

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**FINANCIAL STATEMENTS**  
**OCTOBER 31, 2021**



CPAs | CONSULTANTS | WEALTH ADVISORS

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# **Introductory Section**

**PRINCIPAL OFFICIALS**  
City of East Providence, Rhode Island

**MAYOR**

Roberto DaSilva

**CITY COUNCIL**

Robert Britto, Council President  
Nathan W. Cahoon  
Robert P. Rodericks

Anna M. Sousa  
Ricardo D. Mourato

**DEPARTMENT DIRECTORS**

Finance Director  
City Solicitor  
Police Chief  
Fire Chief  
Director of Public Works  
Superintendent of Schools  
School Director of Finance

Malcolm Moore  
Michael Marcello  
Christopher Francesconi  
Glen Quick  
Daniel Borges  
Sandra Forand  
Craig Enos

# Financial Section



## **Independent Auditors' Report**

The Honorable Mayor and Members of the East Providence City Council  
City of East Providence, Rhode Island

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of East Providence, Rhode Island, as of and for the year ended October 31, 2021, and the related notes to the financial statements, which collectively comprise the City of East Providence, Rhode Island'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 auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of East Providence, Rhode Island, as of October 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of a Matter***

During fiscal year ended October 31, 2021, the City of East Providence, Rhode Island adopted GASB Statement No. 84 Fiduciary Activities. As a result of the implementation of this standard, the City of East Providence, Rhode Island reported a restatement for the change in accounting principle (see Note 13.) Our auditors' opinions were not modified with respect to the restatement.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 East Providence, Rhode Island's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and Annual Supplemental Transparency Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the Annual Supplemental Transparency Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the Annual Supplemental Transparency Report are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has 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 it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2023 on our consideration of the City of East Providence, 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 solely 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 the effectiveness of the City of East Providence, Rhode Island's 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 East Providence, Rhode Island's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Cranston, Rhode Island  
April 11, 2023

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED OCTOBER 31, 2021**

As management of the City of East Providence, Rhode Island (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended October 31, 2021.

**Financial Highlights**

- The liabilities and deferred inflows of resources of the City's governmental activities exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$30,787,047 (net position). Business-type activity assets and deferred outflows exceeded liabilities by \$38,533,395 at year end. On a government-wide basis, liabilities and deferred inflows exceeded assets and deferred outflows by \$69,320,442.
- The City's total net position increased by \$26,295,474. This was primarily due to an increase in property tax revenues and favorable operations in the general fund.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$87,056,531, an increase of \$4,747,331 in comparison with the prior year. The increase is mainly due to the issuance of bonds in the High School Construction Fund.
- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$15,203,733 or 9.2% of total General Fund expenditures and transfers out.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**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 statement of net position presents information on all of the City's assets and deferred outflows of resources less liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include legislative, judicial, and administrative; financial administration; assessor's office; public safety; public works; human resources; miscellaneous; planning and assessment board' library; education; other; interest on long-term debt; and debt issuance costs. The business-type activities of the City include both water and sewer operations.

The government-wide financial statements can be found on Exhibits I and II.

## **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. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

### **Governmental Funds**

Are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds and 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 this comparison between governmental funds and governmental activities.

The City maintains fifty plus individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund, School Unrestricted Fund, Capital Projects Fund and High School Construction Fund. Data from the remaining governmental funds are combined into single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements later in this report. The basic governmental fund financial statements can be found on pages 14 through 17 of this report. Details of the combined governmental funds can be found on pages 95 through 132.

### **Proprietary Funds**

The City maintains one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water operations and its sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statement provides information for the water operations and for the sewer operations, which are considered to be major funds of the City. The basic proprietary fund financial statements can be found on Exhibits V, VI, and VII.

## Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. 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 Exhibits VIII and IX.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-77.

## Other Information

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

The individual and combining statements and other schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, liabilities and deferred inflows of resources exceeded assets and deferred outflows by \$30,787,047 at the close of the fiscal year.

### City of East Providence, Rhode Island October 31, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 168,320,519	\$ 146,367,693	\$ 10,500,749	\$ 10,948,026	\$ 178,821,268	\$ 157,315,719
Capital assets	253,225,294	174,727,893	90,767,802	92,861,675	343,993,096	267,589,568
Other assets					-	-
Total Assets	<u>421,545,813</u>	<u>321,095,586</u>	<u>101,268,551</u>	<u>103,809,701</u>	<u>522,814,364</u>	<u>424,905,287</u>
Deferred outflows of resources	<u>26,456,039</u>	<u>36,288,861</u>	<u>510,122</u>	<u>276,950</u>	<u>26,966,161</u>	<u>36,565,811</u>
Other liabilities	42,570,652	35,182,387	6,430,483	5,250,213	49,001,135	40,432,600
Long-term liabilities	<u>418,839,623</u>	<u>401,102,685</u>	<u>55,982,033</u>	<u>61,292,035</u>	<u>474,821,656</u>	<u>462,394,720</u>
Total Liabilities	<u>461,410,275</u>	<u>436,285,072</u>	<u>62,412,516</u>	<u>66,542,248</u>	<u>523,822,791</u>	<u>502,827,320</u>
Deferred inflows of resources	<u>55,912,019</u>	<u>15,772,737</u>	<u>832,762</u>	<u>209,495</u>	<u>56,744,781</u>	<u>15,982,232</u>
Net Position:						
Net investment in capital assets	87,770,064	154,469,754	32,765,370	30,605,827	120,535,434	185,075,581
Restricted	46,820	45,999	-	-	46,820	45,999
Unrestricted	<u>(157,137,326)</u>	<u>(249,189,115)</u>	<u>5,768,025</u>	<u>6,729,081</u>	<u>(151,369,301)</u>	<u>(242,460,034)</u>
Total Net Position	\$ <u>(69,320,442)</u>	\$ <u>(94,673,362)</u>	\$ <u>38,533,395</u>	\$ <u>37,334,908</u>	\$ <u>(30,787,047)</u>	\$ <u>(57,338,454)</u>

The largest portion of the City's net position, \$120,535,434, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure) less any related debt and related liabilities used to acquire those assets that are 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.

**Governmental Activities**

Already noted was the statement of activities' purpose in presenting information on how the City's net position changed during the most recent fiscal year. A summary of changes in net position follows. For the fiscal year, net position increased by \$25,096,987. The increase was due to favorable general fund operations and the increase in capital spending including the construction of the new high school project which was completed in 2022.

The reader should remember that the basis of accounting used in the government-wide statement of activities excludes capital expenditures, while its revenues include general taxes whose primary purpose is for the construction of those very assets or their related debt service.

**City of East Providence, Rhode Island  
Statement of Changes in Net Position  
October 31, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 7,609,615	\$ 7,111,464	\$ 22,656,370	\$ 23,669,154	\$ 30,265,985	\$ 30,780,618
Operating grants and contributions	68,786,477	50,762,969			68,786,477	50,762,969
Capital grants and contributions	552,602	10,399,388			552,602	10,399,388
General Revenues:						
Property taxes	115,743,406	109,908,029			115,743,406	109,908,029
Motor vehicle phase-out taxes	1,368,127	2,791,136			1,368,127	2,791,136
Grants and contributions not restricted to specific programs	2,030,536	1,696,913	-	309,493	2,030,536	2,006,406
Investment income	23,691	352,053	22,085	56,215	45,776	408,268
Miscellaneous	1,331,381	899,686			1,331,381	899,686
Total revenues	197,445,835	183,921,638	22,678,455	24,034,862	220,124,290	207,956,500
Program Expenses:						
General government	5,809,705	15,134,237			5,809,705	15,134,237
Public safety	46,280,061	46,023,154			46,280,061	46,023,154
Public works	9,556,958	10,115,020			9,556,958	10,115,020
Public libraries	2,717,755	2,688,425			2,717,755	2,688,425
Parks and recreation	1,021,801	1,116,257			1,021,801	1,116,257
Sanitation	3,081,035	2,874,398			3,081,035	2,874,398
Education	74,430,596	102,239,600			74,430,596	102,239,600
Debt service	29,450,937	2,495,630			29,450,937	2,495,630
Water Fund expenses		-	8,150,527	8,516,777	8,150,527	8,516,777
WPC Fund expenses		-	13,329,441	12,971,302	13,329,441	12,971,302
Total expenses	172,348,848	182,686,721	21,479,968	21,488,079	193,828,816	204,174,800
Excess (deficiency) before transfers	25,096,987	1,234,917	1,198,487	2,546,783	26,295,474	3,781,700
Transfers	-	-	-	-	-	-
Change in net position	25,096,987	1,234,917	1,198,487	2,546,783	26,295,474	3,781,700
Net Position - Beginning of Year	(94,417,429)	(95,908,279)	37,334,908	34,788,125	(57,082,521)	(61,120,154)
Net Position - End of Year	\$ (69,320,442)	\$ (94,417,429)	\$ 38,533,395	\$ 37,334,908	\$ (30,787,047)	\$ (57,082,521)

## **Revenues**

Governmental activities revenues totaled \$197,445,835 for the fiscal year. Property taxes are the largest revenue source for the City and represent 58.6% of governmental revenues. Operating grants and contributions revenues are the City's second largest revenue. Operating grants and contributions revenues include grants for education, general government, libraries and various other functions.

Operating grants and contributions revenues account for 34.8% of governmental revenues for the year. Charges for services accounts for 3.9% of governmental revenues and includes revenues from various sources including but not limited to police details, fire rescue services, property tax interest and liens, and permits and recording fees. Capital grants and contributions account for 0.3% of governmental revenues. Grants and contributions not restricted to specific programs account for 1.7 %. Miscellaneous revenues represent 0.7% of governmental revenues.

## **Expenses**

Governmental activities expenses totaled \$172,348,848 for the fiscal year. Of the expenditures, 43.2% was for education. Public safety expenses amounted to 26.9%, while public works amounted to 5.6%. Sanitation expenses were 1.8%. Library expenses were 1.5%. Park and recreation expenses were 0.6%. Interest expense was 17.1%. General government expenses were 3.3%.

## **Business-Type Activities**

### **Revenues**

General revenues do not support the City's business-type activities; thus, the largest source of revenues comes from charges for services and operating grants. Of the \$24,034,862 in revenues from the Water Fund and the WPC Fund, 98.5% comes from charges for services. Grants and contributions not restricted to specific programs account for 1.3 %. Investment income makes up the final 0.2% of revenues for the City's business activities.

### **Expenses**

Business-type expenses totaled \$21,488,079, \$8,516,777 and \$12,971,302 for the Water Fund and the WPC Fund, respectively, for the fiscal year ended October 31, 2021.

## **Governmental Funds**

The focus of 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, the unassigned fund balance of \$13,389,012 may serve as a valuable assessment of a government's net resources available for spending at the end of the fiscal year. As of October 31, 2021, the City's governmental funds reported combined ending fund balances of \$87,056,531.

The General Fund is the chief operating fund of the City, excluding its school department. As of October 31, 2021, the total fund balance of the general fund was \$18,087,935 of which \$2,813,466 was assigned and \$15,203,733 was unassigned. The City's General Fund also has \$70,736 of nonspendable fund balance as of October 31, 2021.

The fund balance of the General Fund increased by \$2,344,911 in fiscal year 2021. Actual revenues fell short of budgeted revenues by \$1,300,999 (see RSI-1). Property tax revenues fell short of budgetary estimates by \$450,351 and departmental revenues fell short of budgetary estimates by \$5,764,462. Total

expenditures were \$2,632,309, less than appropriated amounts (see RSI-1). The largest portion of this was benefits and other miscellaneous coming in \$1,510,453 under the budgeted amount.

The School Unrestricted Fund is the principal operating fund of the school department. Revenues are derived principally from City appropriations and state aid supplemented by certain miscellaneous revenues, principally federal Medicaid reimbursements. Expenditures for education totaled \$91,906,326 including a state on-behalf payment to pension funds of \$4,941,565 on behalf of the school department.

The Capital Projects fund balance decreased \$2,618,372.

The fund balance of the High School Construction Fund balance increased \$368,815.

### **Proprietary Funds**

The City's proprietary funds provide the same information found in the government-wide financial statements, but in more detail. The City's enterprise funds posted an overall increase in net position of \$1,198,487 for the fiscal year. This was primarily due to less than anticipated capital expenses.

#### **Water Fund**

Unrestricted net position of the Water Control Fund at the end of the year amounted to \$4,598,264.

#### **WPC Fund**

Unrestricted net position of the Sewer Fund at the end of the year amounted to \$1,248,453.

## Capital Asset and Debt Administration

### Capital assets

The City's investment in capital assets for its governmental and business-type activities at year-end amounts to \$343,993,096 net of accumulated depreciation. This investment in capital assets includes land, buildings, building improvements, vehicles, equipment, infrastructure, and construction in progress. The increase in the City's net investment in capital assets for the current fiscal year was \$57,400,693 as depreciation of \$10,492,949 was exceeded by capital asset additions of \$76,403,528.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 4,142,523	\$ 4,142,523	\$ 3,328,334	\$ 3,328,334	\$ 7,470,857	\$ 7,470,857
Construction in progress	152,675,674	75,079,395	474,322	-	153,149,996	75,079,395
Land and improvements	2,288,860	2,150,525	-	-	2,288,860	2,150,525
Buildings and improvements	49,664,071	52,267,874	75,043,539	77,079,500	124,707,610	129,347,374
Infrastructure	32,354,142	30,240,104	9,913,475	10,387,720	42,267,617	40,627,824
Machinery and equipment	7,770,101	6,927,416	1,762,633	1,793,586	9,532,734	8,721,002
Vehicles	4,329,923	3,920,056	245,499	272,535	4,575,422	4,192,591
Total	\$ 253,225,294	\$ 174,727,893	\$ 90,767,802	\$ 92,861,675	\$ 343,993,096	\$ 267,589,568

Major additions to the City's capital assets related to its governmental fund activities realized during the year included approximately \$152.7 million of construction in progress relative to the new high school project.

Additional information on the City's capital assets can be found on pages 36 and 37.

### Long-Term Debt

At the end of the current fiscal year, the City has total bonds and notes outstanding of \$236,800,280. In addition, the City had capital lease commitments outstanding of \$1,071,815. State statutes limit the amount of general obligation debt a governmental entity may issue to three percent of its total equalized valuation.

#### City of East Providence, Rhode Island Bonds and Notes Payable October 31, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Bonds and notes payable	\$ 178,797,848	\$ 58,968,393	\$ 58,002,432	\$ 62,255,848	\$ 236,800,280	\$ 121,224,241
Capital leases payable	1,071,815	1,670,473			1,071,815	1,670,473
Unamortized bond premiums	26,593,886	802,099			26,593,886	802,099
Total	\$ 206,463,549	\$ 61,440,965	\$ 58,002,432	\$ 62,255,848	\$ 264,465,981	\$ 123,696,813

The City currently has an "AA" rating from Standard and Poor's and an "A1" rating from Moody's for general obligation debt.

The current debt limitation for the City is approximately \$133,676,348 based on a net assessed value of \$4,455,878,265 at December 31, 2020, which significantly exceeds the City's current outstanding general obligation debt subject to the limitation.

Additional information on the City's long-term debt can be found on pages 38 through 41.

## **Requests for Information**

This 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 or requests for additional financial information should be addressed to the Finance Director's Office, East Providence City Hall, 145 Taunton Avenue, East Providence, Rhode Island, 02914.

# **Basic Financial Statements**

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF NET POSITION  
OCTOBER 31, 2021**

EXHIBIT I

	<b>Primary Government</b>		<b>Total</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	
<b>Assets:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 99,840,108	\$ 9,057,182	\$ 108,897,290
Cash held by fiscal agent	-		-
Investments	2,633,162	7,847,151	10,480,313
<b>Receivables:</b>			
Property taxes, net	29,824,182		29,824,182
User charges, net		3,225,761	3,225,761
Intergovernmental	6,439,087	-	6,439,087
Other receivables	3,093,477		3,093,477
Internal balances	9,636,946	(9,636,946)	-
Inventory	68,289	7,601	75,890
Prepaid items	848,801	-	848,801
Total current assets	<u>152,384,052</u>	<u>10,500,749</u>	<u>162,884,801</u>
<b>Noncurrent assets:</b>			
Net pension asset	15,936,467		15,936,467
Capital assets not being depreciated	156,818,197	3,802,656	160,620,853
Capital assets, net of accumulated depreciation	96,407,097	86,965,146	183,372,243
Total noncurrent assets	<u>269,161,761</u>	<u>90,767,802</u>	<u>359,929,563</u>
Total assets	<u>421,545,813</u>	<u>101,268,551</u>	<u>522,814,364</u>
<b>Deferred Outflows of Resources:</b>			
Deferred charge on refunding	84,000		84,000
Related to OPEB	3,899,598	44,272	3,943,870
Related to pensions	22,472,441	465,850	22,938,291
Total deferred outflows of resources	<u>26,456,039</u>	<u>510,122</u>	<u>26,966,161</u>
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities	6,943,376	1,364,739	8,308,115
Accrued payroll and related liabilities	4,535,067	349,314	4,884,381
Accrued interest payable	1,156,636	338,442	1,495,078
Unearned revenue	23,117,026		23,117,026
Other liabilities	363,845		363,845
Current portion of long-term obligations	6,454,702	4,377,988	10,832,690
Total current liabilities	<u>42,570,652</u>	<u>6,430,483</u>	<u>49,001,135</u>
<b>Noncurrent liabilities:</b>			
Long-term obligations due in more than one year	418,839,623	55,982,033	474,821,656
Total noncurrent liabilities	<u>418,839,623</u>	<u>55,982,033</u>	<u>474,821,656</u>
Total liabilities	<u>461,410,275</u>	<u>62,412,516</u>	<u>523,822,791</u>
<b>Deferred Inflows of Resources:</b>			
Related to OPEB	8,943,234	143,172	9,086,406
Related to pensions	46,968,785	689,590	47,658,375
Total deferred inflows of resources	<u>55,912,019</u>	<u>832,762</u>	<u>56,744,781</u>
<b>Net Position:</b>			
Net investment in capital assets	87,770,064	32,765,370	120,535,434
<b>Restricted:</b>			
Nonexpendable	43,810		43,810
Expendable	3,010		3,010
Unrestricted	<u>(157,137,326)</u>	<u>5,768,025</u>	<u>(151,369,301)</u>
Total Net Position	<u>\$ (69,320,442)</u>	<u>\$ 38,533,395</u>	<u>\$ (30,787,047)</u>

The accompanying notes are an integral part of the financial statements

CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT II

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General government	\$ 5,809,705	\$ 2,410,290	\$ 7,430,739	\$ 537,602	\$ 4,568,926	\$	\$ 4,568,926
Public safety	46,280,061	3,958,638	451,149	-	(41,870,274)		(41,870,274)
Public works	9,556,958	974,404	3,331,287	-	(5,251,267)		(5,251,267)
Public libraries	2,717,755	8,745	490,352	-	(2,218,658)		(2,218,658)
Parks and recreation	1,021,801	110,966	24,833	15,000	(871,002)		(871,002)
Sanitation	3,081,035	31,415	-	-	(3,049,620)		(3,049,620)
Education	74,430,596	115,157	57,058,117	-	(17,257,322)		(17,257,322)
Debt service	29,450,937				(29,450,937)		(29,450,937)
Total governmental activities	<u>172,348,848</u>	<u>7,609,615</u>	<u>68,786,477</u>	<u>552,602</u>	<u>(95,400,154)</u>	<u>-</u>	<u>(95,400,154)</u>
Business-Type Activities:							
Water Fund expenses	8,150,527	9,793,838				1,643,311	1,643,311
WPC Fund expenses	13,329,441	12,862,532				(466,909)	(466,909)
Total business-type activities	<u>21,479,968</u>	<u>22,656,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,176,402</u>	<u>1,176,402</u>
Total	<u>\$ 193,828,816</u>	<u>\$ 30,265,985</u>	<u>\$ 68,786,477</u>	<u>\$ 552,602</u>	<u>(95,400,154)</u>	<u>1,176,402</u>	<u>(94,223,752)</u>
General revenues:							
Property taxes, levied for general purposes					115,743,406		115,743,406
Motor vehicle phase-out taxes					1,368,127		1,368,127
Grants and contributions not restricted to specific programs					2,030,536	-	2,030,536
Unrestricted investment earnings					23,691	22,085	45,776
Miscellaneous					1,331,381		1,331,381
Total general revenues and transfers					<u>120,497,141</u>	<u>22,085</u>	<u>120,519,226</u>
Change in net position					25,096,987	1,198,487	26,295,474
Accrued payroll and related liabilities							
Net Position at Beginning of Year					<u>(94,417,429)</u>	<u>37,334,908</u>	<u>(57,082,521)</u>
Net Position at End of Year					<u>\$ (69,320,442)</u>	<u>\$ 38,533,395</u>	<u>\$ (30,787,047)</u>

The accompanying notes are an integral part of the financial statements

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Capital Projects Fund</u>	<u>High School Construction Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 46,612,915	\$ 11,195,090	\$ -	\$ 36,581,742	\$ 5,450,361	\$ 99,840,108
Investments	-	-	-	-	2,633,162	2,633,162
Accounts receivable:						
Real estate and personal property taxes, net	27,557,984	-	-	-	-	27,557,984
Intergovernmental	-	-	-	-	6,439,087	6,439,087
Other receivables	879,669	215,608	-	-	1,998,200	3,093,477
Due from other funds	12,818,881	8,397,972	16,998,835	1,986,255	31,628,707	71,830,650
Inventory	68,289	-	-	-	-	68,289
Prepaid items	2,447	846,354	-	-	-	848,801
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 87,940,185</b>	<b>\$ 20,655,024</b>	<b>\$ 16,998,835</b>	<b>\$ 38,567,997</b>	<b>\$ 48,149,517</b>	<b>\$ 212,311,558</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable and accrued expenses	\$ 1,186,499	\$ 3,747,892	\$ 399,341	\$ 1,015,227	\$ 1,711,588	\$ 8,060,547
Accounts payroll and related liabilities	2,087,805	2,067,405	-	-	-	4,155,210
Unearned revenue	-	6,151,791	-	-	16,965,235	23,117,026
Due to other funds	38,859,406	4,017,000	-	-	19,317,298	62,193,704
Other liabilities	160,556	10,000	-	-	-	170,556
<b>Total liabilities</b>	<b>42,294,266</b>	<b>15,994,088</b>	<b>399,341</b>	<b>1,015,227</b>	<b>37,994,121</b>	<b>97,697,043</b>
<b>Deferred inflows of resources:</b>						
Unavailable revenues - taxes	27,557,984	-	-	-	-	27,557,984
<b>Total deferred inflows of resources</b>	<b>27,557,984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,557,984</b>
<b>Fund balances:</b>						
Nonspendable	70,736	846,354	-	-	43,810	960,900
Restricted	-	-	-	-	11,926,307	11,926,307
Committed	-	3,814,582	16,599,494	37,552,770	-	57,966,846
Assigned	2,813,466	-	-	-	-	2,813,466
Unassigned	15,203,733	-	-	-	(1,814,721)	13,389,012
<b>Total fund balances</b>	<b>18,087,935</b>	<b>4,660,936</b>	<b>16,599,494</b>	<b>37,552,770</b>	<b>10,155,396</b>	<b>87,056,531</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 87,940,185</b>	<b>\$ 20,655,024</b>	<b>\$ 16,998,835</b>	<b>\$ 38,567,997</b>	<b>\$ 48,149,517</b>	<b>\$ 212,311,558</b>

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**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)**  
**OCTOBER 31, 2021**

EXHIBIT III

Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net  
position (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$ 87,056,531
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Capital assets used in governmental activities are not financial resources  
and, therefore, are not reported in the funds:

Governmental capital assets	\$ 383,887,395	
Less accumulated depreciation	<u>(130,662,101)</u>	
Net capital assets		253,225,294

Other long-term assets are not available to pay for current-period  
expenditures and, therefore, are deferred in the funds:

Property tax receivables greater than 60 days	27,557,984
Interest receivable on property taxes	2,266,198
Intergovernmental receivable - accrual basis change	544,025
Net pension asset	15,936,467
Deferred charge on refunding	84,000
Deferred outflows related to OPEB	3,899,598
Deferred outflows related to pension	22,472,441

Long-term liabilities and deferred inflows of resources are not due and payable  
in the current period and, therefore, are not reported in the funds:

Bonds and notes payable	(178,797,848)
Unamortized premium on bonds payable	(26,593,886)
Interest payable on bonds and notes	(1,156,636)
Capital leases payable	(1,071,815)
Accrued compensated absences	(7,401,018)
Net OPEB liability	(17,162,255)
Net pension liability	(194,267,503)
Deferred inflows related to OPEB	(8,943,234)
Deferred inflows related to pension	<u>(46,968,785)</u>

Net Position of Governmental Activities (Exhibit I)	\$ <u><u>(69,320,442)</u></u>
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The accompanying notes are an integral part of the financial statements

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED OCTOBER 31, 2021**

EXHIBIT IV

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Capital Projects Fund</u>	<u>High School Construction Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>						
Property taxes, interest and liens	\$ 112,916,477	\$	\$	\$ -	\$	\$ 112,916,477
Intergovernmental	10,932,191	42,519,715			19,137,197	72,589,103
Charges for services	5,847,048	54,827			141,724	6,043,599
Licenses and permits	1,566,016					1,566,016
Interest income	930			4,722	17,887	23,539
Other revenue	-	837,148		264,800	378,076	1,480,024
Total revenues	<u>131,262,662</u>	<u>43,411,690</u>	<u>-</u>	<u>269,522</u>	<u>19,674,884</u>	<u>194,618,758</u>
<b>Expenditures:</b>						
General government	6,256,789				1,616,725	7,873,514
Public safety	40,832,696				1,840,464	42,673,160
Public works	8,206,152				29,699	8,235,851
Public libraries	2,144,652				90,146	2,234,798
Parks and recreation	728,009				160,589	888,598
Sanitation	3,081,035					3,081,035
Education	-	91,906,326			12,302,990	104,209,316
Benefits and other miscellaneous	4,882,525					4,882,525
Capital outlay	961		5,431,838	47,656,802	60,200	53,149,801
Debt service	9,562,115		-	24,562,244	836,809	34,961,168
Total expenditures	<u>75,694,934</u>	<u>91,906,326</u>	<u>5,431,838</u>	<u>72,219,046</u>	<u>16,937,622</u>	<u>262,189,766</u>
Excess (Deficiency) over Revenues over Expenditures	<u>55,567,728</u>	<u>(48,494,636)</u>	<u>(5,431,838)</u>	<u>(71,949,524)</u>	<u>2,737,262</u>	<u>(67,571,008)</u>
<b>Other Financing Sources (Uses):</b>						
Issuance of bonds			-	72,318,339	-	72,318,339
Transfers in	36,614,690	50,409,351	2,813,466	-	-	89,837,507
Transfers out	(89,837,507)	-	-	-	-	(89,837,507)
Total other financing sources (uses)	<u>(53,222,817)</u>	<u>50,409,351</u>	<u>2,813,466</u>	<u>72,318,339</u>	<u>-</u>	<u>72,318,339</u>
Net Change in Fund Balances	2,344,911	1,914,715	(2,618,372)	368,815	2,737,262	4,747,331
Fund Balances at Beginning of Year, as restated	<u>15,743,024</u>	<u>2,746,221</u>	<u>19,217,866</u>	<u>37,183,955</u>	<u>7,418,134</u>	<u>82,309,200</u>
Fund Balances at End of Year	<u>\$ 18,087,935</u>	<u>\$ 4,660,936</u>	<u>\$ 16,599,494</u>	<u>\$ 37,552,770</u>	<u>\$ 10,155,396</u>	<u>\$ 87,056,531</u>

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**CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021**

EXHIBIT IV

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 4,747,331
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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 is reported as depreciation expense.

Capital outlay	85,939,278
Depreciation expense	(7,441,877)
Loss on disposal of assets	

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Property taxes collected after 60 days	2,276,609
Intergovernmental receivable - accrual basis change	-
Change in interest receivable on property taxes	550,281
Change in net pension asset	6,166,479
Change in deferred outflows related to OPEB	2,195,641
Change in deferred outflows related to pension	(11,983,658)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas 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.

Issuance of bonds	(46,470,000)
Bond principal payments	4,675,545
Issuance premiums	(25,791,787)
Capital leases payments	598,658
Amortization of deferred charge on refunding	(44,802)
Amortization of premiums	56,552

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in accrued interest	167,872
Change in compensated absences	221,390
Change in OPEB obligation	4,299,447
Change in net pension liability	45,073,310
Change in deferred inflows related to OPEB	(2,853,146)
Change in deferred inflows related to pension	(37,286,136)

Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 25,096,987</u>
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The accompanying notes are an integral part of the financial statements

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**OCTOBER 31, 2021**

EXHIBIT V

	<b>Enterprise Funds</b>		
	<b>Water Fund</b>	<b>WPC Fund</b>	<b>Total</b>
<b>Assets:</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 5,899,664	\$ 3,157,518	\$ 9,057,182
Investments	3,763,248	4,083,903	7,847,151
Accounts receivable usage sales and fees	1,520,048	1,705,713	3,225,761
Due from other funds	3,924,463	-	3,924,463
Inventory	7,601	-	7,601
<b>Total current assets</b>	<b>15,115,024</b>	<b>8,947,134</b>	<b>24,062,158</b>
<b>Noncurrent assets:</b>			
Capital assets not being depreciated	2,384,297	1,418,359	3,802,656
Capital assets, net of accumulated depreciation	35,586,823	51,378,323	86,965,146
<b>Total noncurrent assets</b>	<b>37,971,120</b>	<b>52,796,682</b>	<b>90,767,802</b>
<b>Total assets</b>	<b>53,086,144</b>	<b>61,743,816</b>	<b>114,829,960</b>
<b>Deferred Outflows of Resources:</b>			
Related to OPEB	44,272		44,272
Related to pensions	465,850		465,850
<b>Total deferred outflows of resources</b>	<b>510,122</b>	<b>-</b>	<b>510,122</b>
<b>Liabilities:</b>			
<b>Current liabilities:</b>			
Accounts payable	315,512	970,535	1,286,047
Accrued liabilities	272,110	7,887	279,997
Accrued compensated absences	69,317	-	69,317
Accrued interest payable	135,378	203,064	338,442
Due to other funds	7,044,214	6,517,195	13,561,409
Current portion of long-term debt	1,502,300	2,875,688	4,377,988
<b>Total current liabilities</b>	<b>9,338,831</b>	<b>10,574,369</b>	<b>19,913,200</b>
<b>Noncurrent liabilities:</b>			
Net OPEB liability	248,944		248,944
Net pension liability	2,108,645		2,108,645
Bonds and loans payable	20,740,306	32,884,138	53,624,444
<b>Total noncurrent liabilities</b>	<b>23,097,895</b>	<b>32,884,138</b>	<b>55,982,033</b>
<b>Total liabilities</b>	<b>32,436,726</b>	<b>43,458,507</b>	<b>75,895,233</b>
<b>Deferred Inflows of Resources:</b>			
Related to OPEB	143,172		143,172
Related to pensions	689,590		689,590
<b>Total deferred inflows of resources</b>	<b>832,762</b>	<b>-</b>	<b>832,762</b>
<b>Net Position:</b>			
Net investment in capital assets	15,728,514	17,036,856	32,765,370
Unrestricted	4,598,264	1,248,453	5,846,717
<b>Total Net Position</b>	<b>\$ 20,326,778</b>	<b>\$ 18,285,309</b>	<b>\$ 38,612,087</b>

The accompanying notes are an integral part of the financial statements

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED OCTOBER 31, 2021**

EXHIBIT VI

	<b>Enterprise Funds</b>		
	<b>Water Fund</b>	<b>WPC Fund</b>	<b>Total</b>
Operating Revenues:			
Usage sales and fees	\$ 9,793,838	\$ 12,862,532	\$ 22,656,370
Operating Expenses:			
Salaries and benefits	1,865,955	171,145	2,037,100
Repairs and maintenance	382,794		382,794
Contracted and purchased services	2,771,031	8,990,247	11,761,278
Operations	1,160,856	1,319,569	2,480,425
Depreciation and amortization	1,229,061	1,822,012	3,051,073
Total operating expenses	<u>7,409,697</u>	<u>12,302,973</u>	<u>19,712,670</u>
Operating Income	<u>2,384,141</u>	<u>559,559</u>	<u>2,943,700</u>
Nonoperating Revenues (Expenses):			
Investment income	22,085		22,085
Interest expense	<u>(740,830)</u>	<u>(1,026,468)</u>	<u>(1,767,298)</u>
Net nonoperating expenses	<u>(718,745)</u>	<u>(1,026,468)</u>	<u>(1,745,213)</u>
Income (Loss) Before Transfers and Capital Contributions	1,665,396	(466,909)	1,198,487
Capital contribution			
Change in Net Position	1,665,396	(466,909)	1,198,487
Net Position at Beginning of Year	<u>18,661,382</u>	<u>18,752,218</u>	<u>37,413,600</u>
Net Position at End of Year	<u>\$ 20,326,778</u>	<u>\$ 18,285,309</u>	<u>\$ 38,612,087</u>

The accompanying notes are an integral part of the financial statements

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED OCTOBER 31, 2021**

EXHIBIT VII

	<b>Enterprise Funds</b>		
	<b>Water Fund</b>	<b>WPC Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>			
Receipts from customers and users	\$ 9,790,495	\$ 13,003,989	\$ 22,794,484
Payments to suppliers	(4,377,576)	(9,356,413)	(13,733,989)
Payments to employees	(2,304,341)	(165,439)	(2,469,780)
Net cash provided by (used in) operating activities	<u>3,108,578</u>	<u>3,482,137</u>	<u>6,590,715</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Interfund loans	<u>2,955,276</u>	<u>2,593,698</u>	<u>5,548,974</u>
Net cash provided by (used in) noncapital financing activities	<u>2,955,276</u>	<u>2,593,698</u>	<u>5,548,974</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Principal paid on bonds, notes and loans	(1,465,100)	(2,788,316)	(4,253,416)
Interest paid on bonds, notes and loans	(748,537)	(1,041,502)	(1,790,039)
Additions to property, plant and equipment	(957,200)		(957,200)
Capital contributions			-
Other nonoperating	<u>92,544</u>		<u>92,544</u>
Net cash provided by (used in) capital and related financing activities	<u>(3,078,293)</u>	<u>(3,829,818)</u>	<u>(6,908,111)</u>
<b>Cash Flows from Investing Activities:</b>			
Purchase of investments	(469)	(410)	(879)
Interest and dividends on investments	<u>22,085</u>		<u>22,085</u>
Net cash provided by (used in) investing activities	<u>21,616</u>	<u>(410)</u>	<u>21,206</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,007,177	2,245,607	5,252,784
Cash and Cash Equivalents at Beginning of Year	<u>2,892,487</u>	<u>911,911</u>	<u>3,804,398</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,899,664</u>	<u>\$ 3,157,518</u>	<u>\$ 9,057,182</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>			
Operating income (loss)	\$ 2,384,141	\$ 559,559	\$ 2,943,700
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,229,061	1,822,012	3,051,073
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(3,343)	141,457	138,114
(Increase) decrease in deferred outflows related to OPEB	(30,699)		(30,699)
(Increase) decrease in deferred outflows related to pensions	(202,473)		(202,473)
Increase (decrease) in accounts payable	(62,895)	953,403	890,508
Increase (decrease) in accrued liabilities	142,404	5,706	148,110
Increase (decrease) in net OPEB liability	(79,726)		(79,726)
Increase (decrease) in net pension liability	(851,972)		(851,972)
Increase (decrease) in deferred inflows related to OPEB	44,136		44,136
Increase (decrease) in deferred inflows related to pension	579,131		579,131
Increase (decrease) in accrued compensated absences	(39,187)		(39,187)
Total adjustments	<u>724,437</u>	<u>2,922,578</u>	<u>3,647,015</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,108,578</u>	<u>\$ 3,482,137</u>	<u>\$ 6,590,715</u>

The accompanying notes are an integral part of the financial statements



**CITY OF EAST PROVIDENCE, RHODE ISLAND  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED OCTOBER 31, 2021**

EXHIBIT IX

	<b>Pension and Other Post- Employment Benefit Trust Funds</b>
Additions:	
Contributions:	
Employer contributions	\$ 13,453,950
Plan members contributions	<u>2,135,422</u>
Total contributions	<u>15,589,372</u>
Investments income:	
Net change in fair value of investments	40,217,402
Interest and dividends	<u>1,563,790</u>
Total investment income	<u>41,781,192</u>
Total additions	<u>57,370,564</u>
Deductions:	
Benefits	18,313,682
Administration	<u>581,431</u>
Total deductions	<u>18,895,113</u>
Change in Net Position	38,475,451
Net Position at Beginning of Year	<u>159,129,264</u>
Net Position at End of Year	<u>\$ 197,604,715</u>

The accompanying notes are an integral part of the financial statements

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **A. Reporting Entity**

The City of East Providence (the City) was incorporated in 1862. The City covers 16.61 square miles located in southeastern New England. The City is the fifth largest city in the State of Rhode Island and Providence Plantations and is approximately 60 miles from Boston and three and a half hours from New York by automobile or rail.

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

In evaluating the inclusion of other separate and distinct legal entities as component units within its financial reporting entity, the City applied the criteria prescribed by GASB Statement No. 61. Under GASB Statement No. 61, a legally separate entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and 1) it is able to impose its will on that organization or 2) there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any one of the following conditions exists:

- The primary government is legally entitled to or can otherwise access the organization's resources.
- The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- The primary government is obligated in some manner for the debt of the organization.

The following entity was considered for classification as a component unit for fiscal year 2021:

- East Providence School Department

Although the East Providence School Department meets certain criteria of the tests listed above, this entity is not deemed to have separate legal status apart from the City and the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. As a result, the financial data of the East Providence School Department has been included.

A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City does not have any component units.

**B. Basis of Presentation - Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and transit functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**C. Basis of Presentation - Fund Financial Statements**

Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflow of resources, fund equity, revenues and expenditures. Funds are organized into three major categories: governmental, proprietary and fiduciary. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements. A fund is considered a major fund if it is the primary operating fund of the City or meets the following criteria:

- Total assets and deferred outflow of resources, liabilities, and deferred inflow of resources, revenues, or expenditures of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category type, and
- Total assets and deferred outflow of resources, liabilities, and deferred inflow of resources, revenues, or expenditures of the individual, governmental fund, or enterprise funds are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *School Unrestricted Fund* accounts for the budgeted resources devoted to financing the general operations of the School Department.

The *Capital Projects Fund* accounts for the financial revenues to be used for major capital asset construction and/or purchases.

The *High School Construction Fund* accounts for the financial resources and related expenditures of the high school construction project.

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

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The City reports the following major proprietary funds:

The *Water Fund* is a proprietary (enterprise) fund used to account for water use fees and expenses associated with providing water services to city residents.

The *WPC Fund* is a proprietary (enterprise) fund used to account for sewer use fees and expenses associated with providing wastewater services to city residents.

Additionally, the City reports the following fund types:

The *Pension and Other Post-Employment Benefit Trust Funds* are used to account for the funding and payment of pension benefits provided to City police officers and firefighters and to account for funding of future other postemployment benefits such as health, dental and life insurance for the City's and School Department's retirees.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

#### **D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for taxes and grants and within six months of the end of the current fiscal period for government issued aid. Expenditures generally are recorded when a liability is incurred,

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension trust fund and other postemployment benefit trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

**E. Cash and Cash Equivalents**

Cash and cash equivalents are carried at cost. Cash equivalents include amounts invested in certificate of deposits as management believes that these certificates can be accessed at any point in time. Substantially, all of the City's cash and cash equivalents are held in public deposit institutions.

Pursuant to Section 35-10-1 of the Rhode Island General Laws, as of October 1, 1991, public institutions are required to insure accounts which hold public funds in excess of the \$250,000 which is guaranteed by FDIC. At times, the City pools cash resources of its various funds to facilitate the management of cash and maximize investment returns.

State statutes authorize governments to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

**F. Investments**

Investments are recorded at fair value. Unrealized gains and losses from changes in fair value are recognized as investment income.

The pension funds allow for investments in certain alternative investments. Alternative investments may include private equity partnerships; infrastructure limited partnerships, hedge and absolute return funds for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a ready market for the securities existed.

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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**G. Property Taxes**

The City is permitted by state law to levy property taxes. The City's fiscal 2021 property taxes were levied in May 2021 based on an assessed valuation as of December 31, 2020. Taxes were due July 1, 2021 or may be paid quarterly, without penalty, at the taxpayer's option. Failure to mail payments by due dates will result in a lien on taxpayer's property.

The City offers a 1.5% discount to taxpayers who pay their assessment in full on or before the due date of the first quarterly installment. A 12% penalty is imposed for all taxes in an overdue status.

Property tax revenue is recognized in accordance with Section P70 "Property Taxes" of the Codification of Governmental Accounting and Reporting Standards which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due, and receivable within the current period and collected no later than 60 days after the close of the current period. Property taxes levied in May 2021 for the current year and other delinquent balances are recorded as receivables.

**H. Other Receivables**

Other receivables include amounts due from other governments and individuals for services provided by the City. Receivables are recorded, and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

**I. Due from/to Other Funds**

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of year-end, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

**J. Prepaid items**

Prepaid items are accounted for under the allocation method whereby a prepaid asset is established at the date of payment and subsequently amortized over the accounting periods expected to benefit from the initial payment. Prepaid items recorded in the governmental type fund do not reflect current appropriate resources and, as such, an equivalent portion of the fund balance is reported as nonspendable.

**K. Unbilled Services Receivable**

WPC and water revenues are recorded when earned. Residential customers are billed quarterly. The estimated value of services provided, but unbilled, at year end has been included in the accompanying financial statements.

**L. Inventory**

Inventory is maintained on a perpetual system and is stated at cost. The first in, first out method of inventory valuation is used. Inventory is generally recorded as expenditures/expenses when consumed.

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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**M. 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 and in the proprietary fund financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than a \$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 acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital asset, as applicable.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Useful Life</u>
Land improvements	20 years
Infrastructure	10-65 years
Buildings and construction	25-50 years
Pump stations and tanks	40 years
Machinery and equipment	5-30 years
Vehicles	8 years

**N. 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 or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. 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. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

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 or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City also reports deferred inflows of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees). In addition, for governmental funds, the City

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**O. Compensated Absences**

Under the terms of various contracts and agreements, City employees are granted vacation and sick leave in varying amounts based on length of service. They are allowed to accumulate the vacation and sick leave in accordance with the limits of the contracts. This time will be paid upon separation from City service.

The entire compensated absence liability is reported in the government-wide financial statements. For governmental fund financial statements, the amount of accumulated vacation and sick leave has been recorded as a current liability to the extent that the amounts are expected to be paid using expendable available financial resources (i.e., upon an employee's resignation or retirement). The balance of the liability not paid with expendable available financial resources is not recorded in the governmental fund financial statements.

**P. Long-Term Obligations**

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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, and debt payments, are reported as debt service expenditures.

**Q. Net Pension Asset/Liability**

The net pension asset/liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**R. Net OPEB Liability**

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

## **S. Fund Equity**

Equity in the government-wide financial statements is defined as “net position”. Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The components of net position are detailed below:

### **Net Investment in Capital Assets**

The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

### **Restricted for Debt Service**

The component of net position that reflects funds set aside in accordance with indenture agreements with bondholders.

### **Restricted for Special Revenue Funds**

The component of net position that reports the difference between assets and liabilities of the various special revenue funds with constraints placed on their use by federal, state or local requirements.

### **Unrestricted**

All other amounts that do not meet the definition of “restricted” or “net investment in capital assets.”

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

### **Nonspendable Fund Balance**

Includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

### **Restricted Fund Balance**

Is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for capital projects and debt service obligations and for other items contained in the Rhode Island General Laws.

### **Committed Fund Balance**

Will be reported for amounts that can only be used for specific purposes pursuant to formal action of the City’s highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the City Council removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the City Council.

### **Assigned Fund Balance**

This represents amounts constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.

**Unassigned Fund Balance**

This represents the residual classification for the general fund and deficit fund balances in other funds.

**T. Fund Balance Flow Assumptions**

The City of East Providence does not currently have a spending policy regarding the order in which restricted, committed, assigned, and unassigned fund balances are spent when more than one amount is available for the expenditures incurred. Accordingly, by default, the City is following the policy prescribed by GASB Statement No. 54 which specifies that fund balance is reduced first by committed, then by assigned, then by unassigned when expenditures are incurred for purposes for which any unrestricted fund balance could be used. In all situations, the City considers restricted fund balance to when available and when expenditures are incurred that meet the requirements of the restricted fund balance.

**U. Use of Estimates**

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

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

The City has formally established budgetary accounting control for its General Fund and the School Unrestricted Fund, which is a Special Revenue Fund. The Mayor, at least 45 days prior to the beginning of each budget year, shall submit to the City Council a proposed General Fund budget, including the School Unrestricted Fund. At the City Council meeting at which the budget is submitted, the City Council shall determine a place and time for a public hearing on the budget. After the public hearing, the City Council may insert new items or may increase or decrease the items of the budget, except expenditures fixed by law or prescribed by Charter. Before any additions are made to the budget by the City Council, another public hearing must be scheduled. The budget must be adopted by a favorable vote of at least a majority of all the members of the City Council. The budget must be finally adopted not later than seven (7) days before the end of the current fiscal year. Should the City Council take no final action on or prior to such day, the budget, as submitted, shall be deemed to have been formally adopted by the City Council. The General Fund and School Unrestricted Fund annual operating budget amounts are supported by the revenue estimates and take into account the elimination of the accumulated deficits and the reappropriation of accumulated surpluses to the extent necessary. The General Fund and School Unrestricted Fund budgets are in conformance with the legally enacted budgetary basis, which is not in conformance with generally accepted accounting principles (GAAP). The budget to actual presentation in the required supplementary information for these funds is reflected on the budgetary basis.

The Mayor may, at any time, transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditures within an office, department, or agency. At the request of the Mayor and within the last three (3) months of the budget year, the Council may enact a resolution to transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another. Appropriations not expended or encumbered lapse at year end.

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The City has adopted a fund balance policy for the general fund. Every year the City has to budget 1% of revenues to replenish the fund balance to a maximum of 12% of the prior fiscal year general fund operating revenues, 7% of which is restricted. In the event that the payment to be made into the Fund Balance would increase the amount in said account to more than twelve percent (12%) of the prior fiscal year general operating fund revenues that said amount shall be transferred to a capital fund to be used solely for funding capital projects.

**B. Legal Debt Margin**

The City’s legal debt margin as set forth by State Statute is limited to 3% of total taxable assessed value. The legal debt margin for the City is approximately \$134,009,109. As of October 31, 2021, the City’s debt subject to legal debt margin is \$2,750,000, and the City is under the debt limit by \$131,259,109.

**C. Excess of Expenditures over Appropriations**

For the year ended October 31, 2021, expenditures exceeded appropriations in the following categories:

Information technology	\$	43,805
City clerk		26,338
Human resources		62,519
Animal shelter		616
Fire		120,701
Central garage		58,365
Streetlights		91,163
Building inspection		24,945
Public buildings		11,645
Refuse disposal		17,123
Pierce stadium		35,960

**D. Fund Deficits**

At October 31, 2021, the City reported deficit fund balance in the following funds:

**Nonmajor Governmental Funds:**

CARES	\$	25,867	ESSER II (Priority #3 - Universal Screening)	\$	85,449
Sabin Point VW Settlement		13,001	ESSER II (Priority #4 - Student Transitions)		31,256
Historic Interpretive Signage Plan		8,693	ESSER II - Set Aside (K Transition)		58,658
RIDEM Park Grants Activities		106,388	ESSER III (Other Priority)		129,364
Historical School Buildings		8,000	ARP ELC (Dept of Health)		48,433
EPPC Activities		16	Pre-K Expansion Grant		2,987
Center for Tech and Civic Life		27	Comprehensive Literacy Grant		2,499
Lori Grant		2,235	EPHS Gym		1,130
Byrne Jag 16.738 & 16.739		10,307	Legislative Technology Francis		610
Emergency Mgmt Program		154,477	Pre-K Grant		4,201
State Hazmat Grant 97.044 & 97.045		31,663	Common Core State Standards		5,603
I-195 Interchange Watchemoket		68,596	CTE Categorical Fund Year 2		90,335
Title I 1003 (A) Year 1		4,724	CTE Categorical IT Program Year 1		118,966
Title I 1003 (A) Year 3		194	English Language Learner Categorical		5,227
Perkins Odd Year		3,606	RI Interlocal Risk Trust		409
Perkins Vocational Education - Competitive		16,000	Sports Donations		5,253
Fresh Fruits & Vegetables		297	Summer School Remedial		38,566
CARES Act - ESSER Grant		24,567	TIF Bond Fund		436,787
CARES Act - ESSER I Set Aside		18,483	Runnins River Flood Prevention		103,551
ESSER II (Priority #1 - Back to School)		90,403	Riverside SQ Main Street Grant		46,400
ESSER II (Priority #2 - Extended Learning)		11,493			

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The nonmajor governmental fund deficits will be eliminated by grant funding, transfers and future donations.

### **3. CASH AND CASH EQUIVALENTS**

#### **Deposits**

Substantially all of the City's cash and cash equivalents are held in public deposit institutions. Pursuant to Section 35-10-1 of the Rhode Island General Laws, as of October 1, 1991, public deposit institutions are required to insure accounts that hold public funds in excess of the \$250,000 that is guaranteed by FDIC. At times, the City pools cash resources of its various funds to facilitate the management of cash and maximize investment returns.

#### **Deposit Custodial Credit Risk**

Custodial credit risk in the case of deposits is the risk that in the event of a bank failure, the City's deposits may not be returned. The State of Rhode Island requires that certain uninsured deposits be collateralized. Section 35-10.1-7 of the General Laws of the State of Rhode Island, dealing with the collateralization of public deposits, requires that all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet the minimum capital requirements of its federal regulator must be collateralized. The City does not have a formal deposit policy for custodial credit risk but is governed by State laws as described above.

As of October 31, 2021, the City's entire bank balance of \$67,515,464 was covered by either FDIC insurance or collateral held in the City's name. The City also had deposits of \$44,129,514 that are held in the Ocean State Investment Pool (OSIP). Pursuant to GASB 79, *Certain External Investment Pools and Pool Participants*, the City's institutional money market accounts represent qualifying external investment pools that measures for financial reporting purposes all its investments at amortized cost.

The OSIP is offered by The State of Rhode Island and managed by FIAM LLC (FIAM) a Fidelity Investments company. While OSIP is unrated, investments are required to be invested in only the "highest quality securities" defined as being rated in one of the highest categories by at least two Nationally Recognized Statistical Rating Organizations. Credit quality represents ratings assigned at the security level or ratings assigned to the entities that issue the securities. OSIP uses ratings from Moody's Investors Services, Inc.

### **4. INVESTMENTS**

The City invests in various types of investments, which are stated at fair value. The Retirement Board of Trustees is responsible for all aspects of the Pension Trust Fund's investments and has adopted an investment policy. The Pension Trust Fund is prohibited from directly engaging in the following transactions unless they are executed by a professional third-party manager retained by the Board of Trustees of the Pension Trust Fund:

- Purchases of securities by partial payment of their cost (purchases on margin).
- Sale of securities not owned by the Pension Trust Fund at the time of sale (short sales).
- Future contracts.
- Call options written against securities in the portfolio other than as follows:
  - Purchases of options other than as required to close out options positions.
  - Lettered or restricted stock (with the exception of those investments that are venture capital investments).
- Direct investment in mortgages.

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- Collateral loans (with the exception of those investments that are leveraged buyout investments), provided that boards may participate in so-called “securities lending” programs through a custodian and provided, further, that the lending of securities is limited to brokers, dealers, and financial institutions and that the loan is collateralized by cash or United States Government securities according to applicable regulatory requirements.
- Direct purchase or lease of real estate.

**Interest Rate Risk**

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The City has no investments that are subject to interest rate risk.

**Credit Risk**

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The City has no formal investment policy that limits investment choices for its pension funds.

**Concentration of Credit Risk**

The City does not have a formal investment policy that limits the amount that can be invested with one issuer. Currently, the City has no investments, to which this requirement applies, in any one issuer that represents more than five percent of the total investments.

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of financial institution failure, the city’s deposits and/or investments may not be returned. The City does not believe that it has significant custodial credit risk as substantially all investments securities are registered and held in the name of the City. Additionally, the City places deposits in financial institutions that are FDIC insured up to \$250,000, rated “well capitalized” on its most recent audited financial statement/SEC filings if deposits exceed engage an outside rating agency to determine status of the institution. The City also ensures that all uninsured deposits greater than \$250,000 are collateralized.

**Fair Value**

The City uses fair value measurements to record fair value adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

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The City's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

**Level 1**

Quoted prices in active markets for identical assets and liabilities.

**Level 2**

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads and market-corroborated inputs.

**Level 3**

Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

At October 31, 2021, the City had the following recurring fair value measurements:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Mutual funds	\$ 176,592,961	\$ 104,924,309	\$ 49,257,138	\$ 22,411,516
Alternative investments	31,492,052			31,492,052
Total Investments by Fair Value Level	<u>\$ 208,085,013</u>	<u>\$ 104,924,309</u>	<u>\$ 49,257,138</u>	<u>\$ 53,903,568</u>

**5. RECEIVABLES**

Receivable balances as of October 31, 2021 are presented below.

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Water Fund</u>	<u>WPC Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:						
Property taxes	\$ 27,557,984	\$ -	\$ -	\$ -	\$ -	\$ 27,557,984
Water and sewer use fees	-	-	1,520,048	1,705,713	-	3,225,761
Due from other governments	-	-	-	-	6,439,087	6,439,087
Other receivables	879,669	215,608	-	-	1,998,200	3,093,477
Total receivables	28,437,653	215,608	1,520,048	1,705,713	8,437,287	40,316,309
Less allowance for uncollectibles	-	-	-	-	-	-
Total Receivables	<u>\$ 28,437,653</u>	<u>\$ 215,608</u>	<u>\$ 1,520,048</u>	<u>\$ 1,705,713</u>	<u>\$ 8,437,287</u>	<u>\$ 40,316,309</u>

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**6. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended October 31, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 4,142,523	\$ -	\$ -	\$ -	\$ 4,142,523
Construction in progress	75,079,395	79,339,896	-	(1,743,617)	152,675,674
Total capital assets not being depreciated	<u>79,221,918</u>	<u>79,339,896</u>	<u>-</u>	<u>(1,743,617)</u>	<u>156,818,197</u>
Capital assets being depreciated:					
Land improvements	5,716,628	319,777	-	-	6,036,405
Buildings and improvements	100,888,595	614,692	-	-	101,503,287
Infrastructure	68,327,056	2,676,403	-	779,974	71,783,433
Machinery and equipment	21,896,308	2,550,980	-	-	24,447,288
Vehicles	21,897,612	437,530	-	963,643	23,298,785
Total capital assets being depreciated	<u>218,726,199</u>	<u>6,599,382</u>	<u>-</u>	<u>1,743,617</u>	<u>227,069,198</u>
Less accumulated depreciation for:					
Land improvements	3,566,103	181,442	-	-	3,747,545
Buildings and improvements	48,620,721	3,218,495	-	-	51,839,216
Infrastructure	38,086,952	1,342,339	-	-	39,429,291
Machinery and equipment	14,968,892	1,708,295	-	-	16,677,187
Vehicles	17,977,556	991,306	-	-	18,968,862
Total accumulated depreciation	<u>123,220,224</u>	<u>7,441,877</u>	<u>-</u>	<u>-</u>	<u>130,662,101</u>
Total capital assets being depreciated, net	<u>95,505,975</u>	<u>(842,495)</u>	<u>-</u>	<u>1,743,617</u>	<u>96,407,097</u>
Governmental Activities Capital Assets, Net	\$ <u>174,727,893</u>	\$ <u>78,497,401</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>253,225,294</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 3,328,334	\$ -	\$ -	\$ -	\$ 3,328,334
Construction in progress	-	474,322	-	-	474,322
Total capital assets not being depreciated	<u>3,328,334</u>	<u>474,322</u>	<u>-</u>	<u>-</u>	<u>3,802,656</u>
Capital assets being depreciated:					
Land improvements	208,215	-	-	-	208,215
Infrastructure	117,813,381	275,961	-	-	118,089,342
Buildings, pump stations and tanks	28,820,757	-	-	-	28,820,757
Machinery and equipment	6,515,421	164,013	-	-	6,679,434
Vehicles	2,208,131	42,903	-	-	2,251,034
Total capital assets being depreciated	<u>155,565,905</u>	<u>482,877</u>	<u>-</u>	<u>-</u>	<u>156,048,782</u>
Less accumulated depreciation for:					
Land improvements	208,215	-	-	-	208,215
Infrastructure	40,733,881	2,311,922	-	-	43,045,803
Buildings, pump stations and tanks	18,433,037	474,245	-	-	18,907,282
Machinery and equipment	4,721,835	194,966	-	-	4,916,801
Vehicles	1,935,596	69,939	-	-	2,005,535
Total accumulated depreciation	<u>66,032,564</u>	<u>3,051,072</u>	<u>-</u>	<u>-</u>	<u>69,083,636</u>
Total capital assets being depreciated, net	<u>89,533,341</u>	<u>(2,568,195)</u>	<u>-</u>	<u>-</u>	<u>86,965,146</u>
Business-Type Activities Capital Assets, Net	\$ <u>92,861,675</u>	\$ <u>(2,093,873)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>90,767,802</u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 198,391
Public safety	1,875,531
Public works	1,746,475
Public libraries	132,882
Parks and recreation	247,984
Education	<u>3,240,614</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 7,441,877</u>
Business-type activities:	
Water fund	\$ 1,229,061
WPC fund	<u>1,822,011</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 3,051,072</u>

**7. INTERFUND BALANCES AND TRANSFERS**

A summary of interfund balances as of October 31, 2021 is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	\$ 12,818,881	\$ 38,859,406
School unrestricted fund	8,397,972	4,017,000
Capital projects fund	16,998,835	
High school construction	1,986,255	
Nonmajor governmental funds	31,628,707	19,317,298
Water fund	3,924,463	7,044,214
Sewer fund		6,517,195
Pension trust funds		
Agency funds		
	<u>\$ 75,755,113</u>	<u>\$ 75,755,113</u>

The General Fund holds primarily all the cash for the City and the resulting due to/from other results from these cash allocations.

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**Interfund Transfers**

A summary of interfund transfers as of October 31, 2021 is as follows:

	<b>Transfers In</b>			
	<b>General Fund</b>	<b>School Unrestricted Fund</b>	<b>Capital Projects Fund</b>	<b>Total Transfers Out</b>
Transfers:				
General Fund	\$	\$ 50,409,351	\$ 2,813,466	\$ 53,222,817
Capital Projects Fund	36,614,690			36,614,690
<b>Total Transfers In</b>	<b>\$ 36,614,690</b>	<b>\$ 50,409,351</b>	<b>\$ 2,813,466</b>	<b>\$ 89,837,507</b>

**8. CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the year ended October 31, 2021 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>	<b>Amounts Due Within One Year</b>
Governmental activities:					
Public offerings	\$ 12,830,000	\$	\$ 240,000	\$ 12,590,000	\$ 315,000
Direct borrowing and placements	46,138,393	124,470,000	4,400,545	166,207,848	4,201,981
Bond anticipation notes	78,000,000		78,000,000	-	
Capital leases payable	1,670,473		598,658	1,071,815	457,721
Unamortized bond premiums	802,099	25,848,339	56,552	26,593,886	
Accrued compensated absences	7,622,408		221,390	7,401,018	1,480,000
Net pension liability	239,340,813		45,073,310	194,267,503	
Net OPEB liability	21,461,702		4,299,447	17,162,255	
<b>Total Governmental Activities - Long-Term Liabilities</b>	<b>\$ 407,865,888</b>	<b>\$ 150,318,339</b>	<b>\$ 132,889,902</b>	<b>\$ 425,294,325</b>	<b>\$ 6,454,702</b>
Business-type activities:					
Direct borrowing and placements	\$ 62,255,848	\$	\$ 4,253,416	\$ 58,002,432	\$ 4,377,988
Net pension liability	2,960,617		851,972	2,108,645	
Net OPEB liability	328,670		79,726	248,944	
<b>Total Business-Type Activities - Long-Term Liabilities</b>	<b>\$ 65,545,135</b>	<b>\$ -</b>	<b>\$ 5,185,114</b>	<b>\$ 60,360,021</b>	<b>\$ 4,377,988</b>

All long-term liabilities for the governmental activities are generally liquidated by the General Fund.

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**Bonds and Loans Payable**

Bonds and notes outstanding as of October 31, 2021 consisted of the follow:

<u>Description</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate %</u>	<u>Balance October 31, 2021</u>
<b>Governmental Activities:</b>					
<u>Public Offerings</u>					
TIF - Kettle Point	\$ 10,600,000	1/5/2017	5/15/2041	7.5% - 10.0%	\$ 10,600,000
General Obligation Refunding	2,255,000	3/17/2020	5/15/1930	3.0% - 4.0%	1,990,000
Total Public Offerings					<u>12,590,000</u>
<u>Direct Borrowings and Placements</u>					
School Revenue Bond	3,955,000	10/5/2010	5/15/2025	4.35%	1,387,000
School Revenue Bond	7,777,000	11/3/2010	5/15/2025	6.41%	2,733,000
School Revenue Bond	15,000,000	10/4/2012	5/15/2032	2.0% - 4.0%	9,760,000
RIB Road & Bridge	1,215,000	7/17/2014	9/1/2024	0.64% - 2.65%	395,000
Series 2014 Refunding	11,843,630	8/29/2014	5/15/2024	2.65%	2,083,848
HUD Section Loan	3,000,000	8/7/2003	8/1/2023	varies	535,000
RIB Energy Efficiency	2,370,000	12/31/2017	9/1/2033	2.24%	1,947,000
RIB Efficient Building	24,000,000	10/29/2020	9/1/2040	0.23% - 2.09%	22,897,000
School Revenue Bond	124,470,000	6/16/2021	5/15/2041	4%	124,470,000
Total Direct Borrowings and Placements					<u>166,207,848</u>
Total Governmental Activities					<u>\$ 178,797,848</u>
<b>Business-Type Activities:</b>					
<b>Water Fund</b>					
<u>Direct Borrowings and Placements</u>					
RIB 2009A	6,000,000	11/19/2009	9/1/2030	varies	\$ 2,699,000
RIB 2009A#2	561,206	2/12/2010	9/1/2030	varies	252,206
RIB 2012	2,000,000	11/4/2011	9/1/2031	varies	1,240,000
RIB 2014A	18,725,000	12/18/2014	9/1/2036	varies	15,165,000
RIB 2017	1,850,000	9/25/2017	9/1/2032	varies	1,425,000
RIB 2018	2,000,000	10/31/2018	9/1/2028	varies	1,461,400
Total Water Fund					<u>22,242,606</u>
<b>WPC Fund</b>					
<u>Direct Borrowings and Placements</u>					
RIB 2009A	10,000,000	10/6/2009	9/1/2030	varies	5,476,000
RIB 2010B	7,000,000	6/24/2010	9/1/2031	varies	4,187,000
RIB 2011A	23,000,000	3/29/2011	9/1/2032	varies	15,004,000
RIB 2012A	17,500,000	6/28/2012	9/1/2033	varies	10,842,000
Series 2014 Refunding	1,449,200	8/29/2014	5/15/2024	2.65%	250,826
Total WPC Fund					<u>35,759,826</u>
Total Business-Type Activities					<u>\$ 58,002,432</u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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Annual debt service requirements of bonds and notes as of October 31, 2021 were as follows:

Year Ending October 31,	Public Offerings		Direct Borrowings and Placements				Total	
	Governmental Activities		Governmental Activities		Business-Type Activities		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest		
2022	\$ 315,000	\$ 893,700	\$ 4,201,981	\$ 5,899,803	\$ 4,377,988	\$ 1,970,036	\$ 8,894,969	\$ 8,763,539
2023	340,000	878,650	8,700,763	5,690,078	4,511,419	1,829,845	13,552,182	8,398,573
2024	360,000	860,750	8,212,104	5,385,735	4,649,119	1,684,261	13,221,223	7,930,746
2025	395,000	838,250	7,970,000	5,089,837	4,710,900	1,530,799	13,075,900	7,458,886
2026	425,000	812,250	7,093,000	4,851,844	4,864,900	1,374,042	12,382,900	7,038,136
2027-2031	2,540,000	3,584,550	38,961,000	20,542,203	25,128,106	4,252,336	66,629,106	28,379,089
2032-2036	3,080,000	2,668,500	42,914,000	13,254,035	9,760,000	822,580	55,754,000	16,745,115
2037-2041	5,135,000	1,230,000	48,155,000	4,805,067	-	-	53,290,000	6,035,067
	<u>\$ 12,590,000</u>	<u>\$ 11,766,650</u>	<u>\$ 166,207,848</u>	<u>\$ 65,518,602</u>	<u>\$ 58,002,432</u>	<u>\$ 13,463,899</u>	<u>\$ 236,800,280</u>	<u>\$ 90,749,151</u>

**Tax Increment Financing Bond**

Tax increment financing (TIF) is an economic development tool in which a municipality earmarks a portion of its property taxes to help finance development in a particular area or site. During fiscal year 2017, the City participated in a tax incremental financing agreement with a local real estate developer to pay for infrastructure improvements and site remediation at Kettle Point.

In fiscal year 2017, the City issued \$10,600,000 in special obligation tax increment revenue bonds. The debt service on these bonds is payable solely from the tax increment generated by the property within the project area. The City and its taxpayers are not liable for such bonds, except to the extent of the additional property taxes generated within the project area and dedicated to repayment of the bonds. If the project does not generate enough additional taxes to pay the debt service on the bonds, the bondholders do not have any rights for claims against the City's other taxes and revenues. The special obligation tax increment revenue bonds are not general obligations of the City nor do they count against the City's statutory debt limit. Total principal and interest remaining on the bonds is \$21,983,000 payable through 2041. For the current year, interest paid was \$818,750 and there were \$1,001,939 in incremental property tax revenues generated.

**Bond Anticipation Notes**

The City uses bond anticipation notes during the construction period of various public projects prior to the issuance of the bonds at the completion of the project.

Short-term obligation activity for the year ended October 31, 2021 was as follows:

Date Issued	Maturity Date	Interest Rate	Balance November 1, 2020	Increases	Decreases	Balance October 31, 2021
1/21/20	6/17/21	1.50%	\$ 78,000,000	\$	\$ 78,000,000	\$ -

Prior to issuance of the October 31, 2020 financial statements, the City retired these notes through permanent financing. Thus in meeting the criteria of GASB 62, the bond anticipation notes were included in long-term debt in the prior year.



**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
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**9. FUND BALANCE**

The components of fund balance for the governmental funds at October 31, 2021 are as follows:

	<u>General Fund</u>	<u>School Unrestricted Fund</u>	<u>Capital Projects Fund</u>	<u>High School Construction Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances:						
Nonspendable:						
Inventory	\$ 68,289					\$ 68,289
Prepaid expenditures	2,447	846,354				848,801
Permanent funds - various					43,810	43,810
Restricted for:						
Public safety programs					338,604	338,604
Senior programs					15,000	15,000
Champlin grants					42,110	42,110
Library programs					120,154	120,154
Recreational purposes					1,397,972	1,397,972
Regional Pods					2,626,677	2,626,677
Community development					335,184	335,184
Educational programs					3,424,814	3,424,814
Cemetery care					3,333	3,333
Various capital improvement projects					3,622,459	3,622,459
Committed for:						
Educational programs		3,814,582				3,814,582
Educational capital outlay			16,599,494	37,552,770		54,152,264
Assigned to:						
Fiscal year 2020/21 use of fund balance	2,813,466					2,813,466
Unassigned	15,203,733				(1,814,721)	13,389,012
Total Fund Balances	<u>\$ 18,087,935</u>	<u>\$ 4,660,936</u>	<u>\$ 16,599,494</u>	<u>\$ 37,552,770</u>	<u>\$ 10,155,396</u>	<u>\$ 87,056,531</u>

**10. PENSION PLANS**

**A. Police and Firefighters Retirement System**

**Summary of Significant Accounting Policies**

**Plan Description**

The Police and Firefighters Retirement System covers all police officers and firefighters sworn into the respective departments. The Police and Firefighters Retirement System is a single employer defined benefit pension plan. The Board of Trustees is responsible for the administration of the plan. The Board is comprised of seven members consisting of the Mayor, the City Finance Director, one police officer and one firefighter having at least five years of credited service, one member of the city police and fire retirees association, one member of City Council, and one member who shall be elected by the remaining six members of the Board. The pension plan is reported as a Pension Trust Fund in the City's financial statements. The City does not issue a separate publicly available financial report that includes financial statements and required supplementary information (RSI) for the Police and Firefighters Retirement System.

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The following benefit provisions and contribution requirements were established and may be amended by City Ordinance.

**Benefit Provisions**

The Police and Firefighters Retirement System provides retirement, disability and death benefits to its members. Retirement benefits are generally calculated as the product of the number of completed years of service, final average compensation at retirement, and a cumulative percentage that varies by years of service (for each year 0 - 24 years: 2.5%, for each year 25 - 28 years: 2.0%, and for each year 29 - 30 years: 1.0%). Members may retire after 20 years of service, and Fire Fighters hired after January 1, 2014 may retire after age 55 with 25 years of service. Members are eligible for non-service-related disability after 10 years of service and service-related disability after hire date. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without actuarial reduction. Death benefits are provided for nonservice-related deaths after 3 years of service and for service-related deaths after hire date. Benefits upon death are also dependent on marital and dependent status at the time of death. Members who leave the Plan upon employment termination prior to 10 years of service are entitled to the return of contributions without interest.

As of October 31, 2021, the following employees and other participants were members of the Police and Firefighters Retirement System:

	<u>Total</u>
Active participants	192
Retired participants	186
Beneficiaries	54
Disability participants	44
Terminated vested participants	<u>4</u>
 Total Participants	 <u><u>480</u></u>

**Contributions**

The actual contributions required to be made to the Plan by the City each year are determined based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by members during the year, with an additional amount to finance the unfunded accrued liability. The City contributions to the Plan for the fiscal year ended October 31, 2021 were 53.8%, of covered payroll. The established contribution rates for members are currently set at 9.0% of pay for firefighters and for police. For the purpose of pension calculations and determination of contributions, pay includes base pay, longevity pay and holiday pay of the members.

**Actuarial Assumptions**

The City's net pension liability has been measured as of October 31 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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The total pension liability in the October 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial cost method	Entry Age Normal
Inflation	2.50%
Salary increases	4.00%, including inflation
Investment rate of return	7.50%, including inflation and expenses
Mortality rates	Rates were based on the RP-2014 Combined Health for Males and Females with Blue Collar adjustment mortality table, projected for mortality improvements with scale AA.

The actuarial assumptions used in the October 31, 2020 actuarial valuation have been based on the results of the 2015 Actuarial Experience Study completed for the periods ending October 31 in years 1991 through 2014.

Benefit terms provide for annual cost-of living adjustments to the monthly benefit payable to retired Members each year, generally including retired Members from about the mid-1990's and thereafter. The annual cost-of-living for these retired Members is an annual compounded increase of 3.00% each year. For Fire Fighter Members hired after January 1, 2014, the annual cost-of-living increase upon retirement will be an annual non-compounded increase of 2.25% each year. These annual cost-of-living increases are fully reflected in the determination of the total pension liability which has been determined as of October 31, 2021.

**Investments**

*Investment Policy*

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by a majority vote of the Board of Trustees. It is the policy of the City to pursue an investment strategy that reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy is long-term and strategic in nature. The policy refrains from dramatically shifting asset class allocations over short time spans, and it seeks to be fully invested using cash equivalents for liquidity purposes.

The long-term expected rate of return on pension plan investments can be approximated by using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding the annual expected annual rate of inflation.

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Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of October 31, 2021 are summarized in the following table:

<u>Target Asset Allocation</u> <u>Asset Class</u>	<u>Target</u> <u>Allocation</u>	<u>Long-Term</u> <u>Expected Rate</u> <u>of Return</u>
Domestic equity	30.0%	8.51%
International equity	19.0%	8.89%
Fixed income	24.0%	4.73%
Real estate	8.0%	7.51%
Hedge funds	10.0%	10.01%
Private equity	8.0%	11.26%
Cash	1.0%	3.53%
	<u>100.0%</u>	

**Discount Rate**

The discount rate used to determine the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that City contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the employee contribution rates. Professional judgment on future contributions has been applied in those cases where contribution patterns deviate from the actuarially determined 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. 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.

**Rate of Return**

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 1.86% for the year ended October 31, 2021. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability**

The City's net pension liability was measured as of October 31, 2021. The components of the net pension liability of the City at October 31, 2021 were as follows:

Total pension liability	\$ 274,656,092
Plan fiduciary net position	<u>163,764,413</u>
City's Net Pension Liability	<u>\$ 110,891,679</u>

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**Changes in the Net Pension Liability**

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balances as of November 1, 2020	\$ 257,803,498	\$ 133,316,781	\$ 124,486,717
Changes for the year:			
Service cost	3,632,971		3,632,971
Interest	19,074,041		19,074,041
Changes of benefit terms			-
Differences between expected and actual experience	805,926		805,926
Changes of assumptions	7,571,514		7,571,514
Employer contributions		8,653,046	(8,653,046)
Member contributions		1,519,804	(1,519,804)
Net investment income		34,540,135	(34,540,135)
Benefit payments, including refunds of member contributions	(14,231,858)	(14,231,858)	-
Administrative expenses		(33,495)	33,495
Other changes			-
Net changes	<u>16,852,594</u>	<u>30,447,632</u>	<u>(13,595,038)</u>
Balances as of October 31, 2021	\$ <u>274,656,092</u>	\$ <u>163,764,413</u>	\$ <u>110,891,679</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the plan's net pension liability if it was calculated using a single discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the single discount rate:

	<b>Current</b>		
	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
Net Pension Liability	\$ 147,243,667	\$ 110,891,679	\$ 81,141,150



### **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 five years of service as of July 1, 2012. Members are vested after five years of service.

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

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

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

### **Contributions**

The funding policy, as set forth in the General Laws, section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2019, East Providence School Department teachers were required to contribute 3.75% of their annual covered salary, except for teachers with 20 or more years of service as of June 30, 2012 must contribute 11% of their annual covered salary. The state and the City 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 the City; the rates were 9.89% and 13.24% of annual covered payroll for the fiscal year ended June 30, 2020 for the state and the City, respectively. The City contributed \$5,612,465, \$5,370,692, and \$5,042,374 for the fiscal years ended June 30, 2020, 2019, and 2018, respectively, equal to 100% of the required contributions for each year.

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

At October 31, 2021, the East’s Providence School Department reported a liability of \$50,045,054 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the City 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 City were as follows:

East Providence School District’s proportionate share of the net pension liability	\$ 50,045,054
State of Rhode Island’s proportionate share of the net pension liability	<u>37,112,894</u>
Total Net Pension Liability	<u>\$ 87,157,948</u>

The net pension liability was measured as of June 30, 2020, 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, 2019 rolled forward to June 30, 2020. The City’s proportion of the net pension liability was based on a projection of the City 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, 2020, the City’s proportion was 2.13%.

For the year ended October 31, 2021, the City recognized gross pension expense of \$12,669,638 and revenue of \$5,117,501 for support provided by the State. At October 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 502,319	\$ 1,616,485
Changes of assumptions	2,095,668	1,100,544
Net difference between projected and actual earnings on pension plan investments		11,713,639
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,127,944	272,538
Contributions subsequent to measurement date	<u>2,084,849</u>	
Total	<u>\$ 6,810,780</u>	<u>\$ 14,703,206</u>

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The amount of \$1,971,278 reported as deferred outflows of resources related to pensions resulting from the City’s contributions in fiscal year 2021 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period. 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 October 31,</u>	<u>Net Deferred Outflows (Inflows) of Resource</u>
2022	\$ (1,662,271)
2023	(1,712,708)
2024	(2,522,065)
2025	(3,583,710)
2026	(416,163)
Thereafter	<u>(80,358)</u>
Total	<u>\$ (9,977,275)</u>

**Actuarial Assumptions**

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

Inflation	2.50%
Salary increases	3.00% to 13.00%
Investment rate of return	7.00%

Mortality – Variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.

The actuarial assumptions used in the June 30, 2019 valuation rolled forward to June 30, 2020 and the calculation of the total pension liability at June 30, 2020 were consistent with the results of an actuarial experience study performed as of June 30, 2019.

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**Investments**

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 39 sources. The June 30, 2021 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Target Asset Allocation</b>	<b>Long-Term Expected Arithmetic Real Rate of Return</b>
<b>GROWTH</b>		
<b>Global Equity</b>		
US Equity	23.20%	5.83%
International Developed Equity	11.80%	6.35%
Emerging Markets Equity	5.00%	8.04%
<b>Sub-total</b>	<b>40.00%</b>	
<b>Private Equity</b>		
Private Energy	11.25%	9.47%
Non-Core RE	2.25%	5.32%
OPP Private Credit	1.50%	9.47%
<b>Sub-total</b>	<b>15.00%</b>	
<b>INCOME</b>		
High Yield Infrastructure	1.00%	3.19%
REITS	1.00%	5.32%
Equity Options	2.00%	5.59%
EMD (50/50 Blend)	2.00%	1.96%
Liquid Credit	2.80%	3.19%
Private Credit	3.20%	3.19%
<b>Sub-total</b>	<b>12.00%</b>	
<b>STABILITY</b>		
<b>Crisis Protection Class</b>		
Treasury Duration	5.00%	-0.32%
Systematic Trend	5.00%	3.39%
<b>Sub-total</b>	<b>10.00%</b>	
<b>Inflation Protection</b>		
Core Real Estate	3.60%	5.32%
Private Infrastructure	2.40%	5.81%
TIPs	2.00%	0.30%
<b>Sub-total</b>	<b>8.00%</b>	
<b>Volatility Protection</b>		
IGCorp Credit	3.25%	1.14%
Securitized Credit	3.25%	1.14%
Absolute Return	6.50%	3.39%
Cash	2.00%	-0.32%
<b>Sub-total</b>	<b>15.00%</b>	
	<b>100.00%</b>	

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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.

**Measurement of the Net Pension Liability**

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net Pension Liability	\$ 63,203,071	\$ 50,045,054	\$ 33,251,665

**Pension Plan Fiduciary Net Position**

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

**C. Municipal Employees’ Retirement System (MERS)**

**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](http://www.ersri.org).

### **Summary of Benefit Provisions**

General employees, police officers and firefighters employed by electing municipalities participate in MERS. Teachers and school administrators are covered by the separate Employees' Retirement System Plan, but other school employees may be covered by MERS. Eligible employees become members at their date of employment. Elected officials may opt to be covered by MERS. Employees covered by another plan maintained by the employer may not become members of MERS. Members designated as police officers are treated as belonging to a unit separate from the general employees, with separate contribution rates applicable. The City provides separate plans for all firefighters and police officers hired prior to January 1, 2015. Police officers hired on or after January 1, 2015 are covered by MERS.

**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 compensations. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan 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.

For general employees prior to June 30, 2012 the plan provided retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to a maximum of 75%. Such benefits are available to members at least age 58 with 10 years of service or after 30 years of service at any age. Benefits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act until it is exceeded by the member's full years of service credit, including service after

June 30, 2012, multiplied by the average of five consecutive years of compensation. Effective July 1, 2012, the retirement age mirrors the Social Security Normal Retirement Age not to exceed age 67. Members will receive a benefit accrual of 1.0% per year based on the five-year average compensation.

Effective July 1, 2015, general employees with more than 20 years of service at July 1, 2012 increased their employee contribution rates to 8.25% (9.25% for units with a cost of living adjustment provision) and participate solely in the defined benefit plan. These members receive a benefit accrual of 2% per year based on the three or five-year average compensation.

Effective July 1, 2015, general employees 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 they are eligible under a transition rule.

Joint and survivor options are available. For members with 10 years of service as of July 1, 2005, the Service Retirement Allowance (SRA) Plus option provides for the payment of a larger benefit before the attainment of age 62 and a reduced amount thereafter. The reduced amount is equal to the benefit before age 62, including the cost-of-living increases, minus the member's estimated social security benefit payable at age 62.

Police officers may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS Police personnel contribute 9.00%. The City did not elect the additional cost-of-living option for police MERS members. Note that differing eligibility requirements may exist for members hired prior to January 1, 2015, but those are not listed here as they do not apply to the City of Newport MERS police plan. A description of all eligibility can be found on the ERSRI website.

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For police officers in the MERS plan, the benefit accrual is 2.0% per year based on the five-year average compensation exclusive of overtime. Police employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility date.

**Other Benefit Provisions**

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

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

Post-retirement benefit increases are paid to members who retire after June 30, 2012. Members will be eligible to receive cost of living increases at the later of the member’s third anniversary of retirement and the month following their SSNRA. The City has elected a COLA B option for general employees, which allows COLA’s for current retired members as well as current and future active members.

An optional cost-of-living provision is provided for general employees. The Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision can be reviewed in a five-year interval. When the funding level of a plan exceeds 80%, funded eligible retirees may receive a COLA annually effective on their date of retirement plus one month.

The COLA calculation is represented by the following formula: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5-year return - 5.5%, with a maximum of 4%) and 50% calculated using the percentage increase in the CPI-U from the prior September 30 (maximum of 3%) for a total maximum COLA of 3.5%. This COLA is calculated on the first \$31,549 for members and beneficiaries who retired on or before June 30, 2015.

This COLA is calculated on the first \$26,291, effective January 1, 2018, for all other members/beneficiaries and indexed as of that date as well. The indexing formula is run annually regardless of funding level each year. The COLA will be delayed until the later of the Social Security Retirement Age or three years after retirement for general employees. Once the plan achieves 80% funding, the COLA limitation will be returned to the \$25,855, which will continue to be indexed annually.

**Employees Covered by Benefit Terms**

At the June 30, 2020 valuation date, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	421
Inactive, Nonretired Members	145
Active Members	<u>436</u>
Total	<u><u>1,002</u></u>

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**Contributions**

Contribution requirements for plan members and employers are established pursuant to Rhode Island General Laws. Employers are required to contribute at an actuarially determined rate for the defined benefit plans. Employer contributions for the defined contribution plan are prescribed by statute. The General Assembly can amend the amount of these contribution requirements. 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 10% of their salaries. The City 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 contributed \$4,427,403 in the year ended October 31, 2021 which was 21.24% of annual covered payroll.

**Net Pension Liability**

The total pension liability was determined by actuarial valuations performed as of June 30, 2020 and rolled forward to June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement.

**Summary of Actuarial Assumptions Used in the Valuations to Determine the Net Pension Liability at the June 30, 2020 Measurement Date (June 30, 2019 Valuation Rolled Forward to June 30, 2020)**

Actuarial Cost Method	Entry Age Normal
Amortization	Level Percent of Payroll – Closed
Investment Rate of Return	7.00%
Projected Salary Increases	3.50% to 14.00%
Inflation	2.50%
Mortality	Variants of the RP-2014 mortality tables
Cost of Living Adjustments	2% COLA is assumed after January 1, 2014

Cost of Living Adjustment is equal to the average five-year fund asset performance (percent) greater than 5.5% up to a maximum of 4% - the COLA is to be applied to the first \$25,000 of benefits, indexed over time. COLA is delayed until the latter of Social Security eligibility age or 3 years after retirement.

The actuarial assumptions used in the June 30, 2020 valuation rolled forward to June 30, 2021 and the calculation of the total pension liability at June 30, 2021 were consistent with the results of an actuarial experience study performed as of June 30, 2019.

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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 39 sources. The June 30, 2021 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Target Asset Allocation</b>	<b>Long-Term Expected Arithmetic Real Rate of Return</b>
<b>GROWTH</b>		
<b>Global Equity</b>		
US Equity	23.20%	5.83%
International Developed Equity	11.80%	6.35%
Emerging Markets Equity	5.00%	8.04%
<b>Sub-total</b>	<b>40.00%</b>	
<b>Private Equity</b>		
Private Energy	11.25%	9.47%
Non-Core RE	2.25%	5.32%
OPP Private Credit	1.50%	9.47%
<b>Sub-total</b>	<b>15.00%</b>	
<b>INCOME</b>		
High Yield Infrastructure	1.00%	3.19%
REITS	1.00%	5.32%
Equity Options	2.00%	5.59%
EMD (50/50 Blend)	2.00%	1.96%
Liquid Credit	2.80%	3.19%
Private Credit	3.20%	3.19%
<b>Sub-total</b>	<b>12.00%</b>	
<b>STABILITY</b>		
<b>Crisis Protection Class</b>		
Treasury Duration	5.00%	-0.32%
Systematic Trend	5.00%	3.39%
<b>Sub-total</b>	<b>10.00%</b>	
<b>Inflation Protection</b>		
Core Real Estate	3.60%	5.32%
Private Infrastructure	2.40%	5.81%
TIPs	2.00%	0.30%
<b>Sub-total</b>	<b>8.00%</b>	
<b>Volatility Protection</b>		
IGCorp Credit	3.25%	1.14%
Securitized Credit	3.25%	1.14%
Absolute Return	6.50%	3.39%
Cash	2.00%	-0.32%
<b>Sub-total</b>	<b>15.00%</b>	
	<b>100.00%</b>	

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.

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**Measurement of the Net Pension Liability**

*Discount Rate*

The discount rate used to measure the total pension liability of the plans was 7.00%. 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.

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balances as of July 1, 2020	\$ 116,308,012	\$ 66,549,748	\$ 49,758,264
Changes for the year:			
Service cost	1,592,220		1,592,220
Interest	7,927,644		7,927,644
Changes of benefit terms			-
Differences between expected and actual experience	(1,584,386)		(1,584,386)
Changes of assumptions			-
Employer contributions		4,302,014	(4,302,014)
Member contributions		491,550	(491,550)
Net investment income		17,540,788	(17,540,788)
Benefit payments, including refunds of member contributions	(7,704,142)	(7,704,142)	
Administrative expenses		(66,834)	66,834
Other changes		(13,191)	13,191
Net changes	<u>231,336</u>	<u>14,550,185</u>	<u>(14,318,849)</u>
Balances as of June 30, 2021	\$ <u>116,539,348</u>	\$ <u>81,099,933</u>	\$ <u>35,439,415</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the employers calculated using the discount rate of 7.00%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Net Pension Liability	\$ 45,670,537	\$ 35,439,415	\$ 22,381,623

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**Pension Plan Fiduciary Net Position**

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

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

For the year ended October 31, 2021, the employer recognized pension expense of \$6,336,420. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 772,464	\$ 1,837,141
Changes of assumptions		664,546
Net difference between projected and actual earnings on pension plan investments		9,088,056
Contributions subsequent to measurement date	<u>1,285,948</u>	
Total	<u>\$ 2,058,412</u>	<u>\$ 11,589,743</u>

The amount of \$1,384,665 reported as deferred outflows of resources related to pensions resulting from the City’s contributions in fiscal year 2020 subsequent to the measurement date will be recognized as a reduction of the pension liability in the subsequent period.

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

<b>Year Ending October 31,</b>	<b>Net Deferred Outflows (Inflows) of Resource</b>
2022	\$ (2,694,331)
2023	(2,366,700)
2024	(2,794,113)
2025	(2,902,309)
2026	(59,826)
Thereafter	
Total	<u>\$ (10,817,279)</u>

**D. Teachers’ Survivors Benefits Plan**

**Plan Description**

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

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

**Eligibility and Plan Benefits**

The plan provides a survivor benefit to public school teachers in lieu of Social Security. Specific eligibility criteria and the amount of the benefit is subject to the provisions of Chapter 16-16 of the Rhode Island General Laws which are subject to amendment by the General Assembly.

Spouse, parents, family and children’s benefits are payable following the death of a member. A spouse shall be entitled to benefits upon attaining the age of sixty (60) years. Children’s benefits are payable to the child, including a stepchild or adopted child of a deceased member if the child is unmarried and under the age of eighteen (18) years or twenty-three (23) years and a full-time student, and was dependent upon the member at the time of the member’s death. Family benefits are provided if at the time of the member’s death the surviving spouse has in his or her care a child of the deceased member entitled to child benefits. Parents benefits are payable to the parent or parents of a deceased member if the member did not leave a widow, widower, or child who could ever qualify for monthly benefits on the member’s wages and the parent has reached the age of 60 years, has not remarried, and received support from the member.

In January, a yearly cost-of-living adjustment for spouse’s benefits is paid and based on the annual social security adjustment. Survivors are eligible for benefits if the member has made contributions for at least six months prior to death or retirement. The TSB plan provides benefits based on the highest salary at the time of retirement of the teacher. Benefits are payable in accordance with the following table:

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

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

<b>Parent and 1 Child</b>	<b>Parent and 2 or more Children</b>	<b>One Child Alone</b>	<b>Two Children Alone</b>	<b>Three or more Children Alone</b>	<b>Dependent Parent</b>
150%	175%	75%	150%	175%	100%

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**Contributions**

The contribution requirements of active employees and the participating school districts were established under Chapter 16-16 of the Rhode Island General Laws, which may be amended by the General Assembly. The cost of the benefits provided by the plan are two percent (2%) of the member’s annual salary up to but not exceeding an annual salary of \$11,500; one-half (1/2) of the cost is contributed by the member by deductions from his or her salary, and the other half (1/2) is contributed and paid by the respective school district by which the member is employed. These contributions are in addition to the contributions required for regular pension benefits.

The East Providence School Department contributed \$61,349, \$60,469 and \$61,209 for the fiscal years ended October 31, 2021, 2020 and 2019, respectively, equal to 100% of the required contributions for each year

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

At October 31, 2021, the East Providence School Department reported an asset of \$15,936,467 for its proportionate share of the net pension asset related to its participation in TSB. The net pension asset was measured as of June 30, 2021, the measurement date, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021. The East Providence School Department’s proportion of the net pension asset was based on its share of contributions to the TSB for fiscal year 2021 relative to the total contributions of all participating employers for that fiscal year. At June 30, 2021, the East Providence School Department’s proportion was 8.23%.

For the year ended October 31, 2021 the East Providence School Department recognized pension credit of \$435,806 - an increase in the net pension asset. At October 31, 2021, the East Providence School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
	<u>                    </u>	<u>                    </u>
Differences between expected and actual experience	\$ 590,591	\$ 1,711,149
Changes of assumptions	500,158	573,830
Net difference between projected and actual earnings on pension plan investments		3,939,748
Changes in proportion and differences between employer contributions and proportionate share of contributions	340,953	499,648
Contributions subsequent to measurement date	<u>60,152</u>	
Total	<u>\$ 1,491,854</u>	<u>\$ 6,724,375</u>

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The amount of \$58,665 reported as deferred outflows of resources related to pensions resulting from the East Providence School Department’s contributions in fiscal year 2020 subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent period. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending October 31,</u>	<u>Net Deferred Outflows (Inflows) of Resource</u>
2022	\$ (1,159,236)
2023	(1,110,044)
2024	(1,258,640)
2025	(1,365,341)
2026	(270,018)
Thereafter	<u>(129,394)</u>
Total	<u>\$ (5,292,673)</u>

**Actuarial Assumptions**

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

Inflation	2.50%
Salary increases	3.00% to 13.00%
Investment rate of return	7.00%

Mortality - variants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP16.

Cost of living adjustment - eligible survivors receive a yearly cost of living adjustment based on the annual social security adjustment - for valuation purposes, a 2.5% cost of living adjustment is assumed.

The actuarial assumptions used in the June 30, 2020 valuation and the calculation of the total pension liability at June 30, 2021 were consistent with the results of an actuarial experience study performed as of June 30, 2019.

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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 39 sources. The June 30, 2021 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Target Asset Allocation</b>	<b>Long-Term Expected Arithmetic Real Rate of Return</b>
<b>GROWTH</b>		
<b>Global Equity</b>		
US Equity	23.20%	5.83%
International Developed Equity	11.80%	6.35%
Emerging Markets Equity	5.00%	8.04%
<b>Sub-total</b>	<b>40.00%</b>	
<b>Private Equity</b>		
Private Energy	11.25%	9.47%
Non-Core RE	2.25%	5.32%
OPP Private Credit	1.50%	9.47%
<b>Sub-total</b>	<b>15.00%</b>	
<b>INCOME</b>		
High Yield Infrastructure	1.00%	3.19%
REITS	1.00%	5.32%
Equity Options	2.00%	5.59%
EMD (50/50 Blend)	2.00%	1.96%
Liquid Credit	2.80%	3.19%
Private Credit	3.20%	3.19%
<b>Sub-total</b>	<b>12.00%</b>	
<b>STABILITY</b>		
<b>Crisis Protection Class</b>		
Treasury Duration	5.00%	-0.32%
Systematic Trend	5.00%	3.39%
<b>Sub-total</b>	<b>10.00%</b>	
<b>Inflation Protection</b>		
Core Real Estate	3.60%	5.32%
Private Infrastructure	2.40%	5.81%
TIPs	2.00%	0.30%
<b>Sub-total</b>	<b>8.00%</b>	
<b>Volatility Protection</b>		
IGCorp Credit	3.25%	1.14%
Securitized Credit	3.25%	1.14%
Absolute Return	6.50%	3.39%
Cash	2.00%	-0.32%
<b>Sub-total</b>	<b>15.00%</b>	
	<b>100.00%</b>	

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.

**Measurement of the Net Pension Liability (Asset)**

*Discount Rate*

The discount rate used to measure the total pension liability (asset) was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the net pension liability (asset) calculated using the discount rate of 7.00% 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 (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net Pension (Asset) Liability	\$ (14,331,617)	\$ (15,936,467)	\$ (17,985,393)

**Pension Plan Fiduciary Net Position**

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

**E. Defined Contribution Plan**

**Plan Description**

Employees participating in the defined Teachers’ benefit plan and MERS benefit plan, 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. Teachers contribute 7% of their annual covered salary, police employees that are in the MERS Plan contribute 3% of their annual covered salary, and all other employees in the MERS Plan contribute 5% of their annual covered salary. Employers contribute 1% of annual covered salary for municipal and non-certified school employees, and 3% for teachers and police officers in MERS who are not eligible for social security. 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 of the State of Rhode Island, which are subject to amendment by the General Assembly.

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Employees with 20 or more years of service as of July 1, 2012 do not participate in the defined contribution plan. Employers continue to contribute 1% for employees in the system that had less than 10 years of service as of July 1, 2012. Employers contribute 3.25% of annual covered salary teachers and 1.25% of annual covered salary for MERS participants that had between 10 and 15 years of service as of July 1, 2012.

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

The City (including the School Department) recognized pension expense of \$1,272,772 for the fiscal year ended October 31, 2021. Of that amount, \$109,488 was recognized for general employees and \$1,163,284 was for school employees.

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 [www.ersri.org](http://www.ersri.org).

## **11. OTHER POST EMPLOYMENT BENEFITS**

The City and School Department have separate benefit plans for other post-retirement employment benefits. Plan details are as follows:

### **A. City Plan**

#### **Plan Description**

The City administers a single-employer, defined benefit post-employment benefit plan. The plan provides medical, dental, and life insurance for eligible retirees and their dependents through the City's group health and life insurance plans, which cover both active and retired members. Benefit provisions are established and may be amended by the union contracts through negotiations between the City and the respective unions. The plan does not issue a publicly available financial report.

Management of the post-employment benefits plan is vested with the Finance Director under the direction of the Mayor. Funds are managed by a third-party investment management firm.

#### **Funding Policy**

The City has established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The fund is reported as a trust fund in accordance with GASB guidelines. The annual actuarially determined contribution payment is transferred into this account annually from the General Fund and budgeted as part of the budgeting process, which is approved by the City Council.

The City's funding strategy for post-employment obligations are based upon characteristics of benefits on distinct groups of employees established within their respective collective bargaining units and/or contracts.

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**Police, Fire, and City General Employees**

Medical and prescription drug benefits and group life insurance of \$7,500 are provided to eligible retirees until age 65 or 3 years after retirement, whichever is later. Disabled police and firefighters receive benefits for life and disabled general employees are treated as retirees. The spouse's disability benefit terminates when the retiree turns 65 or upon death of retiree, whichever is earlier. A surviving spouse receives COBRA coverage upon death of the retiree and must pay the required COBRA rate. Upon death of an active Police Officer or Firefighter, the surviving spouse receives three years of free coverage paid by the City and then must elect COBRA coverage and pay the required COBRA rate. Upon death of a General City employee, the surviving spouse receives one year of subsidized coverage paid by the City and then must elect Cobra coverage and pay the required COBRA rate. The City's subsidy will be at the same level as the existing active employee's subsidy. Retirees prior to November 1, 2012 do not contribute to medical and prescription drug benefits or group life insurance, except for those enrolled in COBRA coverage or Medicare Plan 65 who pay the full cost of coverage. Members who retire on/after January 1, 2015 contribute 20% to the cost of retiree health benefits. Retirees may elect dental coverage at their own cost.

At November 1, 2019, plan membership consisted of the following:

Active employees	385
Retired employees	<u>186</u>
Total	<u><u>571</u></u>

**Investments**

**Investment Policy**

The City is responsible for directing and monitoring the investment and management of the assets. Under the plan document, the City has the power to make such rules and regulations as may be necessary for the administration of the plan and the fund and the investment and reinvestment of the assets. As such, the City is authorized to delegate certain responsibilities to professional experts in various fields. These include investment managers, custodians, and other specialists such as attorneys, actuaries, retirement plan consultants, and others to assist the City in meeting its responsibilities and obligations to administer the plan assets prudently.

The investment plan assets shall be diversified to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity, and return.

**Rate of Return**

For the year ended October 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 5.77%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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**Net OPEB Liability of the City**

The City's net OPEB liability was measured as of October 31, 2021. The components of the net OPEB liability of the City at October 31, 2021, were as follows:

Total OPEB liability	\$	42,906,585
Plan fiduciary net position		<u>29,596,714</u>
 Net OPEB Liability	 \$	 <u><u>13,309,871</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability		 69.0%

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of November 1, 2019 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	1.80%
Salary increases	4.00 - 10.00%, including inflation
Investment rate of return	7.0%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	8.0% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Mortality rates were based on SOA Pub-2010 Weighted Mortality Table fully generational using scale MP-2019.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of October 31, 2020 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equity	41.0%	5.3%
Non-U.S. equity	26.0%	8.0%
U.S. aggregate bonds	10.0%	3.1%
Intermediate-term credit	7.0%	3.6%
Short-term credit	3.0%	3.5%
Non-U.S. bonds	5.0%	2.8%
REITs	8.0%	4.8%
 Total	 <u>100.0%</u>	

*Discount Rate*

The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that City 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.

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**Change in the Net OPEB Liability**

	<b>Increase (Decrease)</b>		
	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a)-(b)</b>
Balances as of November 1, 2020	\$ 40,261,604	\$ 22,689,142	\$ 17,572,462
Changes for the year:			
Service cost	1,486,466		1,486,466
Interest	2,803,213		2,803,213
Changes of benefit terms	2,553		2,553
Differences between expected and actual experience	(24,295)		(24,295)
Changes of assumptions	1,839,950		1,839,950
Employer contributions		4,625,490	(4,625,490)
Member contributions		-	-
Net investment income		5,813,016	(5,813,016)
Benefit payments, including refunds of member contributions	(3,462,906)	(3,462,906)	-
Administrative expenses		(68,028)	68,028
Net changes	<u>2,644,981</u>	<u>6,907,572</u>	<u>(4,262,591)</u>
Balances as of October 31, 2021	<u>\$ 42,906,585</u>	<u>\$ 29,596,714</u>	<u>\$ 13,309,871</u>

**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 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Net OPEB Liability	\$ 16,414,121	\$ 13,309,871	\$ 10,492,128

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

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 trend rates that are 1 percentage point lower (6.50% decreasing to 3.50%) or 1 percentage point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates:

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	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 9,927,192	\$ 13,309,871	\$ 17,181,150

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended October 31, 2021, the City recognized OPEB expense of \$1,549,005. On October 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 541,193	\$ 4,039,711
Change in assumptions	1,577,100	197,418
Net difference between projected and actual earnings on OPEB plan investments		<u>3,417,636</u>
Total	<u>\$ 2,118,293</u>	<u>\$ 7,654,765</u>

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

<u>Year Ending October 31,</u>	<u>Net Deferred Outflows (Inflows) of Resource</u>
2022	\$ (1,480,568)
2023	(1,679,811)
2024	(1,479,211)
2025	(1,523,883)
2026	367,620
Thereafter	<u>259,381</u>
Total	<u>\$ (5,536,472)</u>

**B. East Providence School Department Plan**

**Plan Description**

The School Department administers a single-employer, defined benefit post-employment benefit plan. The plan provides medical, dental, and life insurance for eligible retirees and their dependents through the School Department's group health and life insurance plans, which cover both active and retired members. Benefit provisions are established and may be amended by the union contracts through negotiations between the School Department and the respective unions. The plan does not issue a publicly available financial report.

Management of the post-employment benefits plan is vested with the School Finance Director under the direction of the Superintendent. Funds are managed by a third-party investment management firm.

**Funding Policy**

The School Department has established a trust fund to irrevocably segregate assets to fund the liability associated with post-employment benefits. The fund is reported as a trust fund in accordance with GASB guidelines. The annual actuarially determined contribution payment is transferred into this account annually from the School Unrestricted Fund and budgeted as part of the budgeting process, which is approved by the School Committee.

The School Department's funding strategy for post-employment obligations are based upon characteristics of benefits on distinct groups of employees established within their respective collective bargaining units and/or contracts.

**Teacher and School General Employees**

Medical and prescription drug benefits, dental benefits and group life insurance of \$25,000 are provided to eligible retirees. For retirees after November 1, 2012, medical and dental benefits will be provided for one year for family plans and two years for single plans. Custodians/secretaries who reach 30 years of service before October 31, 2017, shall receive health insurance benefits for themselves and their spouse until age 65. Medical, prescription drug, and dental benefits cease once the retiree is eligible for Medicare. Life insurance benefits cease upon attainment of age 70 (teachers, teachers assistants, principals and administrators), age 75 (custodians), or age 80 (secretaries).

As of November 1, 2019, plan membership consisted of the following:

Active employees	798
Retired employees	<u>246</u>
Total	<u><u>1,044</u></u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

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**Investments**

**Investment Policy**

The School Department is responsible for directing and monitoring the investment and management of the assets. Under the plan document, the School Department has the power to make such rules and regulations as may be necessary for the administration of the plan and the fund and the investment and reinvestment of the assets. As such, the School Department is authorized to delegate certain responsibilities to professional experts in various fields. These include investment managers, custodians, and other specialists such as attorneys, actuaries, retirement plan consultants, and others to assist the School Department in meeting its responsibilities and obligations to administer the plan assets prudently.

The investment plan assets shall be diversified to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity and return.

Rate of return: For the year ended October 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 5.89%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability of the School Department**

The School Department's net OPEB liability was measured as of November 1, 2021. The components of the net OPEB liability as of October 31, 2021, were as follows:

Total OPEB liability	\$	8,344,916
Plan fiduciary net position		<u>4,243,588</u>
 Net OPEB Liability	 \$	 <u><u>4,101,328</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability		  50.9%

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of October 31, 2020 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	3.0 - 13.0%, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	8.0% initial, decreasing 0.5% per year to an ultimate rate of 4.5%

Mortality rates were based on SOA Pub-2010 Weighted Mortality Table fully generational using scale MP-2019.

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of October 31, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. equity	41.0%	5.3%
Non U.S. equity	26.0%	8.0%
U.S. aggregate bonds	10.0%	3.1%
Intermediate-term credit	7.0%	3.6%
Short-term credit	3.0%	3.5%
Intermediate-term TIPS	5.0%	2.8%
REITs	8.0%	4.8%
 Total	 <u>100.0%</u>	

*Discount Rate*

The discount rate used to measure the total OPEB liability was 3.43%. The projection of cash flows used to determine the discount rate assumed that City 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.

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

**Change in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances as of November 1, 2020	\$ 7,341,251	\$ 3,123,341	\$ 4,217,910
Changes for the year:			
Service cost	446,872		446,872
Interest	256,608		256,608
Changes of benefit terms			-
Differences between expected and actual experience	983,396		983,396
Changes of assumptions	(64,293)		(64,293)
Employer contributions		791,032	(791,032)
Member contributions			-
Net investment income		959,988	(959,988)
Benefit payments, including refunds of member contributions	(618,918)	(618,918)	-
Administrative expenses		(11,855)	11,855
Net changes	1,003,665	1,120,247	(116,582)
Balances as of October 31, 2021	\$ 8,344,916	\$ 4,243,588	\$ 4,101,328

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the School Department, as well as what the School Department's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.43%) or 1 percentage point higher (4.43%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	\$ 4,691,609	\$ 4,101,328	\$ 3,546,539

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB liability of the School Department, as well as what the School Department's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.50% decreasing to 3.50%) or 1 percentage point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 3,334,177	\$ 4,101,328	\$ 5,012,370

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

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**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended October 31, 2021, the School Department recognized OPEB expense of \$508,718. At October 31, 2021, the School Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 885,056	\$ 740,720
Change in assumptions	940,524	85,773
Net difference between projected and actual earnings on OPEB plan investments		<u>605,148</u>
Total	<u>\$ 1,825,580</u>	<u>\$ 1,431,641</u>

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

<u>Year Ending October 31,</u>	<u>Net Deferred Outflows (Inflows) of Resource</u>
2022	\$ (36,685)
2023	(67,293)
2024	(35,546)
2025	(41,016)
2026	106,152
Thereafter	<u>468,327</u>
Total	<u>\$ 393,939</u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

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The following schedule presents the net position held in trust for pension and OPEB benefits at October 31, 2021 and the changes in net position for the year ended October 31, 2021:

	<b>Police and Firefighters Retirement System</b>	<b>City Other Post- Employment Benefit Trust Fund</b>	<b>School Other Post- Employment Benefit Trust Fund</b>	<b>Total Pension and Other Post- Employment Benefit Trust Funds</b>
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ -	\$ -
Investments, at fair value:				
Mutual funds	132,272,346	29,596,714	4,243,588	166,112,648
Alternative investments	31,492,052			31,492,052
Member contribution receivable	15			15
Due from other funds				-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 163,764,413</u>	<u>\$ 29,596,714</u>	<u>\$ 4,243,588</u>	<u>\$ 197,604,715</u>
<b>NET POSITION</b>				
Net Position:				
Restricted for pension benefits	\$ 163,764,413	\$ -	\$ -	\$ 163,764,413
Restricted for OPEB benefits		<u>29,596,714</u>	<u>4,243,588</u>	<u>33,840,302</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Position	<u>\$ 163,764,413</u>	<u>\$ 29,596,714</u>	<u>\$ 4,243,588</u>	<u>\$ 197,604,715</u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2021**

	<u>Police and Firefighters Retirement System</u>	<u>City Other Post- Employment Benefit Trust Fund</u>	<u>School Other Post- Employment Benefit Trust Fund</u>	<u>Total Pension and Other Post- Employment Benefit Trust Funds</u>
Additions:				
Contributions:				
Employer contributions	\$ 8,037,428	\$ 4,625,490	\$ 791,032	\$ 13,453,950
Employee contributions	<u>2,135,422</u>	<u>4,625,490</u>	<u>791,032</u>	<u>2,135,422</u>
Total contributions	<u>10,172,850</u>	<u>4,625,490</u>	<u>791,032</u>	<u>15,589,372</u>
Investment income:				
Net change in fair value of investments	33,444,398	5,813,016	959,988	40,217,402
Interest and dividends	<u>1,563,790</u>	<u>5,813,016</u>	<u>959,988</u>	<u>1,563,790</u>
Total investment income	<u>35,008,188</u>	<u>5,813,016</u>	<u>959,988</u>	<u>41,781,192</u>
Total additions	<u>45,181,038</u>	<u>10,438,506</u>	<u>1,751,020</u>	<u>57,370,564</u>
Deductions:				
Benefits	14,231,858	3,462,906	618,918	18,313,682
Operating expenses	<u>501,548</u>	<u>68,028</u>	<u>11,855</u>	<u>581,431</u>
Total deductions	<u>14,733,406</u>	<u>3,530,934</u>	<u>630,773</u>	<u>18,895,113</u>
Change in Net Position	30,447,632	6,907,572	1,120,247	38,475,451
Net Position at Beginning of Year	<u>133,316,781</u>	<u>22,689,142</u>	<u>3,123,341</u>	<u>159,129,264</u>
Net Position at End of Year	<u>\$ 163,764,413</u>	<u>\$ 29,596,714</u>	<u>\$ 4,243,588</u>	<u>\$ 197,604,715</u>

**12. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

**Litigation**

During the ordinary course of its operations, the City may become a party to various claims, legal actions and complaints. In the opinion of the City's management and legal counsel, the potential outcome and liability, if any, associated with these claims cannot be determined at this time.

**Grants**

The City and School Department participate in a number of federally assisted programs. The audits of these programs through the year ended October 31, 2021 were performed in connection with the accompanying financial statements under the Single Audit concept and the auditors' reports thereon are presented in the separately issued single audit report. The amount, if any, of expenditures, which may be disallowed, will not be material to the financial position of the City.



**Required  
Supplementary  
Information**

CITY OF EAST PROVIDENCE, RHODE ISLAND  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED OCTOBER 31, 2021

RSI-1

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Property taxes, interest and liens	\$ 113,366,828	\$ 113,366,828	\$ 112,916,477	\$ (450,351)
Intergovernmental	6,019,307	6,019,307	10,932,191	4,912,884
Departmental	12,162,962	12,162,962	6,398,500	(5,764,462)
Interest on investments			930	930
Total revenues	<u>131,549,097</u>	<u>131,549,097</u>	<u>130,248,098</u>	<u>(1,300,999)</u>
Expenditures:				
General government:				
City council	180,410	180,410	142,034	38,376
Mayor	464,761	464,761	459,339	5,422
City manager	-	-	-	-
Senior services	358,502	358,502	306,913	51,589
Information technology	738,640	738,640	782,445	(43,805)
City clerk	710,292	710,292	736,630	(26,338)
Finance	721,566	721,566	709,454	12,112
Tax collection	594,388	594,388	491,729	102,659
Tax assessment	500,331	500,331	496,508	3,823
Planning	690,267	690,267	662,528	27,739
Law	388,364	388,364	383,096	5,268
Human resources	630,857	630,857	693,376	(62,519)
EEOC / Affirmative action	143,003	143,003	130,848	12,155
Canvassing	265,352	265,352	261,889	3,463
Total general government	<u>6,386,733</u>	<u>6,386,733</u>	<u>6,256,789</u>	<u>129,944</u>
Public safety:				
Police	17,551,250	17,551,250	17,020,595	530,655
Animal shelter	337,818	337,818	338,434	(616)
Harbor master	50,595	50,595	44,354	6,241
Fire	22,378,482	22,378,482	22,499,183	(120,701)
Total public safety	<u>40,318,145</u>	<u>40,318,145</u>	<u>39,902,566</u>	<u>415,579</u>
Public works:				
Director	290,476	290,476	238,343	52,133
Engineering	730,470	730,470	568,931	161,539
Highway	4,705,526	4,705,526	4,511,860	193,666
Central garage	841,869	841,869	900,234	(58,365)
Streetlights	600,000	600,000	691,163	(91,163)
Building inspection	905,185	905,185	930,130	(24,945)
Public buildings	1,283,976	1,283,976	1,295,621	(11,645)
Total public works	<u>9,357,502</u>	<u>9,357,502</u>	<u>9,136,282</u>	<u>221,220</u>

(Continued on next page)

CITY OF EAST PROVIDENCE, RHODE ISLAND  
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)  
 FOR THE YEAR ENDED OCTOBER 31, 2021

RSI-1

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Sanitation:				
Refuse disposal	\$ 3,063,912	\$ 3,063,912	\$ 3,081,035	\$ (17,123)
Public libraries	2,464,157	2,464,157	2,144,652	319,505
Parks and recreation:				
Pierce stadium	97,000	97,000	132,960	(35,960)
Recreation	546,039	546,039	490,003	56,036
Carousel	134,009	134,009	105,046	28,963
Total parks and recreation	<u>777,048</u>	<u>777,048</u>	<u>728,009</u>	<u>49,039</u>
Debt service	9,565,807	9,565,807	9,562,115	3,692
Benefits and other miscellaneous	6,392,978	6,392,978	4,882,525	1,510,453
Total expenditures	<u>78,326,282</u>	<u>78,326,282</u>	<u>75,693,973</u>	<u>2,632,309</u>
Excess of Revenues over Expenditures	<u>53,222,815</u>	<u>53,222,815</u>	<u>54,554,125</u>	<u>1,331,310</u>
Other Financing Sources (Uses):				
Transfers from capital fund	2,813,466	2,813,466	36,614,690	33,801,224
Transfer to capital fund	(2,813,466)	(2,813,466)	(2,813,466)	-
Operating transfer to school unrestricted	(50,409,351)	(50,409,351)	(87,024,041)	(36,614,690)
Total other financing uses	<u>(50,409,351)</u>	<u>(50,409,351)</u>	<u>(53,222,817)</u>	<u>(2,813,466)</u>
Net Change in Fund Balances - Budgetary Basis	\$ <u>2,813,464</u>	\$ <u>2,813,464</u>	<u>1,331,308</u>	\$ <u>(1,482,156)</u>
Net Change in Fund Balances - GAAP Basis			\$ <u><u>1,331,308</u></u>	

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
 BUDGETARY COMPARISON SCHEDULE - SCHOOL UNRESTRICTED FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED OCTOBER 31, 2021**

RSI-2

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 37,812,919	\$ 37,812,919	\$ 37,578,150	\$ (234,769)
Charges for services			54,827	54,827
Other revenue			837,148	837,148
Total revenues	<u>37,812,919</u>	<u>37,812,919</u>	<u>38,470,125</u>	<u>657,206</u>
Expenditures:				
Education	<u>88,222,270</u>	<u>88,222,270</u>	<u>86,964,761</u>	<u>1,257,509</u>
Deficiency of Revenues Over Expenditures	(50,409,351)		(48,494,636)	48,494,636
Other Financing Sources:				
Transfers in	<u>50,409,351</u>	<u>50,409,351</u>	<u>50,409,351</u>	<u>-</u>
Net Change in Fund Balances - Budgetary Basis	\$ <u><u>-</u></u>	\$ <u><u>50,409,351</u></u>	1,914,715	\$ <u><u>48,494,636</u></u>

Budgetary revenues are different than GAAP revenues because:

State of Rhode Island on-behalf contributions to State pension plans are not budgeted. 4,941,565

Budgetary expenditures are different than GAAP expenditures because:

State of Rhode Island on-behalf contributions to State pension plans are not budgeted. (4,941,565)

Net Change in Fund Balances - GAAP Basis \$ 1,914,715

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE AND FIRE LOCAL PENSION PLAN**  
**LAST SIX FISCAL YEARS\***

RSI-3

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability:						
Service cost	\$ 3,632,971	\$ 3,426,846	\$ 3,434,978	\$ 3,213,366	\$ 3,455,749	\$ 3,904,298
Interest	19,074,041	17,581,457	17,115,560	16,230,344	15,671,330	12,492,276
Changes of benefit terms				308,964		
Differences between expected and actual experience	805,926	667,820		(1,667,271)	1,774,809	16,904,538
Changes of assumptions	7,571,514	11,920,514	(1,159,664)	6,004,176	(1,427,122)	(68,843,063)
Benefit payments, including refunds of member contributions	<u>(14,231,858)</u>	<u>(13,571,437)</u>	<u>(12,770,136)</u>	<u>(12,246,488)</u>	<u>(11,311,227)</u>	<u>(10,784,177)</u>
Net change in total pension liability	16,852,594	20,025,200	6,620,738	11,843,091	8,163,539	(46,326,128)
Total pension liability - beginning	<u>257,803,498</u>	<u>237,778,298</u>	<u>231,157,560</u>	<u>219,314,469</u>	<u>211,150,930</u>	<u>257,477,058</u>
Total pension liability - ending	<u>274,656,092</u>	<u>257,803,498</u>	<u>237,778,298</u>	<u>231,157,560</u>	<u>219,314,469</u>	<u>211,150,930</u>
Plan fiduciary net position:						
Contributions - employer	8,653,046	8,190,648	7,764,971	7,610,501	6,327,364	5,816,231
Contributions - employee	1,519,804	1,383,163	1,439,814	1,371,089	1,302,238	1,284,211
Net investment income	34,540,135	2,437,841	12,018,478	(136,131)	17,310,859	4,389,968
Benefit payments, including refunds of member contributions	(14,231,858)	(13,571,437)	(12,770,136)	(12,246,488)	(11,311,227)	(10,784,177)
Pension plan administrative expense	<u>(33,495)</u>	<u>(43,635)</u>	<u>(78,893)</u>	<u>(92,864)</u>	<u>(62,375)</u>	<u>(59,424)</u>
Net change in plan fiduciary net position	30,447,632	(1,603,420)	8,374,234	(3,493,893)	13,566,859	646,809
Plan fiduciary net position - beginning	<u>133,316,781</u>	<u>134,920,201</u>	<u>126,545,967</u>	<u>130,039,860</u>	<u>116,473,001</u>	<u>115,826,192</u>
Plan fiduciary net position - ending	<u>163,764,413</u>	<u>133,316,781</u>	<u>134,920,201</u>	<u>126,545,967</u>	<u>130,039,860</u>	<u>116,473,001</u>
Net Pension Liability - Ending	<u>\$ 110,891,679</u>	<u>\$ 124,486,717</u>	<u>\$ 102,858,097</u>	<u>\$ 104,611,593</u>	<u>\$ 89,274,609</u>	<u>\$ 94,677,929</u>
Plan fiduciary net position as a percentage of the total pension liability	59.63%	51.71%	56.74%	54.74%	59.29%	55.16%
Covered-employee payroll	\$ 15,692,294	\$ 15,160,109	\$ 14,440,465	\$ 15,270,020	\$ 14,517,769	\$ 15,021,061
Net pension liability as a percentage of covered payroll	706.66%	821.15%	712.29%	685.08%	614.93%	630.30%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF CONTRIBUTIONS  
POLICE AND FIRE LOCAL PENSION PLAN  
LAST TEN FISCAL YEARS**

RSI-4

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 8,653,046	\$ 8,190,648	\$ 7,470,844	\$ 7,019,872	\$ 7,289,839	\$ 5,921,652	\$ 5,617,511	\$ 5,436,880	\$ 7,951,460	\$ 7,525,388
Contributions in relation to the actuarially determined contribution	<u>8,653,046</u>	<u>8,190,648</u>	<u>7,764,971</u>	<u>7,610,501</u>	<u>6,327,364</u>	<u>5,816,231</u>	<u>6,435,589</u>	<u>5,606,148</u>	<u>7,784,310</u>	<u>1,590,445</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(294,127)</u>	\$ <u>(590,629)</u>	\$ <u>962,475</u>	\$ <u>105,421</u>	\$ <u>(818,078)</u>	\$ <u>(169,268)</u>	\$ <u>167,150</u>	\$ <u>5,934,943</u>
Covered-employee payroll	\$ 15,160,109	\$ 15,219,499	\$ 15,270,020	\$ 14,517,769	\$ 15,021,061	\$ 14,628,273	\$ 13,861,789	\$ 12,666,939	\$ 12,542,000	\$ 12,326,000
Contributions as a percentage of covered-employee payroll	57.08%	53.82%	50.85%	52.42%	42.12%	39.76%	46.43%	44.26%	62.07%	12.90%

**Notes to Schedule**

Valuation date October 31, 2021  
Measurement date October 31, 2021

Actuarially-determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry Age Normal  
Amortization method 30-year closed level % of pay amortization of the excess of the entry age actuarial accrued liability over the actuarial value of plan assets. For this purpose, pay is assumed to grow at 3.75% annually.  
Asset valuation method Market value of assets  
Inflation 2.50%  
Salary increases 4.0% compounded annually  
Investment rate of return 7.50%  
Retirement age Age-based table  
Mortality - Healthy RP-2014 Blue Collar Mortality Table with generational improvements from 2006 based on assumptions from the 2019 Social Security Administration Trustee's Report  
Mortality - Disabled RP-2014 Disabled Mortality with generational improvements from 2006 based on assumptions from the 2019 Social Security Administration Trustee's Report

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
 SCHEDULE OF INVESTMENT RETURNS  
 POLICE AND FIRE LOCAL PENSION PLAN  
 LAST EIGHT FISCAL YEARS\***

RSI-5

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	23.57%	1.86%	9.19%	-0.11%	14.28%	1.94%	1.83%	15.73%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
EMPLOYEES' RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS\***

RSI-6

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability	2.13%	2.13%	2.15%	2.11%	2.06%	2.06%	1.98%	1.93%
City's proportionate share of the net pension liability	\$ 50,045,054	\$ 68,056,449	\$ 68,581,003	\$ 67,171,776	\$ 65,081,789	\$ 61,441,400	\$ 54,392,896	\$ 46,902,474
State's proportionate share of the net pension liability associated with the school district	<u>37,112,894</u>	<u>50,567,608</u>	<u>51,374,273</u>	<u>50,105,320</u>	<u>49,186,196</u>	<u>42,075,337</u>	<u>37,159,519</u>	<u>32,163,187</u>
Total	<u>\$ 87,157,948</u>	<u>\$ 118,624,057</u>	<u>\$ 119,955,276</u>	<u>\$ 117,277,096</u>	<u>\$ 114,267,985</u>	<u>\$ 103,516,737</u>	<u>\$ 91,552,415</u>	<u>\$ 79,065,661</u>
City's covered employee payroll	\$ 36,387,906	\$ 35,023,763	\$ 34,786,180	\$ 33,036,438	\$ 31,624,685	\$ 33,832,476	\$ 32,743,700	\$ 31,697,700
City's proportionate share of the net pension liability as a percentage of its covered employee payroll	137.53%	194.32%	197.15%	203.33%	205.79%	181.60%	166.12%	147.97%
Plan fiduciary net position as a percentage of the total pension liability	54.30%	54.30%	54.60%	54.30%	54.06%	54.06%	57.55%	61.40%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Notes to Schedule**

-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.

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

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF CONTRIBUTIONS  
EMPLOYEES' RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS\***

RSI-7

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 5,864,432	\$ 5,666,779	\$ 5,365,646	\$ 5,052,279	\$ 4,824,845	\$ 4,645,199	\$ 4,305,249	\$ 3,794,420
Contributions in relation to the actuarially determined contribution	<u>5,864,432</u>	<u>5,666,779</u>	<u>5,365,646</u>	<u>5,052,279</u>	<u>4,824,845</u>	<u>4,645,199</u>	<u>4,305,249</u>	<u>3,794,420</u>
Contribution Deficiency (Excess)	\$ <u>-</u>							
Covered-employee payroll	\$ 36,387,906	\$ 35,023,763	\$ 34,786,180	\$ 33,036,438	\$ 31,624,685	\$ 33,832,476	\$ 32,743,700	\$ 31,697,700
Contributions as a percentage of covered-employee payroll	16.12%	16.18%	15.42%	15.29%	15.26%	13.73%	13.15%	11.97%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Notes to Schedule**

-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.

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

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS)**  
**LAST EIGHT FISCAL YEARS\***

RSI-8

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:								
Service cost	\$ 1,592,220	\$ 1,717,838	\$ 1,768,303	\$ 1,796,629	\$ 1,655,859	\$ 1,569,286	\$ 1,451,910	\$ 1,497,818
Interest	7,927,644	7,920,803	7,661,747	7,606,148	7,596,902	7,655,003	7,436,366	7,307,825
Changes of benefit terms							2,000,052	
Differences between expected and actual experience	(1,584,386)	(555,247)	1,950,483	(1,175,856)	(536,482)	(2,768,415)	(893,679)	
Changes of assumptions		(1,112,580)			5,903,171			(10,889)
Benefit payments	<u>(7,704,142)</u>	<u>(7,916,412)</u>	<u>(7,392,604)</u>	<u>(7,444,373)</u>	<u>(7,200,820)</u>	<u>(7,346,876)</u>	<u>(6,929,467)</u>	<u>(7,186,379)</u>
Net change in total pension liability	231,336	54,402	3,987,929	782,548	7,418,630	(891,002)	3,065,182	1,608,375
Total pension liability - beginning	<u>116,308,012</u>	<u>116,253,610</u>	<u>112,265,681</u>	<u>111,483,133</u>	<u>104,064,503</u>	<u>104,955,505</u>	<u>101,890,323</u>	<u>100,281,948</u>
Total pension liability - ending	<u>116,539,348</u>	<u>116,308,012</u>	<u>116,253,610</u>	<u>112,265,681</u>	<u>111,483,133</u>	<u>104,064,503</u>	<u>104,955,505</u>	<u>101,890,323</u>
Plan fiduciary net position:								
Contributions - employer	4,302,014	4,427,403	4,572,393	4,593,669	4,600,763	4,382,613	3,537,324	3,440,709
Contributions - employee	491,550	524,372	540,278	544,804	566,714	545,479	320,534	320,779
Net investment income	17,540,788	2,429,593	4,192,310	4,883,497	6,668,333	32,571	1,432,717	8,364,016
Benefit payments	<u>(7,704,142)</u>	<u>(7,916,412)</u>	<u>(7,392,604)</u>	<u>(7,444,373)</u>	<u>(7,200,820)</u>	<u>(7,346,876)</u>	<u>(6,929,467)</u>	<u>(7,186,379)</u>
Pension plan administrative expense	(66,834)	(66,941)	(65,535)	(65,011)	(63,000)	(107,691)	(59,227)	(52,375)
Other	<u>(13,191)</u>	<u>32,061</u>	<u>9,890</u>	<u>(42,013)</u>	<u>(428,614)</u>	<u>7,412</u>	<u>35,429</u>	<u>(161,450)</u>
Net change in plan fiduciary net position	14,550,185	(569,924)	1,856,732	2,470,573	4,143,376	(2,486,492)	(1,662,690)	4,725,300
Plan fiduciary net position - beginning	<u>66,549,748</u>	<u>67,119,672</u>	<u>65,262,940</u>	<u>62,792,367</u>	<u>58,648,991</u>	<u>61,135,483</u>	<u>62,798,173</u>	<u>58,072,873</u>
Plan fiduciary net position - ending	<u>81,099,933</u>	<u>66,549,748</u>	<u>67,119,672</u>	<u>65,262,940</u>	<u>62,792,367</u>	<u>58,648,991</u>	<u>61,135,483</u>	<u>62,798,173</u>
Net Pension Liability - Ending	<u>\$ 35,439,415</u>	<u>\$ 49,758,264</u>	<u>\$ 49,133,938</u>	<u>\$ 47,002,741</u>	<u>\$ 48,690,766</u>	<u>\$ 45,415,512</u>	<u>\$ 43,820,022</u>	<u>\$ 39,092,150</u>
Plan fiduciary net position as a percentage of the total pension liability	69.59%	57.22%	57.74%	58.13%	56.32%	56.36%	58.25%	61.63%
Covered-employee payroll	\$ 20,027,923	\$ 20,847,543	\$ 20,561,664	\$ 19,786,662	\$ 18,859,437	\$ 17,301,940	\$ 15,990,195	\$ 15,733,380
Net pension liability as a percentage of covered payroll	176.95%	238.68%	238.96%	237.55%	258.18%	262.49%	274.04%	248.47%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF CONTRIBUTIONS  
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (MERS)  
LAST EIGHT FISCAL YEARS\***

RSI-9

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 4,302,014	\$ 4,427,403	\$ 4,572,393	\$ 4,593,669	\$ 4,600,763	\$ 4,382,613	\$ 3,537,324	\$ 3,440,709
Contributions in relation to the actuarially determined contribution	<u>4,302,014</u>	<u>4,427,403</u>	<u>4,572,393</u>	<u>4,593,669</u>	<u>4,600,763</u>	<u>4,382,613</u>	<u>3,537,324</u>	<u>3,440,709</u>
Contribution Deficiency (Excess)	\$ <u>-</u>							
Covered-employee payroll	\$ 20,027,923	\$ 20,847,543	\$ 20,561,664	\$ 19,786,662	\$ 18,859,437	\$ 17,301,940	\$ 15,990,195	\$ 15,990,195
Contributions as a percentage of covered-employee payroll	21.48%	21.24%	22.24%	23.22%	24.40%	25.33%	22.12%	21.52%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Notes to Schedule**

-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.

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

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET  
TEACHERS' SURVIVORS BENEFITS PLAN  
LAST EIGHT FISCAL YEARS\***

RSI-10

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
City's proportion of the net pension asset	8.23%	8.23%	8.42%	8.22%	8.44%	8.02%	7.89%	7.41%
City's proportionate share of the net pension asset	\$ 15,936,467	\$ 9,769,988	\$ 9,555,394	\$ 7,340,532	\$ 6,979,985	\$ 7,985,342	\$ 7,362,805	\$ 9,214,210
City's covered payroll	\$ 36,387,906	\$ 35,023,763	\$ 34,786,180	\$ 33,036,438	\$ 31,624,685	\$ 33,832,476	\$ 32,743,700	\$ 31,697,700
City's proportionate share of the net pension asset as a percentage of its covered payroll	43.80%	27.90%	27.47%	22.22%	22.07%	23.60%	22.49%	29.07%
Plan fiduciary net position as a percentage of the total pension liability	153.1%	153.1%	150.2%	137.4%	136.1%	153.3%	146.6%	173.3%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Notes to Schedule**

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

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF CONTRIBUTIONS  
TEACHERS' SURVIVORS BENEFITS PLAN  
LAST EIGHT FISCAL YEARS\***

RSI-11

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily determined contribution	\$ 59,953	\$ 61,349	\$ 60,469	\$ 61,209	\$ 49,771	\$ 51,508	\$ 47,588	\$ 45,149
Contributions in relation to the statutorily determined contribution	<u>59,953</u>	<u>61,349</u>	<u>60,469</u>	<u>61,209</u>	<u>49,771</u>	<u>51,508</u>	<u>47,588</u>	<u>45,149</u>
Contribution Deficiency (Excess)	\$ <u>-</u>							
Covered payroll	\$ 36,387,906	\$ 35,023,763	\$ 34,786,180	\$ 33,036,438	\$ 31,624,685	\$ 33,832,476	\$ 32,743,700	\$ 31,697,700
Contributions as a percentage of covered payroll	0.16%	0.18%	0.17%	0.19%	0.16%	0.15%	0.15%	0.14%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**Notes to Schedule**

-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.

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

CITY OF EAST PROVIDENCE, RHODE ISLAND  
 SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
 OTHER POST-EMPLOYMENT BENEFITS PLAN - CITY  
 LAST FIVE FISCAL YEARS\*

RSI-12

	2021	2020	2019	2018	2017
Total OPEB liability:					
Service cost	\$ 1,486,466	\$ 1,430,746	\$ 1,754,085	\$ 1,639,332	\$ 1,598,797
Interest	2,803,213	2,678,390	3,098,608	3,000,593	2,598,530
Changes of benefit terms	2,553	-	-	-	(2,890,110)
Differences between expected and actual experience	(24,295)	757,669	(7,033,053)	-	5,460,910
Changes of assumptions	1,839,950	-	(345,480)	-	1,734,512
Benefit payments	(3,462,906)	(2,826,542)	(3,470,418)	(3,242,372)	(2,371,199)
Net change in total OPEB liability	2,644,981	2,040,263	(5,996,258)	1,397,553	6,131,440
Total OPEB liability - beginning	40,261,604	38,221,341	44,217,599	42,820,046	36,688,606
Total OPEB liability - ending	42,906,585	40,261,604	38,221,341	44,217,599	42,820,046
Plan fiduciary net position:					
Contributions - employer	4,625,490	3,409,875	4,698,812	4,445,961	5,216,989
Contributions - member	-	230,351	-	-	-
Net investment income	5,813,016	1,250,059	2,250,197	157,530	1,911,235
Benefit payments	(3,462,906)	(2,826,542)	(3,470,418)	(3,242,372)	(2,371,199)
Administrative expense	(68,028)	(46,163)	(39,699)	(37,198)	(29,543)
Net change in plan fiduciary net position	6,907,572	2,017,580	3,438,892	1,323,921	4,727,482
Plan fiduciary net position - beginning	22,689,142	20,671,562	17,232,670	15,908,749	11,181,267
Plan fiduciary net position - ending	29,596,714	22,689,142	20,671,562	17,232,670	15,908,749
Net OPEB Liability - Ending	\$ 13,309,871	\$ 17,572,462	\$ 17,549,779	\$ 26,984,929	\$ 26,911,297
Plan fiduciary net position as a percentage of the total OPEB liability	69.0%	56.4%	54.1%	39.0%	37.2%
Covered-employee payroll	\$ 25,005,463	\$ 24,900,503	\$ 24,116,710	\$ 24,357,724	\$ 23,591,016
Net OPEB liability as a percentage of covered-employee payroll	53.2%	70.6%	72.8%	110.8%	114.1%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OTHER POST-EMPLOYMENT BENEFITS PLAN - SCHOOL**  
**LAST FIVE FISCAL YEARS\***

RSI-13

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:					
Service cost	\$ 446,872	\$ 371,492	\$ 266,562	\$ 272,629	\$ 222,290
Interest	256,608	317,237	477,041	529,705	454,036
Changes of assumptions	(64,293)	474,774	801,007	(46,513)	(1,647,195)
Differences between expected and actual experience	983,396	(198,708)	(488,582)	(399,574)	3,306,969
Benefit payments	(618,918)	(753,725)	(932,534)	(1,266,859)	(1,342,764)
Net change in total OPEB liability	1,003,665	211,070	123,494	(910,612)	993,336
Total OPEB liability - beginning	7,341,251	7,130,181	7,006,687	7,917,299	6,923,963
Total OPEB liability - ending	<u>8,344,916</u>	<u>7,341,251</u>	<u>7,130,181</u>	<u>7,006,687</u>	<u>7,917,299</u>
Plan fiduciary net position:					
Contributions - employer	791,032	753,725	932,534	1,266,859	2,157,091
Net investment income	959,988	179,026	341,709	28,428	326,997
Benefit payments	(618,918)	(753,725)	(932,534)	(1,266,859)	(1,342,764)
Administrative expense	(11,855)	(7,798)	(6,884)	(6,715)	(5,320)
Net change in plan fiduciary net position	1,120,247	171,228	334,825	21,713	1,136,004
Plan fiduciary net position - beginning	3,123,341	2,952,113	2,617,288	2,595,575	1,459,571
Plan fiduciary net position - ending	<u>4,243,588</u>	<u>3,123,341</u>	<u>2,952,113</u>	<u>2,617,288</u>	<u>2,595,575</u>
Net OPEB Liability - Ending	<u>\$ 4,101,328</u>	<u>\$ 4,217,910</u>	<u>\$ 4,178,068</u>	<u>\$ 4,389,399</u>	<u>\$ 5,321,724</u>
Plan fiduciary net position as a percentage of the total OPEB liability	50.9%	42.5%	41.4%	37.4%	32.8%
Covered-employee payroll	\$ 53,957,371	\$ 55,947,767	\$ 54,318,220	\$ 48,259,017	\$ 46,967,413
Net OPEB liability as a percentage of covered-employee payroll	7.6%	7.5%	7.7%	9.1%	11.3%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POST-EMPLOYMENT BENEFIT PLAN - CITY  
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 3,462,906	\$ 2,995,002	\$ 4,100,211	\$ 3,945,974	4,100,391	\$ 3,645,401	\$ 3,645,401	\$ 4,330,882	\$ 4,330,882	\$ 5,547,669
Contributions in relation to the actuarially determined contribution	<u>4,625,490</u>	<u>3,409,875</u>	<u>4,698,812</u>	<u>4,445,961</u>	<u>5,216,989</u>	<u>7,772,836</u>	<u>8,721,571</u>	<u>3,424,015</u>	<u>3,424,015</u>	<u>3,728,228</u>
Contribution Deficiency (Excess)	\$ <u>(1,162,584)</u>	\$ <u>(414,873)</u>	\$ <u>(598,601)</u>	\$ <u>(499,987)</u>	<u>(1,116,598)</u>	\$ <u>(4,127,435)</u>	\$ <u>(5,076,170)</u>	\$ <u>906,867</u>	\$ <u>906,867</u>	\$ <u>1,819,441</u>
Covered-employee payroll	\$ 25,005,463	\$ 24,900,503	\$ 24,116,710	\$ 24,357,724	\$ 23,591,016	\$ 22,427,960	\$ 22,427,960	\$ 20,204,098	\$ 20,204,098	\$ 22,886,101
Contributions as a percentage of covered-employee payroll	18.5%	13.7%	19.5%	18.3%	22.1%	34.7%	38.9%	16.9%	16.9%	16.3%

Valuation date: November 1, 2019  
Measurement date: October 31, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Amortization period	30 years
Asset valuation method	Market value
Inflation	1.90%
Healthcare cost trend rates	8.0% initial, decreasing 0.5% per year to an ultimate rate of 4.5%
Salary increases	4.0% - 10.0%, including inflation
Investment rate of return	7.00%
Mortality	SOA Pub-2010 Weighted Mortality Table fully generational using Scale MP-2021

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OTHER POST-EMPLOYMENT BENEFIT PLAN - SCHOOL  
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 756,984	\$ 812,546	\$ 1,039,308	\$ 1,266,859	\$ 1,350,666	\$ 1,626,290	\$ 1,626,290	\$ 2,595,520	\$ 2,595,520	\$ 3,810,380
Contributions in relation to the actuarially determined contribution	<u>791,032</u>	<u>753,725</u>	<u>932,534</u>	<u>1,266,859</u>	<u>2,157,091</u>	<u>1,441,677</u>	<u>1,441,677</u>	<u>2,085,638</u>	<u>2,085,638</u>	<u>3,157,313</u>
Contribution Deficiency (Excess)	\$ <u>(34,048)</u>	\$ <u>58,821</u>	\$ <u>106,774</u>	\$ <u>-</u>	\$ <u>(806,425)</u>	\$ <u>184,613</u>	\$ <u>184,613</u>	\$ <u>509,882</u>	\$ <u>509,882</u>	\$ <u>653,067</u>
Covered-employee payroll	\$ 53,957,371	\$ 55,947,767	\$ 54,318,220	\$ 48,259,017	\$ 46,967,413	\$ 27,591,816	\$ 27,591,816	\$ 35,323,248	\$ 35,323,248	\$ 38,107,684
Contributions as a percentage of covered-employee payroll	1.5%	1.3%	1.7%	2.6%	4.6%	5.2%	5.2%	5.9%	5.9%	8.3%

Valuation date: November 1, 2019

Measurement date: October 31, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of salary
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	8.0% initial, decreasing 0.5% per year to an ultimate rate of 4.5%
Salary increases	3.0% - 13.0%, including inflation
Investment rate of return	7.00%
Mortality	SOA Pub-2010 Weighted Mortality Table fully generational using Scale MP-2021

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
 SCHEDULE OF INVESTMENT RETURNS  
 OTHER POST-EMPLOYMENT BENEFITS PLAN  
 LAST FIVE FISCAL YEARS\***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense:					
City Plan	22.24%	5.77%	11.87%	0.95%	14.07%
School Plan	26.06%	5.89%	12.27%	1.09%	16.13%

\*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
OCTOBER 31, 2021

EXHIBIT A-1

	<u>Special Revenue Funds</u>				<u>Total Nonmajor Governmental Funds</u>
	<u>Special Revenue Funds - City</u>	<u>Special Revenue Funds - School Restricted</u>	<u>Capital Project Funds</u>	<u>Permanent Funds</u>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,877,967	\$ 639,345	\$ 929,224	\$ 3,825	\$ 5,450,361
Investments			2,633,162		2,633,162
Accounts receivable	1,919,210	78,990	-		1,998,200
Intergovernmental receivable	-	4,099,644	2,339,443		6,439,087
Due from other funds	<u>17,662,980</u>	<u>13,024,915</u>	<u>897,817</u>	<u>42,995</u>	<u>31,628,707</u>
Total Assets	<u>\$ 23,460,157</u>	<u>\$ 17,842,894</u>	<u>\$ 6,799,646</u>	<u>\$ 46,820</u>	<u>\$ 48,149,517</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 643,904	\$ 1,067,684	\$ -	\$ -	\$ 1,711,588
Unearned revenue	16,421,210	-	544,025		16,965,235
Due to other funds	<u>1,948,289</u>	<u>14,149,109</u>	<u>3,219,900</u>	<u>-</u>	<u>19,317,298</u>
Total liabilities	<u>19,013,403</u>	<u>15,216,793</u>	<u>3,763,925</u>	<u>-</u>	<u>37,994,121</u>
Fund balances:					
Nonspendable				43,810	43,810
Restricted	4,876,024	3,424,814	3,622,459	3,010	11,926,307
Unassigned	<u>(429,270)</u>	<u>(798,713)</u>	<u>(586,738)</u>	<u>-</u>	<u>(1,814,721)</u>
Total fund balances	<u>4,446,754</u>	<u>2,626,101</u>	<u>3,035,721</u>	<u>46,820</u>	<u>10,155,396</u>
Total Liabilities and Fund Balances	<u>\$ 23,460,157</u>	<u>\$ 17,842,894</u>	<u>\$ 6,799,646</u>	<u>\$ 46,820</u>	<u>\$ 48,149,517</u>

## NONMAJOR GOVERNMENTAL FUNDS

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED OCTOBER 31, 2021

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Special Revenue Funds - City	Special Revenue Funds - School Restricted	Capital Projects Funds	Permanent Funds	
Revenues:					
Intergovernmental	\$ 5,431,201	\$ 13,168,394	\$ 537,602	\$	\$ 19,137,197
Charges for services	81,394	60,330			141,724
Investment and interest income	17,643		244		17,887
Contributions and private grants	147,840	229,433		803	378,076
Total revenues	<u>5,678,078</u>	<u>13,458,157</u>	<u>537,846</u>	<u>803</u>	<u>19,674,884</u>
Expenditures:					
General government	1,615,317			1,408	1,616,725
Public safety	1,840,464				1,840,464
Public works	29,699				29,699
Public libraries	90,146				90,146
Parks and recreation	160,589				160,589
Education		12,302,990			12,302,990
Capital outlay			60,200		60,200
Debt service			836,809		836,809
Total expenditures	<u>3,736,215</u>	<u>12,302,990</u>	<u>897,009</u>	<u>1,408</u>	<u>16,937,622</u>
Net Change in Fund Balances	1,941,863	1,155,167	(359,163)	(605)	2,737,262
Fund Balances at Beginning of Year, as restated	<u>2,504,891</u>	<u>1,470,934</u>	<u>3,394,884</u>	<u>47,425</u>	<u>7,418,134</u>
Fund Balances at End of Year	<u>\$ 4,446,754</u>	<u>\$ 2,626,101</u>	<u>\$ 3,035,721</u>	<u>\$ 46,820</u>	<u>\$ 10,155,396</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-3

	<u>Community Development Activities</u>	<u>Senior Center Donations</u>	<u>CARES</u>	<u>Historical Record Preservation</u>	<u>Beautification Committee</u>	<u>NEIWPCC Narr Bay Estuary 66.456</u>	<u>Sabin Point VW Settlement</u>	<u>Historic Interpretive Signage Plan</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ 1,206,997	\$ -	\$ -	\$ 216,081	\$ -	\$ -	\$ 841,032	\$ -
Accounts receivable	1,869,210	-	-	-	-	-	-	-
Due from other funds	386,121	77,448	-	1,323	906	5,000	-	-
Prepaid expenditures	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 3,462,328</b>	<b>\$ 77,448</b>	<b>\$ -</b>	<b>\$ 217,404</b>	<b>\$ 906</b>	<b>\$ 5,000</b>	<b>\$ 841,032</b>	<b>\$ -</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued expenses	\$ 18,448	\$ -	\$ -	\$ 16,961	\$ -	\$ -	\$ -	\$ -
Unearned revenue	1,800,784	-	-	-	-	-	849,033	-
Due to other funds	1,307,912	-	25,867	-	-	-	5,000	8,693
Other liabilities	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>3,127,144</b>	<b>-</b>	<b>25,867</b>	<b>16,961</b>	<b>-</b>	<b>-</b>	<b>854,033</b>	<b>8,693</b>
Fund balances:								
Restricted	335,184	77,448	-	200,443	906	5,000	-	-
Unassigned	-	-	(25,867)	-	-	-	(13,001)	(8,693)
<b>Total fund balances</b>	<b>335,184</b>	<b>77,448</b>	<b>(25,867)</b>	<b>200,443</b>	<b>906</b>	<b>5,000</b>	<b>(13,001)</b>	<b>(8,693)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,462,328</b>	<b>\$ 77,448</b>	<b>\$ -</b>	<b>\$ 217,404</b>	<b>\$ 906</b>	<b>\$ 5,000</b>	<b>\$ 841,032</b>	<b>\$ -</b>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-3

	<u>RIDEM Park Grants Activities</u>	<u>Take it Outside</u>	<u>Pier at Kettle Point</u>	<u>Historical School Buildings</u>	<u>TD Green Space Tree Planting</u>	<u>EPPC Activities</u>	<u>State HAVA Grant</u>	<u>Center for Tech and Civic Life</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	-	-	-
Due from other funds	-	-	15,000	-	11,883	11,669	323	-
Prepaid expenditures	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 11,883</u>	<u>\$ 11,669</u>	<u>\$ 323</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,684	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	106,388	-	-	8,000	-	1	-	27
Other liabilities	-	-	-	-	-	-	-	-
Total liabilities	<u>106,388</u>	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>11,685</u>	<u>-</u>	<u>27</u>
Fund balances:								
Restricted	-	-	15,000	-	11,883	-	323	-
Unassigned	<u>(106,388)</u>	<u>-</u>	<u>-</u>	<u>(8,000)</u>	<u>-</u>	<u>(16)</u>	<u>-</u>	<u>(27)</u>
Total fund balances	<u>(106,388)</u>	<u>-</u>	<u>15,000</u>	<u>(8,000)</u>	<u>11,883</u>	<u>(16)</u>	<u>323</u>	<u>(27)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 11,883</u>	<u>\$ 11,669</u>	<u>\$ 323</u>	<u>\$ -</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-3

	<u>CEIR 2020 Special Election</u>	<u>Library Donation Fund</u>	<u>Champlin Fund</u>	<u>Lori Grant</u>	<u>Legislative Grant</u>	<u>Project DARE</u>	<u>Forfeited Drug - State</u>	<u>DOJ Federal Forfeitures 16.922</u>	<u>Byrne Jag 16.738 &amp; 16.739</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$ -	\$ -	\$ 14,260	\$ 166	\$ -	\$ -	\$ -	\$ 1,415,055	\$ -
Accounts receivable	-	-	-	-	-	-	-	-	-
Due from other funds	-	120,228	100,000	-	100	9,763	195,498	2,044	-
Prepaid expenditures	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 120,228</u>	<u>\$ 114,260</u>	<u>\$ 166</u>	<u>\$ 100</u>	<u>\$ 9,763</u>	<u>\$ 195,498</u>	<u>\$ 1,417,099</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable and accrued expenses	\$ -	\$ 74	\$ 72,150	\$ -	\$ -	\$ -	\$ -	\$ 188,770	\$ -
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	2,401	-	-	-	257,886	10,307
Other liabilities	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>74</u>	<u>72,150</u>	<u>2,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>446,656</u>	<u>10,307</u>
Fund balances:									
Restricted	-	120,154	42,110	-	100	9,763	195,498	970,443	-
Unassigned	-	-	-	(2,235)	-	-	-	-	(10,307)
Total fund balances	<u>-</u>	<u>120,154</u>	<u>42,110</u>	<u>(2,235)</u>	<u>100</u>	<u>9,763</u>	<u>195,498</u>	<u>970,443</u>	<u>(10,307)</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 120,228</u>	<u>\$ 114,260</u>	<u>\$ 166</u>	<u>\$ 100</u>	<u>\$ 9,763</u>	<u>\$ 195,498</u>	<u>\$ 1,417,099</u>	<u>\$ -</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-3

	<u>Animal Control</u>	<u>Emergency Mgmt Program</u>	<u>HAZMAT Reimbursement</u>	<u>Assistance to Firefighters Grant</u>	<u>Regional Pods</u>	<u>State Hazmat Grant 97,044 &amp; 97,045</u>	<u>Crescent Park Carousel</u>	<u>American Rescue Plan Act</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136,998	\$ -
Accounts receivable	-	-	-	-	50,000	-	-	-
Due from other funds	33,368	-	37,942	69,134	2,579,447	-	-	13,841,631
Prepaid expenditures	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 33,368</b>	<b>\$ -</b>	<b>\$ 37,942</b>	<b>\$ 69,134</b>	<b>\$ 2,629,447</b>	<b>\$ -</b>	<b>\$ 136,998</b>	<b>\$ 13,841,631</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued expenses	\$ -	\$ 55,228	\$ 7,419	\$ 4,815	\$ 2,770	\$ 1,830	\$ 228	\$ 70,238
Unearned revenue	-	-	-	-	-	-	-	13,771,393
Due to other funds	-	99,249	-	9,512	-	29,833	8,617	-
Other liabilities	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>154,477</b>	<b>7,419</b>	<b>14,327</b>	<b>2,770</b>	<b>31,663</b>	<b>8,845</b>	<b>13,841,631</b>
Fund balances:								
Restricted	33,368	-	30,523	54,807	2,626,677	-	128,153	-
Unassigned	-	(154,477)	-	-	-	(31,663)	-	-
<b>Total fund balances</b>	<b>33,368</b>	<b>(154,477)</b>	<b>30,523</b>	<b>54,807</b>	<b>2,626,677</b>	<b>(31,663)</b>	<b>128,153</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 33,368</b>	<b>\$ -</b>	<b>\$ 37,942</b>	<b>\$ 69,134</b>	<b>\$ 2,629,447</b>	<b>\$ -</b>	<b>\$ 136,998</b>	<b>\$ 13,841,631</b>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-3

	<u>Contractor's Escrow</u>	<u>Escrow - Pending Forfeiture</u>	<u>Dolly Searles Scholarship</u>	<u>I-195 Interchange Watchemoket</u>	<u>Total Special Revenue Funds - City</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 12,017	\$ -	\$ 35,361	\$ -	\$ 3,877,967
Accounts receivable	-	-	-	-	1,919,210
Due from other funds	128,284	35,000	868	-	17,662,980
Prepaid expenditures	-	-	-	-	-
Total Assets	<u>\$ 140,301</u>	<u>\$ 35,000</u>	<u>\$ 36,229</u>	<u>\$ -</u>	<u>\$ 23,460,157</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued expenses	\$ 140,301	\$ 35,000	\$ 17,988	\$ -	\$ 643,904
Unearned revenue	-	-	-	-	16,421,210
Due to other funds	-	-	-	68,596	1,948,289
Other liabilities	-	-	-	-	-
Total liabilities	<u>140,301</u>	<u>35,000</u>	<u>17,988</u>	<u>68,596</u>	<u>19,013,403</u>
Fund balances:					
Restricted	-	-	18,241	-	4,876,024
Unassigned	-	-	-	(68,596)	(429,270)
Total fund balances	<u>-</u>	<u>-</u>	<u>18,241</u>	<u>(68,596)</u>	<u>4,446,754</u>
Total Liabilities and Fund Balances	<u>\$ 140,301</u>	<u>\$ 35,000</u>	<u>\$ 36,229</u>	<u>\$ -</u>	<u>\$ 23,460,157</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-4

	Community Development Activities	Senior Center Donations	CARES	Historical Record Preservation	Beautification Committee	NEIWPCC Narr Bay Estuary 66.456	Sabin Point VW Settlement	Historic Interpretive Signage Plan
Revenues:								
Intergovernmental	\$ 1,179,916	\$ 49,614	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ -
Charges for services	21,490	(78)	-	59,982	-	-	-	-
Investment and interest income	6,436	-	-	54	-	-	-	-
Contributions and private grants	-	-	-	-	-	-	-	-
Total revenues	<u>1,207,842</u>	<u>49,536</u>	<u>-</u>	<u>60,036</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>
Expenditures:								
General government	1,002,527	48,898	25,867	94,766	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	11,006	8,693
Public libraries	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Total expenditures	<u>1,002,527</u>	<u>48,898</u>	<u>25,867</u>	<u>94,766</u>	<u>-</u>	<u>-</u>	<u>11,006</u>	<u>8,693</u>
Excess (Deficiency) of Revenues over Expenditures	205,315	638	(25,867)	(34,730)	-	5,000	(11,006)	(8,693)
Net Change in Fund Balances	205,315	638	(25,867)	(34,730)	-	5,000	(11,006)	(8,693)
Fund Balances at Beginning of Year, as restated	<u>129,869</u>	<u>76,810</u>	<u>-</u>	<u>235,173</u>	<u>906</u>	<u>-</u>	<u>(1,995)</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 335,184</u>	<u>\$ 77,448</u>	<u>\$ (25,867)</u>	<u>\$ 200,443</u>	<u>\$ 906</u>	<u>\$ 5,000</u>	<u>\$ (13,001)</u>	<u>\$ (8,693)</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-4

	RIDEM Park Grants Activities	Take it Outside	Pier at Kettle Point	Historical School Buildings	TD Green Space Tree Planting	EPPC Activities	State HAVA Grant	Center for Tech and Civic Life
Revenues:								
Intergovernmental	\$ -	\$ 74,705	\$ 15,000	\$ 2,000	\$ -	\$ 134,285	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-	-
Investment and interest income	-	-	-	-	-	-	-	-
Contributions and private grants	-	-	-	-	16,000	-	-	-
Total revenues	-	74,705	15,000	2,000	16,000	134,285	-	-
Expenditures:								
General government	-	74,705	-	-	-	147,876	-	20,683
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	10,000	-	-	-	-
Public libraries	-	-	-	-	-	-	-	-
Parks and recreation	132,388	-	-	-	4,117	-	-	-
Total expenditures	132,388	74,705	-	10,000	4,117	147,876	-	20,683
Excess (Deficiency) of Revenues over Expenditures	(132,388)	-	15,000	(8,000)	11,883	(13,591)	-	(20,683)
Net Change in Fund Balances	(132,388)	-	15,000	(8,000)	11,883	(13,591)	-	(20,683)
Fund Balances at Beginning of Year, as restated	26,000	-	-	-	-	13,575	323	20,656
Fund Balances at End of Year	<u>\$ (106,388)</u>	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ (8,000)</u>	<u>\$ 11,883</u>	<u>\$ (16)</u>	<u>\$ 323</u>	<u>\$ (27)</u>

(Continued on next page)

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-4

	CEIR 2020 Special Election	Library Donation Fund	Champlin Fund	Lori Grant	Legislative Grant	Project DARE	Forfeited Drug - State	DOJ Federal Forfeitures 16.922
Revenues:								
Intergovernmental	\$ 9,836	\$ -	\$ -	\$ 11,018	\$ 2,000	\$ -	\$ 179,549	\$ 29,289
Charges for services	-	-	-	-	-	-	-	-
Investment and interest income	-	-	4	-	-	-	-	-
Contributions and private grants	-	2,546	100,000	-	-	-	-	-
Total revenues	<u>9,836</u>	<u>2,546</u>	<u>100,004</u>	<u>11,018</u>	<u>2,000</u>	<u>-</u>	<u>179,549</u>	<u>29,289</u>
Expenditures:								
General government	9,836	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	7,000	602,684
Public works	-	-	-	-	-	-	-	-
Public libraries	-	2,677	72,150	13,419	1,900	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Total expenditures	<u>9,836</u>	<u>2,677</u>	<u>72,150</u>	<u>13,419</u>	<u>1,900</u>	<u>-</u>	<u>7,000</u>	<u>602,684</u>
Excess (Deficiency) of Revenues over Expenditures	-	(131)	27,854	(2,401)	100	-	172,549	(573,395)
Net Change in Fund Balances	-	(131)	27,854	(2,401)	100	-	172,549	(573,395)
Fund Balances at Beginning of Year, as restated	-	120,285	14,256	166	-	9,763	22,949	1,543,838
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ 120,154</u>	<u>\$ 42,110</u>	<u>\$ (2,235)</u>	<u>\$ 100</u>	<u>\$ 9,763</u>	<u>\$ 195,498</u>	<u>\$ 970,443</u>

(Continued on next page)

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-4

	Byrne Jag 16.738 & 16.739	Animal Control	Emergency Mgmt Program	HAZMAT Reimbursement	Assistance to Firefighters Grant	Regional Pods	State Hazmat Grant 97.044 & 97.045	
Revenues:								
Intergovernmental	\$ -	\$ -	\$ 99,951	\$ 49,228	\$ 69,134	\$ 3,329,287	\$ 19,767	\$
Charges for services	-	-	-	-	-	-	-	
Investment and interest income	-	-	-	-	-	-	-	
Contributions and private grants	-	4,231	-	-	-	-	-	
Total revenues	-	4,231	99,951	49,228	69,134	3,329,287	19,767	
Expenditures:								
General government	-	-	-	-	-	-	-	
Public safety	19,592	2,011	270,268	56,731	14,327	702,610	165,241	
Public works	-	-	-	-	-	-	-	
Public libraries	-	-	-	-	-	-	-	
Parks and recreation	-	-	-	-	-	-	-	
Total expenditures	19,592	2,011	270,268	56,731	14,327	702,610	165,241	
Excess (Deficiency) of Revenues over Expenditures	(19,592)	2,220	(170,317)	(7,503)	54,807	2,626,677	(145,474)	
Net Change in Fund Balances	(19,592)	2,220	(170,317)	(7,503)	54,807	2,626,677	(145,474)	
Fund Balances at Beginning of Year, as restated	9,285	31,148	15,840	38,026	-	-	113,811	
Fund Balances at End of Year	\$ (10,307)	\$ 33,368	\$ (154,477)	\$ 30,523	\$ 54,807	\$ 2,626,677	\$ (31,663)	\$

(Continued on next page)

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - CITY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-4

	Crescent Park Carousel	American Rescue Plan Act	Contractor's Escrow	Escrow - Pending Forfeiture	Dolly Searles Scholarship	I-195 Interchange Watchemoket	Total Special Revenue Funds - City
Revenues:							
Intergovernmental	-	\$ 121,563	\$ -	\$ -	\$ -	50,059	\$ 5,431,201
Charges for services	-	-	-	-	-	-	81,394
Investment and interest income	11,140	-	-	-	9	-	17,643
Contributions and private grants	8,833	-	-	-	16,230	-	147,840
Total revenues	<u>19,973</u>	<u>121,563</u>	<u>-</u>	<u>-</u>	<u>16,239</u>	<u>50,059</u>	<u>5,678,078</u>
Expenditures:							
General government	-	121,563	-	-	-	68,596	1,615,317
Public safety	-	-	-	-	-	-	1,840,464
Public works	-	-	-	-	-	-	29,699
Public libraries	-	-	-	-	-	-	90,146
Parks and recreation	8,722	-	-	-	15,362	-	160,589
Total expenditures	<u>8,722</u>	<u>121,563</u>	<u>-</u>	<u>-</u>	<u>15,362</u>	<u>68,596</u>	<u>3,736,215</u>
Excess (Deficiency) of Revenues over Expenditures	11,251	-	-	-	877	(18,537)	1,941,863
Net Change in Fund Balances	11,251	-	-	-	877	(18,537)	1,941,863
Fund Balances at Beginning of Year, as restated	<u>116,902</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,364</u>	<u>(50,059)</u>	<u>2,504,891</u>
Fund Balances at End of Year	<u>128,153</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,241</u>	<u>\$ (68,596)</u>	<u>\$ 4,446,754</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>IDEA Part B</u>	<u>Preschool Section 619</u>	<u>School Implementation</u>	<u>Title I</u>	<u>ECETT Grant</u>	<u>Title I 1003 (A) Year 1</u>	<u>Title I 1003 (A) Year 2</u>	<u>Title I 1003 (A) Year 3</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable								
Intergovernmental receivable	977,579	21,072		234,417			3,427	
Due from other funds	<u>2,670,856</u>	<u>80,073</u>	<u>2,803</u>	<u>3,723,762</u>	<u>170,416</u>		<u>95,456</u>	
Total Assets	<u>\$ 3,648,435</u>	<u>\$ 101,145</u>	<u>\$ 2,803</u>	<u>\$ 3,958,179</u>	<u>\$ 170,416</u>	<u>\$ -</u>	<u>\$ 98,883</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued expenses	\$ 40,998	\$ 1,066	\$	\$ 30,906	\$	\$	\$	\$
Due to other funds	<u>3,607,259</u>	<u>100,079</u>	<u>2,803</u>	<u>3,881,790</u>	<u>170,416</u>	<u>4,724</u>	<u>89,105</u>	<u>194</u>
Total liabilities	<u>3,648,257</u>	<u>101,145</u>	<u>2,803</u>	<u>3,912,696</u>	<u>170,416</u>	<u>4,724</u>	<u>89,105</u>	<u>194</u>
Fund balances:								
Restricted	178			45,483			9,778	
Unassigned						(4,724)		(194)
Total fund balances	<u>178</u>	<u>-</u>	<u>-</u>	<u>45,483</u>	<u>-</u>	<u>(4,724)</u>	<u>9,778</u>	<u>(194)</u>
Total Liabilities and Fund Balances	<u>\$ 3,648,435</u>	<u>\$ 101,145</u>	<u>\$ 2,803</u>	<u>\$ 3,958,179</u>	<u>\$ 170,416</u>	<u>\$ -</u>	<u>\$ 98,883</u>	<u>\$ -</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>Title II</u>	<u>Title III</u>	<u>Title IV</u>	<u>Perkins</u>	<u>Perkins Odd Year</u>	<u>Perkins Vocational Education - Competitive</u>	<u>Vocational Education Reserves</u>	<u>Vocational Training for Adults</u>	<u>Fresh Fruits &amp; Vegetables</u>	<u>CARES Act - ESSER Grant</u>
<b>ASSETS</b>										
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable				53,405						
Intergovernmental receivable	100,040		16,693	242,458					(40)	40,674
Due from other funds	<u>778,305</u>	<u>33,787</u>	<u>54,917</u>	<u>329,645</u>			<u>47,723</u>	<u>30,291</u>	<u>169,885</u>	
Total Assets	<u>\$ 878,345</u>	<u>\$ 33,787</u>	<u>\$ 71,610</u>	<u>\$ 625,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,723</u>	<u>\$ 30,291</u>	<u>\$ 169,845</u>	<u>\$ 40,674</u>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable and accrued expenses	\$ 4,535	\$ 1,079	\$ 2,267	\$ 118,472	\$	\$	\$	\$	\$ 8,495	\$ 17,843
Due to other funds	<u>823,795</u>	<u>30,902</u>	<u>61,755</u>	<u>480,507</u>	<u>3,606</u>	<u>16,000</u>	<u>47,723</u>	<u>12,150</u>	<u>161,647</u>	<u>47,398</u>
Total liabilities	<u>828,330</u>	<u>31,981</u>	<u>64,022</u>	<u>598,979</u>	<u>3,606</u>	<u>16,000</u>	<u>47,723</u>	<u>12,150</u>	<u>170,142</u>	<u>65,241</u>
Fund balances:										
Restricted	50,015	1,806	7,588	26,529				18,141		
Unassigned					(3,606)	(16,000)			(297)	(24,567)
Total fund balances	<u>50,015</u>	<u>1,806</u>	<u>7,588</u>	<u>26,529</u>	<u>(3,606)</u>	<u>(16,000)</u>	<u>-</u>	<u>18,141</u>	<u>(297)</u>	<u>(24,567)</u>
Total Liabilities and Fund Balances	<u>\$ 878,345</u>	<u>\$ 33,787</u>	<u>\$ 71,610</u>	<u>\$ 625,508</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,723</u>	<u>\$ 30,291</u>	<u>\$ 169,845</u>	<u>\$ 40,674</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>CARES Act - ESSER I Set Aside</u>	<u>CARES Act - CRF Grant</u>	<u>CARES Act - Substitute Teachers</u>	<u>ESSER II (Priority #1 - Back to School)</u>	<u>ESSER II (Priority #2 - Extended Learning)</u>	<u>ESSER II (Priority #3 - Universal Screening)</u>	<u>ESSER II (Priority #4 - Student Transitions)</u>	<u>ESSER II (Other Priority)</u>	<u>ESSER II - Set Aside (K Transition)</u>	<u>ESSER III (Other Priority)</u>
<b>ASSETS</b>										
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable										
Intergovernmental receivable	31,772			79	1,142,634	392,539	39,952	11,400		
Due from other funds					120,549			3,850		
Total Assets	<u>\$ 31,772</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ 1,263,183</u>	<u>\$ 392,539</u>	<u>\$ 39,952</u>	<u>\$ 15,250</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable and accrued expenses	\$ 37,583	\$	\$	\$	\$ 67,078	\$ 1,062	\$ 4,745	\$ 3,850	\$ 15,220	\$ 129,364
Due to other funds	12,672			90,482	1,207,598	476,926	66,463		43,438	
Total liabilities	<u>50,255</u>	<u>-</u>	<u>-</u>	<u>90,482</u>	<u>1,274,676</u>	<u>477,988</u>	<u>71,208</u>	<u>3,850</u>	<u>58,658</u>	<u>129,364</u>
Fund balances:										
Restricted								11,400		
Unassigned	(18,483)			(90,403)	(11,493)	(85,449)	(31,256)		(58,658)	(129,364)
Total fund balances	<u>(18,483)</u>	<u>-</u>	<u>-</u>	<u>(90,403)</u>	<u>(11,493)</u>	<u>(85,449)</u>	<u>(31,256)</u>	<u>11,400</u>	<u>(58,658)</u>	<u>(129,364)</u>
Total Liabilities and Fund Balances	<u>\$ 31,772</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ 1,263,183</u>	<u>\$ 392,539</u>	<u>\$ 39,952</u>	<u>\$ 15,250</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	ARP ELC (Dept of Health)	Pandemic EBT Admin Cost	RTTT- Standards & Curriculum	Equipment Assistance Grant	Enhanced Assessment Instruments	Pre-K Expansion Grant	Safe and Drug-Free Schools	Comprehen- sive Literacy Grant	CS4RI	EPHS Gym
<b>ASSETS</b>										
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable										
Intergovernmental receivable		6,754						10,173		
Due from other funds			4,350		254					
Total Assets	\$ -	\$ 6,754	\$ 4,350	\$ -	\$ 254	\$ -	\$ -	\$ 10,173	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable and accrued expenses	\$ 124	\$	\$	\$	\$	\$	\$	\$ 1,342	\$	\$
Due to other funds	48,309	6,754	4,350			2,987		11,330		1,130
Total liabilities	48,433	6,754	4,350	-	-	2,987	-	12,672	-	1,130
Fund balances:										
Restricted					254					
Unassigned	(48,433)					(2,987)		(2,499)		(1,130)
Total fund balances	(48,433)	-	-	-	254	(2,987)	-	(2,499)	-	(1,130)
Total Liabilities and Fund Balances	\$ -	\$ 6,754	\$ 4,350	\$ -	\$ 254	\$ -	\$ -	\$ 10,173	\$ -	\$ -

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	Legislative Middle School Sports	MMS Legislative	Legislative Technology Silver Spring	Legislative Technology Francis	Legislative Technology Hennessey	Pre-K Grant	Pre-K to K Transition	RI State Council on the Arts	Career Exploration Grant	Common Core State Standards
<b>ASSETS</b>										
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable										
Intergovernmental receivable						169,827				
Due from other funds	2,850		38	254	36	823,306		4,505		
Total Assets	\$ 2,850	\$ -	\$ 38	\$ 254	\$ 36	\$ 993,133	\$ -	\$ 4,505	\$ -	\$ -
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable and accrued expenses	\$	\$	\$	\$	\$	27,546	\$	\$	\$	\$
Due to other funds	1,560			864		969,788				5,603
Total liabilities	1,560	-	-	864	-	997,334	-	-	-	5,603
Fund balances:										
Restricted	1,290		38		36			4,505		
Unassigned				(610)		(4,201)				(5,603)
Total fund balances	1,290	-	38	(610)	36	(4,201)	-	4,505	-	(5,603)
Total Liabilities and Fund Balances	\$ 2,850	\$ -	\$ 38	\$ 254	\$ 36	\$ 993,133	\$ -	\$ 4,505	\$ -	\$ -

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	CTE Categorical Fund Year 1	CTE Categorical Fund Year 2	CTE Categorical IT Program Year 1	CTE Categorical IT Program Year 2	Permanent School Fund	English Language Learner Categorical	CTE Categorical Innovation and Equity	School Resource Officer	SBA (School Building Authority) Covid-19
<b>ASSETS</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable									
Intergovernmental receivable									125,636
Due from other funds	631,335			150,000	109	61,437	908		
Total Assets	\$ 631,335	\$ -	\$ -	\$ 150,000	\$ 109	\$ 61,437	\$ 908	\$ -	\$ 125,636
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable and accrued expenses	\$ 5,741	\$	\$ 68,966	\$	\$	\$ 12,000	\$	\$	\$
Due to other funds	171,649	90,335	50,000	146,856		54,664			125,636
Total liabilities	177,390	90,335	118,966	146,856	-	66,664	-	-	125,636
Fund balances:									
Restricted	453,945			3,144	109		908		
Unassigned		(90,335)	(118,966)			(5,227)			
Total fund balances	453,945	(90,335)	(118,966)	3,144	109	(5,227)	908	-	-
Total Liabilities and Fund Balances	\$ 631,335	\$ -	\$ -	\$ 150,000	\$ 109	\$ 61,437	\$ 908	\$ -	\$ 125,636

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>Champlin Music/ Media Lab</u>	<u>Cox Communications</u>	<u>Feinstein</u>	<u>Feinstein Hennessey</u>	<u>Lowe's Foundation</u>	<u>RI Foundation</u>	<u>United Way</u>	<u>RI Foundation 2</u>	<u>RI Foundation - Strategic Initiatives</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable									
Intergovernmental receivable									
Due from other funds	901	1,500	14,717	209,610	15	7,608	5,000	2,493	25,423
Total Assets	<u>\$ 901</u>	<u>\$ 1,500</u>	<u>\$ 14,717</u>	<u>\$ 209,610</u>	<u>\$ 15</u>	<u>\$ 7,608</u>	<u>\$ 5,000</u>	<u>\$ 2,493</u>	<u>\$ 25,423</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable and accrued expenses	\$	\$	\$ 1,018	\$ 3,281	\$	\$	\$	\$ 1,403	\$
Due to other funds	731		960	12,424		1,959	3,410		
Total liabilities	<u>731</u>	<u>-</u>	<u>1,978</u>	<u>15,705</u>	<u>-</u>	<u>1,959</u>	<u>3,410</u>	<u>1,403</u>	<u>-</u>
Fund balances:									
Restricted	170	1,500	12,739	193,905	15	5,649	1,590	1,090	25,423
Unassigned									
Total fund balances	<u>170</u>	<u>1,500</u>	<u>12,739</u>	<u>193,905</u>	<u>15</u>	<u>5,649</u>	<u>1,590</u>	<u>1,090</u>	<u>25,423</u>
Total Liabilities and Fund Balances	<u>\$ 901</u>	<u>\$ 1,500</u>	<u>\$ 14,717</u>	<u>\$ 209,610</u>	<u>\$ 15</u>	<u>\$ 7,608</u>	<u>\$ 5,000</u>	<u>\$ 2,493</u>	<u>\$ 25,423</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>AMICA Companies Foundation</u>	<u>RI Hospitality Education Foundation</u>	<u>Doug Flutie Foundation</u>	<u>Exxon Mobil Educational Alliance</u>	<u>Target</u>	<u>Walmart</u>	<u>RI Interlocal Risk Trust</u>	<u>Verizon</u>	<u>LISC</u>
<b>ASSETS</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable									
Intergovernmental receivable									
Due from other funds	<u>6,800</u>	<u>774</u>	<u>2,623</u>	<u>6,000</u>	<u>700</u>	<u>18</u>		<u>10,280</u>	<u>308</u>
Total Assets	<u>\$ 6,800</u>	<u>\$ 774</u>	<u>\$ 2,623</u>	<u>\$ 6,000</u>	<u>\$ 700</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 10,280</u>	<u>\$ 308</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable and accrued expenses	\$	\$	\$ 2,614	\$	\$	\$	\$	\$	\$
Due to other funds		<u>774</u>					<u>409</u>		
Total liabilities	<u>-</u>	<u>774</u>	<u>2,614</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>409</u>	<u>-</u>	<u>-</u>
Fund balances:									
Restricted	6,800		9	6,000	700	18		10,280	308
Unassigned							<u>(409)</u>		
Total fund balances	<u>6,800</u>	<u>-</u>	<u>9</u>	<u>6,000</u>	<u>700</u>	<u>18</u>	<u>(409)</u>	<u>10,280</u>	<u>308</u>
Total Liabilities and Fund Balances	<u>\$ 6,800</u>	<u>\$ 774</u>	<u>\$ 2,623</u>	<u>\$ 6,000</u>	<u>\$ 700</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 10,280</u>	<u>\$ 308</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>Care New England Health System</u>	<u>Donations &amp; Gifts</u>	<u>RI Council of the Arts</u>	<u>Playground Donations</u>	<u>RI Parent Information Network</u>	<u>Am Assoc School Admin</u>	<u>School Improvement Grant</u>	<u>Sports Middle School</u>	
<b>ASSETS</b>									
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accounts receivable									
Intergovernmental receivable									
Due from other funds	60	6,081	400		1,181	430	2,043	3,397	
Total Assets	<u>\$ 60</u>	<u>\$ 6,081</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,181</u>	<u>\$ 430</u>	<u>\$ 2,043</u>	<u>\$ 3,397</u>	\$
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable and accrued expenses	\$	\$	\$	\$	\$	\$	\$	\$ 2,532	\$
Due to other funds									
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,532</u>	
Fund balances:									
Restricted	60	6,081	400		1,181	430	2,043	865	
Unassigned									
Total fund balances	<u>60</u>	<u>6,081</u>	<u>400</u>	<u>-</u>	<u>1,181</u>	<u>430</u>	<u>2,043</u>	<u>865</u>	
Total Liabilities and Fund Balances	<u>\$ 60</u>	<u>\$ 6,081</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,181</u>	<u>\$ 430</u>	<u>\$ 2,043</u>	<u>\$ 3,397</u>	\$

(Continued on next page)

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>Sports Donations</u>	<u>High School Band</u>	<u>Elementary School Donations</u>	<u>Housing Aid Capital</u>	<u>Wireless Classroom Initiative</u>	<u>School Lunch Fund</u>	<u>Summer School Remedial</u>	<u>Adult Vocation Training Program Income</u>	<u>Virtual Learning Program</u>	<u>NOCTI Testing Fees</u>
<b>ASSETS</b>										
Cash and cash equivalents		\$	\$	\$	\$	\$ 244,965	\$	\$	\$	\$
Accounts receivable						25,585				
Intergovernmental receivable						532,558				
Due from other funds	2	1,028	1,624	2,545,206		208	6,856	10,057	25,779	2,576
<b>Total Assets</b>	<u>2</u>	<u>\$ 1,028</u>	<u>\$ 1,624</u>	<u>\$ 2,545,206</u>	<u>\$ -</u>	<u>\$ 803,316</u>	<u>\$ 6,856</u>	<u>\$ 10,057</u>	<u>\$ 25,779</u>	<u>\$ 2,576</u>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable and accrued expenses		\$	\$	\$	\$	\$ 456,554	\$	\$	\$	\$ -
Due to other funds	5,255		724	666,913		-	45,422	7	1,645	-
<b>Total liabilities</b>	<u>5,255</u>	<u>-</u>	<u>724</u>	<u>666,913</u>	<u>-</u>	<u>456,554</u>	<u>45,422</u>	<u>7</u>	<u>1,645</u>	<u>-</u>
Fund balances:										
Restricted		1,028	900	1,878,293		346,762		10,050	24,134	2,576
Unassigned	(5,253)					-	(38,566)	-	-	-
<b>Total fund balances</b>	<u>(5,253)</u>	<u>1,028</u>	<u>900</u>	<u>1,878,293</u>	<u>-</u>	<u>346,762</u>	<u>(38,566)</u>	<u>10,050</u>	<u>24,134</u>	<u>2,576</u>
<b>Total Liabilities and Fund Balances</b>	<u>2</u>	<u>\$ 1,028</u>	<u>\$ 1,624</u>	<u>\$ 2,545,206</u>	<u>\$ -</u>	<u>\$ 803,316</u>	<u>\$ 6,856</u>	<u>\$ 10,057</u>	<u>\$ 25,779</u>	<u>\$ 2,576</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING BALANCE SHEET (CONTINUED)  
OCTOBER 31, 2021

EXHIBIT A-5

	<u>Student Activity Funds</u>	<u>Total Special Revenue Funds - School Restricted</u>
<b>ASSETS</b>		
Cash and cash equivalents	394,380	\$ 639,345
Accounts receivable	-	78,990
Intergovernmental receivable	-	4,099,644
Due from other funds	<u>131,517</u>	<u>13,024,915</u>
Total Assets	<u>525,897</u>	<u>\$ 17,842,894</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable and accrued expenses	-	\$ 1,067,684
Due to other funds	<u>277,229</u>	<u>14,149,109</u>
Total liabilities	<u>277,229</u>	<u>15,216,793</u>
Fund balances:		
Restricted	248,668	3,424,814
Unassigned	-	(798,713)
Total fund balances	<u>248,668</u>	<u>2,626,101</u>
Total Liabilities and Fund Balances	<u>525,897</u>	<u>\$ 17,842,894</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>IDEA Part B</u>	<u>Preschool Section 619</u>	<u>School Implementation</u>	<u>Title I</u>	<u>ECETT Grant</u>	<u>Title I 1003 (A) Year 1</u>	<u>Title I 1003 (A) Year 2</u>	<u>Title I 1003 (A) Year 3</u>
Revenues:								
Intergovernmental	\$ 1,685,963	\$ 51,772	\$	\$ 1,750,209	\$	\$	\$	\$
Charges for services								
Contributions and private grants								
Total revenues	<u>1,685,963</u>	<u>51,772</u>	<u>-</u>	<u>1,750,209</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:								
Education	<u>1,681,155</u>	<u>51,371</u>		<u>1,695,923</u>		<u>1</u>		
Net Change in Fund Balances	4,808	401	-	54,286	-	(1)	-	-
Fund Balances at Beginning of Year, as restated	<u>(4,630)</u>	<u>(401)</u>	<u>-</u>	<u>(8,803)</u>	<u>-</u>	<u>(4,723)</u>	<u>9,778</u>	<u>(194)</u>
Fund Balances at End of Year	<u>\$ 178</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,483</u>	<u>\$ -</u>	<u>\$ (4,724)</u>	<u>\$ 9,778</u>	<u>\$ (194)</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>Title II</u>	<u>Title III</u>	<u>Title IV</u>	<u>Perkins</u>	<u>Perkins Odd Year</u>	<u>Perkins Vocational Education - Competitive</u>	<u>Vocational Education Reserves</u>	<u>Vocational Training for Adults</u>	<u>Fresh Fruits &amp; Vegetables</u>
Revenues:									
Intergovernmental	\$ 324,088	\$ 30,228	\$ 177,575	\$ 260,056	\$	\$	\$	\$	\$
Charges for services									
Contributions and private grants									
Total revenues	<u>324,088</u>	<u>30,228</u>	<u>177,575</u>	<u>260,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:									
Education	<u>273,898</u>	<u>30,222</u>	<u>169,586</u>	<u>239,202</u>		<u>16,000</u>			
Net Change in Fund Balances	50,190	6	7,989	20,854	-	(16,000)	-	-	-
Fund Balances at Beginning of Year, as restated	<u>(175)</u>	<u>1,800</u>	<u>(401)</u>	<u>5,675</u>	<u>(3,606)</u>	<u>-</u>	<u>-</u>	<u>18,141</u>	<u>(297)</u>
Fund Balances at End of Year	<u>\$ 50,015</u>	<u>\$ 1,806</u>	<u>\$ 7,588</u>	<u>\$ 26,529</u>	<u>\$ (3,606)</u>	<u>\$ (16,000)</u>	<u>\$ -</u>	<u>\$ 18,141</u>	<u>\$ (297)</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>CARES Act - ESSER Grant</u>	<u>CARES Act - ESSER I Set Aside</u>	<u>CARES Act - CRF Grant</u>	<u>CARES Act - Substitute Teachers</u>	<u>ESSER II (Priority #1 - Back to School)</u>	<u>ESSER II (Priority #2 - Extended Learning)</u>	<u>ESSER II (Priority #3 - Universal Screening)</u>	<u>ESSER II (Priority #4 - Student Transitions)</u>	<u>ESSER II (Other Priority)</u>	
Revenues:										
Intergovernmental	1,090,510	\$ 37,144	\$ 1,610,589	\$ 21,047	\$ 79	\$ 1,142,634	\$ 392,539	\$ 39,952	\$ 11,400	\$
Charges for services										
Contributions and private grants										
Total revenues	<u>1,090,510</u>	<u>37,144</u>	<u>1,610,589</u>	<u>21,047</u>	<u>79</u>	<u>1,142,634</u>	<u>392,539</u>	<u>39,952</u>	<u>11,400</u>	
Expenditures:										
Education	<u>962,324</u>	<u>55,627</u>	<u>1,392,284</u>	<u>20,867</u>	<u>90,482</u>	<u>1,154,127</u>	<u>477,988</u>	<u>71,208</u>		
Net Change in Fund Balances	128,186	(18,483)	218,305	180	(90,403)	(11,493)	(85,449)	(31,256)	11,400	
Fund Balances at Beginning of Year, as restated	<u>(152,753)</u>	<u>-</u>	<u>(218,305)</u>	<u>(180)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund Balances at End of Year	<u><u>(24,567)</u></u>	<u><u>(18,483)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>(90,403)</u></u>	<u><u>(11,493)</u></u>	<u><u>(85,449)</u></u>	<u><u>(31,256)</u></u>	<u><u>11,400</u></u>	<u><u>\$</u></u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>ESSER II - Set Aside (K Transition)</u>	<u>ESSER III (Other Priority)</u>	<u>ARP ELC (Dept of Health)</u>	<u>Pandemic EBT Admin Cost</u>	<u>RTTT- Standards &amp; Curriculum</u>	<u>Equipment Assistance Grant</u>	<u>Enhanced Assessment Instruments</u>	<u>Pre-K Expansion Grant</u>	<u>Safe and Drug-Free Schools</u>	
Revenues:										
Intergovernmental	\$	\$	\$	6,754	\$	\$	\$	\$	5,290	\$
Charges for services										
Contributions and private grants										
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,290</u>	
Expenditures:										
Education	<u>58,658</u>	<u>129,364</u>	<u>48,433</u>	<u>6,754</u>					<u>5,290</u>	
Net Change in Fund Balances	(58,658)	(129,364)	(48,433)	-	-	-	-	-	-	
Fund Balances at Beginning of Year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254</u>	<u>(2,987)</u>	<u>-</u>	
Fund Balances at End of Year	<u>(58,658)</u>	<u>(129,364)</u>	<u>(48,433)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254</u>	<u>(2,987)</u>	<u>-</u>	\$

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>Comprehen sive Literacy Grant</u>	<u>CS4RI</u>	<u>EPHS Gym</u>	<u>Legislative Middle School Sports</u>	<u>MMS Legislative</u>	<u>Legislative Technology Silver Spring</u>	<u>Legislative Technology Francis</u>	<u>Legislative Technology Hennessey</u>	<u>Pre-K Grant</u>	
Revenues:										
Intergovernmental	21,240	\$ 5,621	\$	\$	\$	1,500	\$	1,500	\$ 1,521,610	\$
Charges for services										
Contributions and private grants										
Total revenues	<u>21,240</u>	<u>5,621</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>	<u>1,521,610</u>	
Expenditures:										
Education	<u>23,739</u>	<u>5,621</u>				<u>1,462</u>		<u>1,464</u>	<u>1,503,036</u>	
Net Change in Fund Balances	(2,499)	-	-	-	-	38	-	36	18,574	
Fund Balances at Beginning of Year, as restated	<u>-</u>	<u>-</u>	<u>(1,130)</u>	<u>1,290</u>	<u>-</u>	<u>-</u>	<u>(610)</u>	<u>-</u>	<u>(22,775)</u>	
Fund Balances at End of Year	<u>(2,499)</u>	<u>\$ -</u>	<u>\$ (1,130)</u>	<u>\$ 1,290</u>	<u>\$ -</u>	<u>\$ 38</u>	<u>\$ (610)</u>	<u>\$ 36</u>	<u>\$ (4,201)</u>	<u>\$</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>Pre-K to K Transition</u>	<u>RI State Council on the Arts</u>	<u>Career Exploration Grant</u>	<u>Common Core State Standards</u>	<u>CTE Categorical Fund Year 1</u>	<u>CTE Categorical Fund Year 2</u>	<u>CTE Categorical IT Program Year 1</u>	<u>CTE Categorical IT Program Year 2</u>	<u>Permanent School Fund</u>
Revenues:									
Intergovernmental		\$	\$ 2,999	\$	\$ 199,288	\$	\$	\$	\$
Charges for services									
Contributions and private grants									
Total revenues	<u>-</u>	<u>-</u>	<u>2,999</u>	<u>-</u>	<u>199,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:									
Education		1	2,999		112,229	1	68,966	1,323	
Net Change in Fund Balances	-	(1)	-	-	87,059	(1)	(68,966)	(1,323)	-
Fund Balances at Beginning of Year, as restated	-	4,506	-	(5,603)	366,886	(90,334)	(50,000)	4,467	109
Fund Balances at End of Year	<u>-</u>	<u>\$ 4,505</u>	<u>\$ -</u>	<u>\$ (5,603)</u>	<u>\$ 453,945</u>	<u>\$ (90,335)</u>	<u>\$ (118,966)</u>	<u>\$ 3,144</u>	<u>\$ 109</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	English Language Learner Categorical	CTE Categorical Innovation and Equity	School Resource Officer	SBA (School Building Authority) Covid-19	Champlin Music/ Media Lab	Cox Communications	Feinstein	Feinstein Hennessey	Lowe's Foundation		
Revenues:											
Intergovernmental	51,888	\$	\$	54,708	\$	125,636	\$	1,500	\$	202,110	\$
Charges for services											
Contributions and private grants											
Total revenues	<u>51,888</u>	<u>-</u>	<u>54,708</u>	<u>125,636</u>	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>202,110</u>	<u>-</u>		
Expenditures:											
Education	<u>57,985</u>		<u>54,708</u>	<u>125,636</u>			<u>1,769</u>	<u>90,130</u>			
Net Change in Fund Balances	(6,097)	-	-	-	-	1,500	(1,769)	111,980	-		
Fund Balances at Beginning of Year, as restated	<u>870</u>	<u>908</u>	<u>-</u>	<u>-</u>	<u>170</u>	<u>-</u>	<u>14,508</u>	<u>81,925</u>	<u>15</u>		
Fund Balances at End of Year	<u>(5,227)</u>	<u>\$ 908</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170</u>	<u>\$ 1,500</u>	<u>\$ 12,739</u>	<u>\$ 193,905</u>	<u>\$ 15</u>		

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>RI Foundation</u>	<u>United Way</u>	<u>RI Foundation 2</u>	<u>RI Foundation - Strategic Initiatives</u>	<u>AMICA Companies Foundation</u>	<u>RI Hospitality Education Foundation</u>	<u>Doug Flutie Foundation</u>	<u>Exxon Mobil Educational Alliance</u>	<u>Target</u>
Revenues:									
Intergovernmental		\$	\$	\$ 50,180	\$ 6,800	\$	\$ 2,623	\$ 6,000	\$
Charges for services									
Contributions and private grants									
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,180</u>	<u>6,800</u>	<u>-</u>	<u>2,623</u>	<u>6,000</u>	<u>-</u>
Expenditures:									
Education	<u>955</u>		<u>18,910</u>	<u>24,757</u>			<u>2,614</u>		
Net Change in Fund Balances	(955)	-	(18,910)	25,423	6,800	-	9	6,000	-
Fund Balances at Beginning of Year, as restated	<u>6,604</u>	<u>1,590</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>700</u>
Fund Balances at End of Year	<u>5,649</u>	<u>\$ 1,590</u>	<u>\$ 1,090</u>	<u>\$ 25,423</u>	<u>\$ 6,800</u>	<u>\$ -</u>	<u>\$ 9</u>	<u>\$ 6,000</u>	<u>\$ 700</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>Walmart</u>	<u>RI Interlocal Risk Trust</u>	<u>Verizon</u>	<u>LISC</u>	<u>Care New England Health System</u>	<u>Donations &amp; Gifts</u>	<u>RI Council of the Arts</u>	<u>Playground Donations</u>	<u>RI Parent Information Network</u>
Revenues:									
Intergovernmental		\$	\$	\$	\$	\$ 1	\$	\$	\$
Charges for services									
Contributions and private grants									
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:									
Education									
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances at Beginning of Year, as restated	<u>18</u>	<u>(409)</u>	<u>10,280</u>	<u>308</u>	<u>60</u>	<u>6,080</u>	<u>400</u>	<u>-</u>	<u>1,181</u>
Fund Balances at End of Year	<u>18</u>	<u>\$ (409)</u>	<u>\$ 10,280</u>	<u>\$ 308</u>	<u>\$ 60</u>	<u>\$ 6,081</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,181</u>

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CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	<u>Am Assoc School Admin</u>	<u>School Improvement Grant</u>	<u>Sports Middle School</u>	<u>Sports Donations</u>	<u>High School Band</u>	<u>Elementary School Donations</u>	<u>Housing Aid Capital</u>	<u>Wireless Classroom Initiative</u>	<u>School Lunch Fund</u>	
Revenues:										
Intergovernmental		\$	\$	\$	\$	\$	\$ 867,610	\$	\$ 1,407,751	\$
Charges for services						-	-	-	60,330	
Contributions and private grants										
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>867,610</u>	<u>-</u>	<u>1,468,081</u>	
Expenditures:										
Education			-			-	31,614	-	1,321,656	
Net Change in Fund Balances	-	-	-	-	-	-	835,996	-	146,425	
Fund Balances at Beginning of Year, as restated	<u>430</u>	<u>2,043</u>	<u>865</u>	<u>(5,253)</u>	<u>1,028</u>	<u>900</u>	<u>1,042,297</u>	<u>-</u>	<u>200,337</u>	
Fund Balances at End of Year	<u>430</u>	<u>\$ 2,043</u>	<u>\$ 865</u>	<u>\$ (5,253)</u>	<u>\$ 1,028</u>	<u>\$ 900</u>	<u>\$ 1,878,293</u>	<u>\$ -</u>	<u>\$ 346,762</u>	\$

(Continued on next page)

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS - SCHOOL RESTRICTED  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2021

EXHIBIT A-6

	Summer School Remedial	Adult Vocation Training Program Income	Virtual Learning Program	NOCTI Testing Fees	Student Activity Funds	Total Special Revenue Funds - School Restricted
Revenues:						
Intergovernmental		\$	\$	-	\$	-
Charges for services						13,168,394
Contributions and private grants					229,433	60,330
Total revenues	-	-	-	-	229,433	229,433
Expenditures:						
Education			-	-	220,651	-
Net Change in Fund Balances	-	-	-	-	8,782	12,302,990
Fund Balances at Beginning of Year, as restated	(38,566)	10,050	24,134	2,576	239,886	-
Fund Balances at End of Year	(38,566)	\$ 10,050	\$ 24,134	\$ 2,576	\$ 248,668	\$ 2,626,101

CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
OCTOBER 31, 2021

EXHIBIT A-7

	<u>Miscellaneous Projects</u>	<u>Economic Development Projects</u>	<u>TIF Bond Fund</u>	<u>Energy Bond Fund</u>	<u>Runnins River Flood Prevention</u>	<u>Riverside SQ Main Street Grant</u>	<u>Total Capital Projects Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$	\$ 929,224	\$	\$ -	\$	\$ -	\$ 929,224
Investments			2,633,162	-		-	2,633,162
Intergovernmental receivable				1,795,418	544,025	-	2,339,443
Due from other funds	<u>897,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>897,817</u>
Total Assets	<u>\$ 897,817</u>	<u>\$ 929,224</u>	<u>\$ 2,633,162</u>	<u>\$ 1,795,418</u>	<u>\$ 544,025</u>	<u>\$ -</u>	<u>\$ 6,799,646</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued expenses	\$	\$	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue					544,025	-	544,025
Due to other funds		-	3,069,949	-	103,551	46,400	3,219,900
Total liabilities	<u>-</u>	<u>-</u>	<u>3,069,949</u>	<u>-</u>	<u>647,576</u>	<u>46,400</u>	<u>3,763,925</u>
Deferred inflows of resources:							
Unavailable revenues - intergovernmental receivable					-	-	-
Fund balances:							
Restricted	897,817	929,224		1,795,418	-	-	3,622,459
Unassigned	-	-	(436,787)	-	(103,551)	(46,400)	(586,738)
Total fund balances	<u>897,817</u>	<u>929,224</u>	<u>(436,787)</u>	<u>1,795,418</u>	<u>(103,551)</u>	<u>(46,400)</u>	<u>3,035,721</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 897,817</u>	<u>\$ 929,224</u>	<u>\$ 2,633,162</u>	<u>\$ 1,795,418</u>	<u>\$ 544,025</u>	<u>\$ -</u>	<u>\$ 6,799,646</u>

**Supplemental,  
Combining and  
Individual  
Fund Statements and  
Schedules**

# **Nonmajor Governmental Funds**

**NONMAJOR GOVERNMENTAL FUNDS  
CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED OCTOBER 31, 2021**

	<u>Miscellaneous Projects</u>	<u>Economic Development Projects</u>	<u>TIF Bond Fund</u>	<u>Energy Bond Fund</u>	<u>Runnins River Flood Prevention</u>	<u>Riverside SQ Main Street Grant</u>	<u>Total Capital Projects Funds</u>
Revenues:							
Intergovernmental	\$	\$	\$	\$	\$ 537,602	\$	\$ 537,602
Investment and interest income		244	-	-	-	-	244
Total revenues	<u>-</u>	<u>244</u>	<u>-</u>	<u>-</u>	<u>537,602</u>	<u>-</u>	<u>537,846</u>
Expenditures:							
Capital outlay			-	-	13,800	46,400	60,200
Debt service			836,809	-	-	-	836,809
Total expenditures	<u>-</u>	<u>-</u>	<u>836,809</u>	<u>-</u>	<u>13,800</u>	<u>46,400</u>	<u>897,009</u>
Excess (Deficiency) of Revenues over Expenditures	-	244	(836,809)	-	523,802	(46,400)	(359,163)
Fund Balances at Beginning of Year	<u>897,817</u>	<u>928,980</u>	<u>400,022</u>	<u>1,795,418</u>	<u>(627,353)</u>	<u>-</u>	<u>3,394,884</u>
Fund Balances at End of Year	<u>\$ 897,817</u>	<u>\$ 929,224</u>	<u>\$ (436,787)</u>	<u>\$ 1,795,418</u>	<u>\$ (103,551)</u>	<u>\$ (46,400)</u>	<u>\$ 3,035,721</u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
 NONMAJOR GOVERNMENTAL FUNDS  
 PERMANENT FUNDS  
 COMBINING BALANCE SHEET  
 OCTOBER 31, 2021**

	<u>Nancy W. Miller Fund</u>	<u>George Bucklin Fund</u>	<u>Lakeside Springvale</u>	<u>Little Neck Cemetery</u>	<u>FBO Newman</u>	<u>Total Permanent Funds</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$	\$	\$	\$ 3,825	\$	\$ 3,825
Due from other funds	<u>1,620</u>	<u>15,111</u>	<u>9,994</u>	<u>2,185</u>	<u>14,085</u>	<u>42,995</u>
Total Assets	<u>\$ 1,620</u>	<u>\$ 15,111</u>	<u>\$ 9,994</u>	<u>\$ 6,010</u>	<u>\$ 14,085</u>	<u>\$ 46,820</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Due to other funds	\$	\$	\$	\$	\$	\$ -
Fund balances:						
Nonspendable	1,620	15,111	9,994	3,000	14,085	43,810
Restricted				<u>3,010</u>		<u>3,010</u>
Total fund balances	<u>1,620</u>	<u>15,111</u>	<u>9,994</u>	<u>6,010</u>	<u>14,085</u>	<u>46,820</u>
Total Liabilities and Fund Balances	<u>\$ 1,620</u>	<u>\$ 15,111</u>	<u>\$ 9,994</u>	<u>\$ 6,010</u>	<u>\$ 14,085</u>	<u>\$ 46,820</u>

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
NONMAJOR GOVERNMENTAL FUNDS  
PERMANENT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED OCTOBER 31, 2021**

	<u>Nancy W. Miller Fund</u>	<u>George Bucklin Fund</u>	<u>Lakeside Springvale</u>	<u>Little Neck Cemetery</u>	<u>FBO Newman</u>	<u>Total Permanent Funds</u>
Revenues:						
Contributions and private grants	\$	\$	\$	\$ 803	\$	\$ 803
Expenditures:						
General government				1,408		1,408
Excess of Revenues over Expenditures	-	-	-	(605)	-	(605)
Fund Balances at Beginning of Year	<u>1,620</u>	<u>15,111</u>	<u>9,994</u>	<u>6,615</u>	<u>14,085</u>	<u>47,425</u>
Fund Balances at End of Year	<u>\$ 1,620</u>	<u>\$ 15,111</u>	<u>\$ 9,994</u>	<u>\$ 6,010</u>	<u>\$ 14,085</u>	<u>\$ 46,820</u>

# Fiduciary Funds

**CITY OF EAST PROVIDENCE, RHODE ISLAND  
PENSION AND OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS  
COMBINING STATEMENT OF NET POSITION  
OCTOBER 31, 2021**

	<b>Police and Firefighters Retirement System</b>	<b>City Other Post- Employment Benefit Trust Fund</b>	<b>School Other Post- Employment Benefit Trust Fund</b>	<b>Total Pension and Other Post- Employment Benefit Trust Funds</b>
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ -	\$ -
Investments, at fair value:				
Mutual funds	132,272,346	29,596,714	4,243,588	166,112,648
Alternative investments	31,492,052			31,492,052
Member contribution receivable	15			15
Due from other funds				-
<b>Total Assets</b>	<b>\$ 163,764,413</b>	<b>\$ 29,596,714</b>	<b>\$ 4,243,588</b>	<b>\$ 197,604,715</b>
<b>NET POSITION</b>				
Net Position:				
Restricted for pension benefits	\$ 163,764,413	\$ -	\$ -	\$ 163,764,413
Restricted for OPEB benefits		29,596,714	4,243,588	33,840,302
<b>Total Net Position</b>	<b>\$ 163,764,413</b>	<b>\$ 29,596,714</b>	<b>\$ 4,243,588</b>	<b>\$ 197,604,715</b>

**CITY OF EAST PROVIDENCE, RHODE ISLAND**  
**PENSION AND OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**OCTOBER 31, 2021**

	<b>Police and Firefighters Retirement System</b>	<b>City Other Post- Employment Benefit Trust Fund</b>	<b>School Other Post- Employment Benefit Trust Fund</b>	<b>Total Pension and Other Post- Employment Benefit Trust Funds</b>
Additions:				
Contributions:				
Employer contributions	\$ 8,037,428	\$ 4,625,490	\$ 791,032	\$ 13,453,950
Employee contributions	2,135,422			2,135,422
Total contributions	<u>10,172,850</u>	<u>4,625,490</u>	<u>791,032</u>	<u>15,589,372</u>
Investment income:				
Net change in fair value of investments	33,444,398	5,813,016	959,988	40,217,402
Interest and dividends	1,563,790			1,563,790
Total investment income	<u>35,008,188</u>	<u>5,813,016</u>	<u>959,988</u>	<u>41,781,192</u>
Total additions	<u>45,181,038</u>	<u>10,438,506</u>	<u>1,751,020</u>	<u>57,370,564</u>
Deductions:				
Benefits	14,231,858	3,462,906	618,918	18,313,682
Operating expenses	501,548	68,028	11,855	581,431
Total deductions	<u>14,733,406</u>	<u>3,530,934</u>	<u>630,773</u>	<u>18,895,113</u>
Change in Net Position	30,447,632	6,907,572	1,120,247	38,475,451
Net Position at Beginning of Year	<u>133,316,781</u>	<u>22,689,142</u>	<u>3,123,341</u>	<u>159,129,264</u>
Net Position at End of Year	<u>\$ 163,764,413</u>	<u>\$ 29,596,714</u>	<u>\$ 4,243,588</u>	<u>\$ 197,604,715</u>

CITY OF EAST PROVIDENCE, RHODE ISLAND  
TAX COLLECTOR'S ANNUAL REPORT  
FOR THE YEAR ENDED OCTOBER 31, 2021

<u>Tax Roll Year</u>	<u>Property Taxes Receivable November 1, 2020</u>	<u>Current Year Assessment</u>	<u>Transfers Addendums (Net)</u>	<u>Abatements and Adjustments</u>	<u>Amount to be Collected</u>	<u>Collections Net of Refunds</u>	<u>Balance October 31, 2021</u>
2021	\$	\$ 114,059,066	\$	\$ 1,116,025	\$ 112,943,041	\$ 87,846,499	\$ 25,096,542
2020	24,763,081		20,824	9,298	24,774,607	23,611,965	1,162,642
2019	1,118,260		2,966	1,802	1,119,424	622,964	496,460
2018	364,828		(701)	1,085	363,042	62,970	300,072
2017	276,430		(749)	252	275,429	26,435	248,994
2016	305,128		(1,574)	638	302,916	12,939	289,977
2015	302,725		(10,542)	710	291,473	7,290	284,183
2014 and prior	1,138,923		(4,261)	271	1,134,391	20,277	1,114,114
Total	28,269,375	\$ <u>114,059,066</u>	\$ <u>5,963</u>	\$ <u>1,130,081</u>	\$ <u>141,204,323</u>	\$ <u>112,211,339</u>	28,992,984
Less: allowance for uncollectible accounts	(2,988,000)						(1,435,000)
Net Property Taxes Receivable	\$ <u>25,281,375</u>						\$ <u>27,557,984</u>

**Schedule of Net Assessed Property Value by Category**  
Assessed December 31, 2020

<u>Description of Property</u>	<u>Valuations</u>	<u>Levy</u>
Real property	\$ 4,435,661,500	\$ 91,243,919
Motor vehicle	305,348,132	6,816,699
Tangible property	294,791,840	15,998,448
Total	5,035,801,472	114,059,066
Exemptions and adjustments	579,923,207	
Net Assessed Value	\$ <u>4,455,878,265</u>	\$ <u>114,059,066</u>

## **Other Schedules**

# **Annual Supplemental Transparency 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 East Providence  
Annual Supplemental Transparency Report (MTP2)  
Fiscal Year Ended October 31, 2021

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 87,846,499	\$ -
Last Year's Levy Tax Collection	23,611,965	-
Prior Years Property Tax Collection	752,875	-
Interest & Penalty	705,139	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	-	-
Licenses and Permits	1,431,367	-
Fines and Forfeitures	134,648	-
Investment Income	930	-
Departmental	1,429,224	-
Rescue Run Revenue	2,179,345	-
Police & Fire Detail	1,595,964	-
Other Local Non-Property Tax Revenues	642,516	-
Tuition	-	508,409
Impact Aid	-	-
Medicaid	-	1,052,126
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	74,043
CDBG	183,313	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	54,056	4,312,042
COVID - ESSER	-	2,714,256
COVID - CRF	4,851,428	1,631,636
COVID - CDBG	-	-
COVID - FEMA	832,906	-
COVID - Other	20,627	-
COVID - ARPA	121,563	6,754
MV Excise Tax Reimbursement	1,154,194	-
State PILOT Program	260,127	-
Distressed Community Relief Fund	-	-
Library Resource Aid	415,845	-
Library Construction Aid	58,943	-
Public Service Corporation Tax	565,505	-
Meals & Beverage Tax / Hotel Tax	1,081,959	-
LEA Aid	-	36,517,834
Group Home	-	-
Housing Aid Capital Projects	-	867,610
Housing Aid Bonded Debt	1,353,779	-
State Food Service Revenue	-	1,333,708
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	122,174	1,967,319
Motor Vehicle Phase Out	214,703	-
Other Revenue	-	942,545
Local Appropriation for Education	-	50,409,351
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
<b>Total Revenue</b>	<b>\$ 131,621,594</b>	<b>\$ 102,337,633</b>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	-	-
Financing Sources: Debt Proceeds	-	-
Financing Sources: Other	36,614,690	-
Rounding	-	-
<b>Total Other Financing Sources</b>	<b>\$ 36,614,690</b>	<b>\$ -</b>

City of East Providence  
Annual Supplemental Transparency Report (MTP2)  
Fiscal Year Ended October 31, 2021

EXPENDITURES	General		Social	Centralized	Planning	Libraries	Public	Parks and	Police
	Government	Finance	Services	IT			Works	Rec	Department
Compensation- Group A	\$ 1,078,136	\$ 1,427,205	\$ 185,069	\$ 370,761	\$ 1,730,192	\$ 1,237,996	\$ 3,408,568	\$ 346,370	\$ 7,606,944
Compensation - Group B	-	-	-	-	-	-	-	-	384,489
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation -Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	13,186	12,310	5,809	-	37,601	632	106,340	9,273	1,670,212
Overtime - Group B	-	-	-	-	-	-	-	-	73,264
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	922,867
Active Medical Insurance - Group A	120,704	242,509	18,874	28,924	272,139	211,211	663,802	65,773	1,298,821
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	47,713
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	7,409	18,225	1,279	1,692	17,463	12,796	42,882	4,284	75,244
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	3,151
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	82,500	109,828	17,964	27,803	130,407	92,113	263,189	25,773	199,918
Life Insurance	6,557	9,157	1,254	2,223	9,214	7,943	20,980	1,729	41,683
State Defined Contribution- Group A	9,534	15,160	1,016	3,708	15,061	12,505	35,157	1,881	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	3,623
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	-	17,759	12,409	-	15,690	8,516	65,665	-	194,986
Other Benefits- Group B	-	-	-	-	-	-	-	-	-
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	2,436,742
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	217,305	313,006	20,584	80,248	334,834	245,036	704,780	47,085	-
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	80,457
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	628,900	273,309	5,797	2,890	162,549	112,137	77,983	21,382	79,610
Materials/Supplies	43,694	43,503	5,006	27,945	31,100	139,519	120,582	31,234	143,686
Software Licenses	6,176	6,836	-	157,721	34,494	11,557	7,726	4,440	77,283
Capital Outlays	341,138	-	-	16,500	-	-	65,563	6,605	593,344
Insurance	941,557	-	-	-	-	-	-	-	-
Maintenance	-	-	2,991	-	126,670	-	157,480	35,004	11,580
Vehicle Operations	-	-	1,314	-	7,774	-	187,665	864	161,413
Utilities	5,231	6,338	25,693	68,274	213,813	51,285	260,727	106,914	268,378
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	691,163	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	119,237	-	-
Trash Removal & Recycling	-	-	-	-	-	-	2,334,333	-	-
Claims & Settlements	156,031	-	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	-	-	-
Other Operation Expenditures	108,591	13,538	21,853	10,255	3,980	1,404	7,557	20,356	49,960
Tipping Fees	-	-	-	-	-	-	718,743	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 3,766,649</b>	<b>\$ 2,508,683</b>	<b>\$ 326,912</b>	<b>\$ 798,944</b>	<b>\$ 3,142,981</b>	<b>\$ 2,144,650</b>	<b>\$ 10,060,122</b>	<b>\$ 728,967</b>	<b>\$ 16,425,368</b>

City of East Providence  
Annual Supplemental Transparency Report (MTP2)  
Fiscal Year Ended October 31, 2021

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal	Education Department
Compensation- Group A	\$ 9,145,924	\$ 573,951	\$ 217,645	\$ -	\$ -	\$ -	\$ 27,328,761	\$ 39,102,198
Compensation - Group B	150,059	-	-	-	-	-	534,548	4,594,366
Compensation - Group C	-	-	-	-	-	-	-	8,398,115
Compensation -Volunteer	-	-	-	-	-	-	-	-
Overtime- Group A	3,705,988	246,289	8,587	-	-	-	5,816,227	-
Overtime - Group B	-	-	-	-	-	-	73,264	21,188
Overtime - Group C	-	-	-	-	-	-	-	283,716
Police & Fire Detail	13,852	-	-	-	-	-	936,719	-
Active Medical Insurance - Group A	1,530,182	95,426	25,537	-	-	-	4,573,902	5,390,111
Active Medical Insurance- Group B	18,427	-	-	-	-	-	66,140	515,856
Active Medical Insurance- Group C	-	-	-	-	-	-	-	2,670,147
Active Dental insurance- Group A	82,135	7,478	1,319	-	-	-	272,206	324,959
Active Dental Insurance- Group B	1,923	-	-	-	-	-	5,074	31,339
Active Dental Insurance- Group C	-	-	-	-	-	-	-	162,727
Payroll Taxes	217,468	65,748	16,952	-	-	-	1,249,663	1,405,952
Life Insurance	64,440	3,907	1,186	-	-	-	170,273	225,901
State Defined Contribution- Group A	-	5,722	1,879	-	-	-	101,623	999,841
State Defined Contribution - Group B	1,800	-	-	-	-	-	5,423	106,613
State Defined Contribution - Group C	-	-	-	-	-	-	-	83,791
Other Benefits- Group A	117,406	5,622	-	-	-	-	438,053	716,897
Other Benefits- Group B	-	-	-	-	-	-	-	76,527
Other Benefits- Group C	-	-	-	-	-	-	-	140,052
Local Defined Benefit Pension- Group A	6,216,304	-	-	-	-	-	8,653,046	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	-	122,826	36,894	-	-	-	2,122,598	5,679,777
State Defined Benefit Pension - Group B	50,932	-	-	-	-	-	131,389	692,347
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	1,738,949
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	237,561	7,433	16,600	-	-	-	1,626,151	18,383,022
Materials/Supplies	478,872	22,362	9,126	-	-	-	1,096,629	2,079,403
Software Licenses	53,369	-	347	-	-	-	359,949	508,837
Capital Outlays	-	39,500	-	-	-	-	1,062,650	2,208,869
Insurance	-	-	-	-	-	-	941,557	400,938
Maintenance	98,963	1,028	26,061	-	-	-	459,777	343,311
Vehicle Operations	154,323	-	-	-	-	-	513,353	105,295
Utilities	331,413	48,229	20,606	-	-	-	1,406,901	1,293,221
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	691,163	-
Revaluation	-	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	119,237	-
Trash Removal & Recycling	-	-	-	-	-	-	2,334,333	-
Claims & Settlements	-	-	-	-	-	-	156,031	-
Community Support	-	-	-	-	-	-	-	-
Other Operation Expenditures	12,676	6,823	50	-	-	-	257,043	433,486
Tipping Fees	-	-	-	-	-	-	718,743	-
Local Appropriation for Education	-	-	-	50,409,351	-	-	50,409,351	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	1,724,545	-	1,724,545	-
Municipal Debt- Interest	-	-	-	-	233,400	-	233,400	-
School Debt- Principal	-	-	-	-	2,737,000	-	2,737,000	-
School Debt- Interest	-	-	-	-	4,867,170	-	4,867,170	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	3,002,786	3,002,786	150,000
Rounding	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 22,684,017</b>	<b>\$ 1,252,344</b>	<b>\$ 382,789</b>	<b>\$ 50,409,351</b>	<b>\$ 9,562,115</b>	<b>\$ 3,002,786</b>	<b>\$ 127,196,678</b>	<b>\$ 99,267,751</b>

Financing Uses: Transfer to Capital Funds	\$ 2,813,466	\$ -
Financing Uses: Transfer to Other Funds	36,614,690	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
<b>Total Other Financing Uses</b>	<b>\$ 39,428,156</b>	<b>\$ -</b>
<b>Net Change in Fund Balance<sup>1</sup></b>	<b>1,611,450</b>	<b>3,069,882</b>
<b>Fund Balance1- beginning of year</b>	<b>\$17,407,043</b>	<b>\$3,977,305</b>
Funds removed from Reportable Government Services (RGS)	(1,540,925)	-
Funds added to Reportable Government Services (RGS)	1,543,838	-
Prior period adjustments	-	239,850
Misc. Adjustment	-	-
<b>Fund Balance<sup>1</sup> - beginning of year adjusted</b>	<b>17,409,956</b>	<b>4,217,155</b>
Rounding	-	-
<b>Fund Balance<sup>1</sup> - end of year</b>	<b>\$ 19,021,406</b>	<b>\$ 7,287,037</b>

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

City of East Providence  
Annual Supplemental Transparency Report (MTP2)  
Combining Schedule of  
Reportable Government Services with  
Reconciliation to MTP2  
Municipal  
Fiscal Year Ended June 30, 2021

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2020</b>						\$ 17,407,043		\$ 17,407,043	
<i>Add: Fed Forfeiture</i>						1,543,838	-	1,543,838	
<i>Remove: DOJ Equitable Sharing</i>						(1,540,925)	-	(1,540,925)	
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2021 adjusted</b>						<u>\$ 17,409,956</u>	<u>-</u>	<u>\$ 17,409,956</u>	
General Fund	\$ 131,262,662	\$ 36,614,690	\$ 75,694,934	\$ 89,837,507	\$ 2,344,911	\$ 15,743,024	\$ -	\$ 15,743,024	\$ 18,087,935
27017 Byrne/Jag 16.738	-	-	19,592	-	(19,592)	9,285	-	9,285	(10,307)
27003 Fed Forfeiture 16.922	29,289	-	602,684	-	(573,395)	1,543,838	-	1,543,838	970,443
27520 Fire Decon Grant 97.044	19,767	-	165,241	-	(145,474)	113,811	-	113,811	(31,663)
23010 NEIWPC 66.456	5,000	-	-	-	5,000	-	-	-	5,000
21015 CDBG 14.218	1,207,842	-	1,002,527	-	205,315	129,869	-	129,869	335,184
ARPA Funds	121,563	-	121,563	-	-	-	-	-	-
<b>Totals per audited financial statements</b>	<u>\$ 132,646,123</u>	<u>\$ 36,614,690</u>	<u>\$ 77,606,541</u>	<u>\$ 89,837,507</u>	<u>\$ 1,816,765</u>	<u>\$ 17,539,827</u>	<u>\$ -</u>	<u>\$ 17,539,827</u>	<u>\$ 19,356,592</u>
<b><u>Reconciliation from financial statements to MTP2</u></b>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	-	\$ 50,409,351	\$ (50,409,351)	-	-	-	-	-
Program activity in CDBG Funds (871,873,874,878) that are not reported on the MTP2 because they are for program revenues & expenses and not for administration.	(1,024,529)	-	(819,214)	-	(205,315)	(129,871)	-	(129,871)	(335,186)
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<u>\$ 131,621,594</u>	<u>\$ 36,614,690</u>	<u>\$ 127,196,678</u>	<u>\$ 39,428,156</u>	<u>\$ 1,611,450</u>	<u>\$ 17,409,956</u>	<u>\$ -</u>	<u>\$ 17,409,956</u>	<u>\$ 19,021,406</u>

City of East Providence  
Annual Supplemental Transparency Report (MTP2)  
Combining Schedule of  
Reportable Government Services with  
Reconciliation to MTP2  
Education Department  
Fiscal Year Ended October 31, 2021

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2020</b>						\$ 3,977,305	\$ 239,850	\$ 4,217,155	
No miscellaneous adjustment						-		-	
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2021 adjusted</b>						<u>\$ 3,977,305</u>	<u>\$ 239,850</u>	<u>\$ 4,217,155</u>	
School Unrestricted Fund	\$ 43,411,690	\$ 50,409,351	\$ 91,906,326	\$ -	\$ 1,914,715	\$ 2,746,221	\$ -	\$ 2,746,221	\$ 4,660,936
School Special Revenue Funds	13,458,157	-	12,302,990	-	1,155,167	1,231,084	239,850	1,470,934	2,626,101
<b>Totals per audited financial statements</b>	<u>\$ 56,869,847</u>	<u>\$ 50,409,351</u>	<u>\$ 104,209,316</u>	<u>\$ -</u>	<u>\$ 3,069,882</u>	<u>\$ 3,977,305</u>	<u>\$ 239,850</u>	<u>\$ 4,217,155</u>	<u>\$ 7,287,037</u>
<b><u>Reconciliation from financial statements to MTP2</u></b>									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 50,409,351	\$ (50,409,351)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions are reported as revenue and expenditures on financial statements only	(4,941,565)	-	(4,941,565)	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<u>\$ 102,337,633</u>	<u>\$ -</u>	<u>\$ 99,267,751</u>	<u>\$ -</u>	<u>\$ 3,069,882</u>	<u>\$ 3,977,305</u>	<u>\$ 239,850</u>	<u>\$ 4,217,155</u>	<u>\$ 7,287,037</u>

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

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

NOTE 1. Basis of Presentation

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

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

NOTE 2. Reportable Government Services

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

NOTE 3. Allocations

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

NOTE 4. Employee Groups - Compensation and Benefit Costs

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

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

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

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

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

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

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/>.*



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