103,600</u>	<u>32,586,796</u>
Total net position:					
Net investment in capital assets	131,896,824	128,911,966	125,370,128	120,630,708	126,333,724
Restricted	19,073,793	-	-	-	-
Unrestricted	<u>(165,828,827)</u>	<u>(144,848,198)</u>	<u>(125,565,518)</u>	<u>(121,284,949)</u>	<u>(113,117,712)</u>
Total net position	<u>\$ (14,858,210)</u>	<u>\$ (15,936,232)</u>	<u>\$ (195,390)</u>	<u>\$ (654,241)</u>	<u>\$ 13,216,012</u>

CITY OF WOONSOCKET, RHODE ISLAND
Changes in Net Position by Component (Unaudited)
Last Ten Years

	2018	2017	2016	2015	2014
Expenses:					
Governmental activities:					
Executive	\$ 357,654	\$ 352,149	\$ 144,904	\$ 153,359	\$ 162,597
Legislative - general government	5,220,810	1,163,019	2,429,743	2,269,146	2,099,437
Planning and development	2,070,387	5,768,654	1,036,428	1,085,732	583,944
Finance	3,333,653	3,239,830	2,207,543	1,661,140	1,784,636
Law	963,231	1,046,483	626,023	536,535	308,507
Public safety	33,184,912	17,749,677	51,884,763	46,018,271	32,854,930
Public works	11,508,391	12,114,028	7,825,596	8,098,868	8,338,072
Economic development	1,118,630	4,618,231	1,021,432	117,155	819,855
Human services	1,237,982	673,907	392,608	223,096	194,807
Other fixed and general charges	-	-	-	-	-
Education	91,999,942	95,981,314	86,255,215	82,136,198	78,901,007
Budget commission	33,229	33,482	52,221	394,821	649,569
Interest and other costs	7,441,636	7,012,119	8,069,290	9,124,849	9,798,878
Total governmental activities expenses	158,470,457	149,752,893	161,945,766	151,819,170	136,496,239
Business-type activities:					
Water Fund	5,969,812	7,016,851	6,226,858	5,448,953	5,514,730
Regional Wastewater Fund	6,972,419	7,268,121	6,134,788	6,104,575	5,351,428
Thundermist hydro	-	-	-	-	-
User Charge Fund	9,038,738	8,048,351	7,509,938	6,689,257	5,677,027
School Proprietary Fund	3,193,341	3,233,966	3,048,949	3,173,114	2,983,994
Total business type activities expenses	25,174,310	25,567,289	22,920,533	21,415,899	19,527,179
Total expenses	\$ 183,644,767	\$ 175,320,182	\$ 184,866,299	\$ 173,235,069	\$ 156,023,418
Pogram revenues:					
Governmental activities:					
Charges for services:					
Legislative	\$ 2,510,742	\$ 2,836,826	\$ 2,193,111	\$ 2,200,275	\$ 2,070,172
Planning and development	-	-	-	-	-
Finance	-	-	-	-	-
Public safety	76,077	3,280,342	1,636,323	1,553,160	1,744,009
Public works	2,330,162	904,551	1,855,167	1,967,963	2,415,064
Economic development	12,350	139,465	79,321	302,762	75,346
Human services	39,464	-	-	-	-
Other fixed and general charges	-	-	-	-	-
Education	633,533	514,366	540,671	811,006	821,820
Operating grants and contributions	76,736,616	70,480,356	67,391,257	67,794,701	64,916,857
Capital grants and contributions	2,750,478	2,814,897	6,059,840	5,351,016	5,382,193
Total governmental activities program revenues	\$ 85,089,422	\$ 80,970,803	\$ 79,755,690	\$ 79,980,883	\$ 77,425,461

CITY OF WOONSOCKET, RHODE ISLAND
Changes in Net Position by Component (Unaudited)
Last Ten Years

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses:					
Governmental activities:					
Executive	\$ 175,339	\$ 127,200	\$ 141,797	\$ 146,668	\$ 210,076
Legislative - general government	2,324,463	1,424,654	1,366,402	1,225,806	1,434,284
Planning and development	1,178,352	612,450	690,177	715,071	775,314
Finance	2,271,095	1,572,842	1,385,533	1,525,472	2,006,066
Law	403,660	487,258	620,842	191,769	382,216
Public safety	34,955,286	34,890,322	34,637,355	33,575,589	24,310,365
Public works	8,300,406	6,950,730	7,202,354	7,761,137	8,070,942
Economic development	1,119,173	1,645,254	2,531,324	2,225,884	1,966,042
Human services	307,969	262,439	334,611	223,392	380,099
Other fixed and general charges	-	9,047,074	8,863,842	10,205,688	7,428,058
Education	79,069,690	83,653,677	82,596,333	76,967,143	78,998,410
Budget commission	549,144	-	-	-	-
Interest and other costs	<u>11,701,389</u>	<u>10,925,297</u>	<u>10,600,441</u>	<u>9,170,992</u>	<u>7,103,776</u>
Total governmental activities expenses	<u>142,355,966</u>	<u>151,599,197</u>	<u>150,971,011</u>	<u>143,934,611</u>	<u>133,065,648</u>
Business-type activities:					
Water Fund	6,102,394	5,764,643	5,843,994	5,603,322	5,821,402
Regional Wastewater Fund	5,621,716	5,938,863	6,145,985	5,040,488	5,146,717
Thundermist hydro	-	-	1,732	21,354	8,506
User Charge Fund	5,344,560	6,501,521	6,192,121	5,811,673	5,702,595
School Proprietary Fund	<u>2,576,240</u>	<u>2,571,009</u>	<u>2,711,848</u>	<u>2,738,282</u>	<u>2,736,494</u>
Total business type activities expenses	<u>19,644,910</u>	<u>20,776,036</u>	<u>20,895,680</u>	<u>19,215,119</u>	<u>19,415,714</u>
Total expenses	<u>\$ 162,000,876</u>	<u>\$ 172,375,233</u>	<u>\$ 171,866,691</u>	<u>\$ 163,149,730</u>	<u>\$ 152,481,362</u>
Program revenues:					
Governmental activities:					
Charges for services:					
Legislative	\$ 1,853,214	\$ 1,144,648	\$ 1,324,179	\$ 1,163,711	\$ 1,307,113
Planning and development	-	205,102	209,160	9,521	136,186
Finance	-	80,168	50,644	73,356	54,000
Public safety	1,505,480	1,271,866	1,361,706	1,264,407	1,188,112
Public works	3,565,250	1,723,286	1,685,764	1,511,539	836,048
Economic development	967,384	522,988	685,983	486,687	1,083,586
Human services	-	-	73,841	92,268	82,862
Other fixed and general charges	-	1,354,660	1,128,571	1,134,018	419,801
Education	917,036	3,585,837	3,567,184	3,180,721	2,676,933
Operating grants and contributions	61,649,075	63,547,583	69,056,919	61,844,050	62,732,110
Capital grants and contributions	<u>5,414,892</u>	<u>165,572</u>	<u>417,160</u>	<u>1,152,382</u>	<u>2,227,181</u>
Total governmental activities program revenues	<u>\$ 75,872,331</u>	<u>\$ 73,601,710</u>	<u>\$ 79,561,111</u>	<u>\$ 71,912,660</u>	<u>\$ 72,743,932</u>

CITY OF WOONSOCKET, RHODE ISLAND
Changes in Net Position by Component (Unaudited)
Last Ten Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Business-type activities:					
Charges for services:					
Water Fund	\$ 8,048,318	\$ 8,186,937	\$ 8,747,659	\$ 7,918,853	\$ 7,886,743
Regional Wastewater Fund	9,341,664	8,688,260	8,156,722	6,961,132	5,940,922
Thundermist hydro	-	-	-	-	-
User Charge Fund	9,347,877	9,174,100	9,264,362	8,561,284	7,923,112
School Proprietary Fund	407,810	408,533	294,231	292,090	301,805
Operating grants and contributions	<u>2,855,934</u>	<u>2,862,517</u>	<u>2,904,604</u>	<u>3,043,158</u>	<u>2,564,647</u>
Total business-type activities					
program revenues	<u>30,001,603</u>	<u>29,320,347</u>	<u>29,367,578</u>	<u>26,776,517</u>	<u>24,617,229</u>
Total program revenues	<u>115,091,025</u>	<u>110,291,150</u>	<u>109,123,268</u>	<u>106,757,400</u>	<u>102,042,690</u>
Net revenue (expense):					
Governmental activities	(73,381,035)	(68,782,090)	(82,190,076)	(71,838,287)	(59,070,778)
Business-type activities	<u>4,827,293</u>	<u>3,753,058</u>	<u>6,447,045</u>	<u>5,360,618</u>	<u>5,090,050</u>
Total net revenue (expense)	<u>(68,553,742)</u>	<u>(65,029,032)</u>	<u>(75,743,031)</u>	<u>(66,477,669)</u>	<u>(53,980,728)</u>
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	64,425,179	67,296,621	65,517,289	63,293,047	60,068,868
Grants and contributions no restricted to specific programs	11,228,490	9,837,550	6,013,887	5,719,930	5,888,847
Unrestricted investment earnings	67,150	33,944	60,494	17,576	6,731
Other general revenues - net	2,092,958	1,981,566	-	-	-
Host community agreement revenue	-	-	-	-	-
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>(157,531)</u>	<u>-</u>
Total governmental activities	<u>77,813,777</u>	<u>79,149,681</u>	<u>71,591,670</u>	<u>68,873,022</u>	<u>65,964,446</u>
Business-type activities:					
Unrestricted investment earnings	122,441	50,426	9,449	208	81
Other	-	-	-	-	-
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>157,531</u>	<u>-</u>
Total business-type activities	<u>122,441</u>	<u>50,426</u>	<u>9,449</u>	<u>157,739</u>	<u>81</u>
Total general revenues	<u>77,936,218</u>	<u>79,200,107</u>	<u>71,601,119</u>	<u>69,030,761</u>	<u>65,964,527</u>
Changes in net position:					
Governmental activities	4,432,742	10,367,591	(10,598,406)	(2,965,265)	6,893,668
Business-type activities	<u>4,949,734</u>	<u>3,803,484</u>	<u>6,456,494</u>	<u>5,518,357</u>	<u>5,090,131</u>
Total change in net position	<u>\$ 9,382,476</u>	<u>\$ 14,171,075</u>	<u>\$ (4,141,912)</u>	<u>\$ 2,553,092</u>	<u>\$ 11,983,799</u>

CITY OF WOONSOCKET, RHODE ISLAND
Changes in Net Position by Component (Unaudited)
Last Ten Years

	2013	2012	2011	2010	2009
Business-type activities:					
Charges for services:					
Water Fund	\$ 7,537,390	\$ 7,232,680	\$ 7,328,130	\$ 7,192,384	\$ 7,418,711
Regional Wastewater Fund	5,541,200	7,109,179	6,649,082	5,671,962	6,015,124
Thundermist hydro	-	-	145,783	94,521	-
User Charge Fund	7,182,172	6,527,603	5,952,491	5,662,763	5,503,431
School Proprietary Fund	342,042	2,502,867	2,541,913	2,786,468	575,785
Operating grants and contributions	2,198,330	-	-	-	2,078,140
Total business-type activities					
program revenues	<u>22,801,134</u>	<u>23,372,329</u>	<u>22,617,399</u>	<u>21,408,098</u>	<u>21,591,191</u>
Total program revenues	<u>98,673,465</u>	<u>96,974,039</u>	<u>102,178,510</u>	<u>93,320,758</u>	<u>94,335,123</u>
Net revenue (expense):					
Governmental activities	(66,483,635)	(77,997,487)	(71,409,900)	(72,021,951)	(60,321,716)
Business-type activities	<u>3,156,224</u>	<u>2,596,293</u>	<u>1,721,719</u>	<u>2,192,979</u>	<u>2,175,477</u>
Total net revenue (expense)	<u>(63,327,411)</u>	<u>(75,401,194)</u>	<u>(69,688,181)</u>	<u>(69,828,972)</u>	<u>(58,146,239)</u>
General revenues and other changes in net position:					
Governmental activities:					
Property taxes	60,275,781	55,896,272	53,820,107	47,806,294	44,670,491
Grants and contributions no restricted to specific programs	2,504,824	2,408,192	2,397,853	6,664,268	8,919,513
Unrestricted investment earnings	294	2,443	6,912	16,235	26,215
Other general revenues - net	-	-	-	-	-
Host community agreement revenue	-	2,088,216	653,297	1,159,097	-
Transfers	-	-	(1,989,475)	(11,000)	-
Total governmental activities	<u>62,780,899</u>	<u>60,395,123</u>	<u>54,888,694</u>	<u>55,634,894</u>	<u>53,616,219</u>
Business-type activities:					
Unrestricted investment earnings	1	133,316	123,745	260,398	283,492
Other	-	-	-	52,427	(821,997)
Transfers	-	-	1,989,475	11,000	-
Total business-type activities	<u>1</u>	<u>133,316</u>	<u>2,113,220</u>	<u>323,825</u>	<u>(538,505)</u>
Total general revenues	<u>62,780,900</u>	<u>60,528,439</u>	<u>57,001,914</u>	<u>55,958,719</u>	<u>53,077,714</u>
Changes in net position:					
Governmental activities	(3,702,736)	(17,602,364)	(16,521,206)	(16,387,057)	(6,705,497)
Business-type activities	<u>3,156,225</u>	<u>2,729,609</u>	<u>3,834,939</u>	<u>2,516,804</u>	<u>1,636,972</u>
Total change in net position	<u>\$ (546,511)</u>	<u>\$ (14,872,755)</u>	<u>\$ (12,686,267)</u>	<u>\$ (13,870,253)</u>	<u>\$ (5,068,525)</u>

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

City Council
City of Woonsocket, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Woonsocket, Rhode Island (City), as of and for the year ended June 30, 8 and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 4, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Hague, Sahady & Co. PC". The signature is written in black ink on a white background.

Fall River, Massachusetts
January 4, 2019