

TOWN OF EAST GREENWICH, RHODE ISLAND

ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2023



*Town Hall
East Greenwich, Rhode Island
Built 1804*

Andrew E. Nota
Town Manager

Patricia A. Sunderland
Finance Director

Town of East Greenwich, Rhode Island

Fiscal Year Ended June 30, 2023

Table of Contents

Introductory Section (Unaudited)	1
Organization Chart.....	1
List of Town Officials.....	2
Financial Section	3
<i>Independent Auditors' Report</i>	4
Management Discussion & Analysis (MD&A) (Unaudited)	8
Basic Financial Statements:	22
Government-Wide Statements	22
Statement of Net Position	22
Statement of Activities.....	24
Fund Financial Statements:	25
Governmental Funds	25
Balance Sheet.....	25
Reconciliation of the Governmental Funds Balance Sheet Total Fund Balances to the Statement of Net Position.....	26
Statement of Revenues, Expenditures and Changes in Fund Balances.....	27
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	28
Enterprise Funds	29
Statement of Net Position	29
Statement Revenues, Expenses and Changes in Net Position.....	31
Statement of Cash Flows.....	32
Fiduciary Funds	34
Statement of Fiduciary Net Position	34
Statement of Changes in Fiduciary Net Position	35
Notes to Financial Statements.....	36
Required Supplementary Information (Unaudited):	101
Budgetary Comparison Schedule - General Fund.....	102
Schedule of Changes in Net Position Liability (Asset) and Related Ratios.....	104
Municipal Employee's Retirement System Agent Plan – Town Employees.....	104
Municipal Employee's Retirement System Agent Plan - Town Employees with COLA.....	105
Municipal Employee's Retirement System Agent Plan – Town Fire Non-Cert Employees	106

Town of East Greenwich, Rhode Island

Fiscal Year Ended June 30, 2023

Municipal Employee’s Retirement System Agent Plan – Police Employees	107
Municipal Employee’s Retirement System Agent Plan – Fire Employees.....	108
Schedule of Town’s Contributions	109
Municipal Employee’s Retirement System Agent Plan – Town Employees.....	109
Municipal Employee’s Retirement System Agent Plan – Town Employees with COLA.....	110
Municipal Employee’s Retirement System Agent Plan – Town Fire Non-Cert Employees	111
Municipal Employee’s Retirement System Agent Plan – Police Employees	112
Municipal Employee’s Retirement System Agent Plan – Fire Employees.....	113
Teachers Retirement Plan	114
Schedule of the Town’s Proportionate Share of the Net Pension Liability and Related Ratios	114
Schedule of Employers Contributions	115
Teacher Survivors Benefit Plan	116
Schedule of Town’s Proportionate Share of the Net Position Liability and Related Ratios.....	116
Schedule of Contributions.....	117
OPEB Trust Fund.....	121
Schedule of Changes in Town’s Net OPEB Liability and Related Ratios.....	121
Schedule of Employer Contributions.....	122
Schedule of Investment Returns	123
School Department Postretirement Health Insurance Program.....	124
Schedule of Changes in the Town’s Total OPEB Liability and Related Ratios	124
Supplementary Information Section:	126
General Fund.....	128
Combining Balance Sheet.....	128
Combining Statement of Revenue, Expenditures and Changes in Fund Balance Fund.....	129
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)	130
School Unrestricted Fund	133
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)	133
Non-Major Funds.....	135
Combining Balance Sheet.....	135
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	136
Town Special Revenue Funds.....	137
Combining Balance Sheet.....	137
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	139
School Special Revenue Funds	141

Town of East Greenwich, Rhode Island

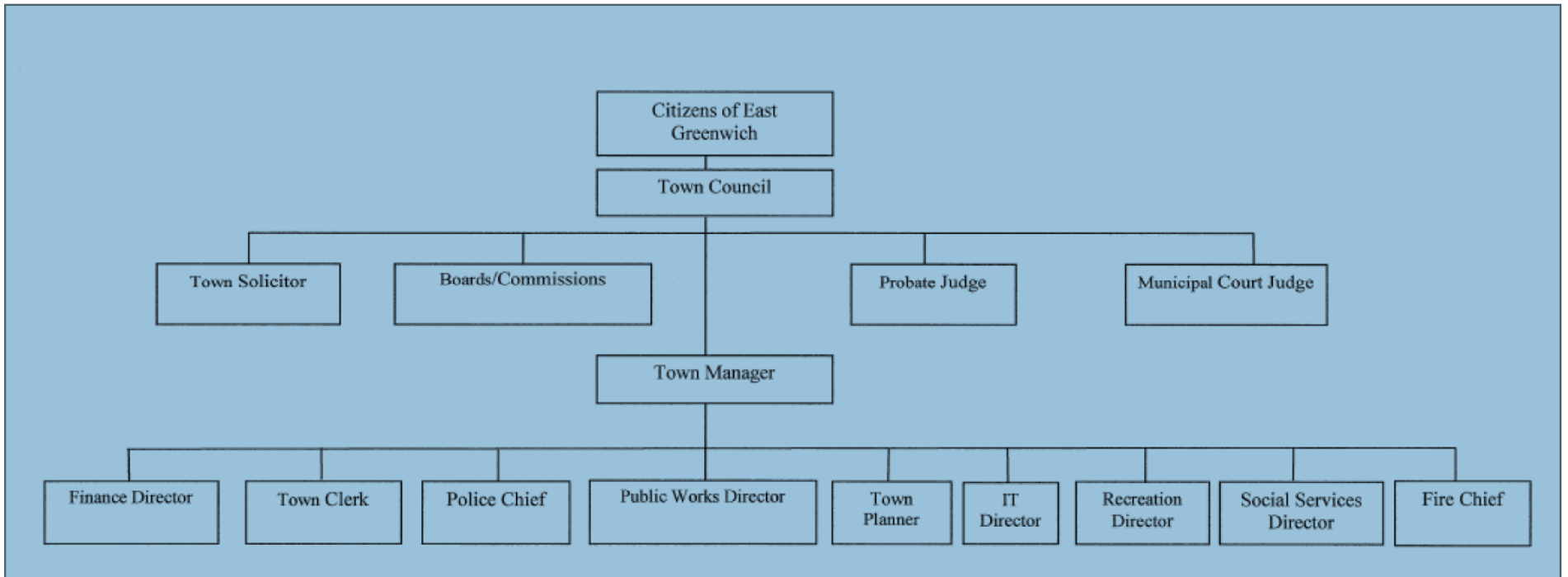
Fiscal Year Ended June 30, 2023

Combining Balance Sheet.....	141
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	147
Capital Project Funds.....	153
Combining Balance Sheet.....	153
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	155
Permanent Funds.....	157
Combining Balance Sheet.....	157
Combining Non-Major Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balance	158
Schedule of Property Taxes Receivable.....	159
Annual Supplemental Transparency Report (MTP2)	161
Notes to Supplementary Information – Annual Supplemental Transparency Report (MTP2).....	167
Statistical Section (Unaudited):	169
Net Position by Component.....	172
Change in Net Position by Component.....	173
Changes in Fund Balances, Governmental Funds.....	175
Property Tax Levies and Collections	176
Legal Debt Margin Information.....	177
Single Audit	180
<i>Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....</i>	<i>181</i>
<i>Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance</i>	<i>183</i>
Schedule of Expenditures of Federal Awards.....	186
Schedule of Findings and Questioned Costs.....	188
Summary of Audit Results.....	190
Current Year Findings.....	192
Statement of Prior Year Findings.....	193

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Introductory Section

Organizational Chart





Elected Town Officials
East Greenwich Town Council

Mark Schwager, President

Michael Donegan, Vice President

Caryn Corenthal

Renu Englehart

Michael Zarrella

Town Manager

Andrew E. Nota

Finance Director

Patricia A. Sunderland

Financial Section

This Section contains the Following Subsections:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Independent Auditors' Report

The Honorable Members of the Town Council
Town of East Greenwich, Rhode Island

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island (“the Town”), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in the Notes of the financial statements, during fiscal year 2023 the Town adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96 “Subscription-Based Information Technology Arrangements (SBITA). Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual nonmajor fund financial statements, tax collector's annual report, and annual supplemental transparency portal (MTP2) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 MTP2 and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2024, on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.

Hague, Sahady & CO., P.C.

Hague, Sahady, & Co., P.C.
Fall River, Massachusetts
January 26, 2024

Management's Discussion and Analysis

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

Management of the Town of East Greenwich, offer the readers of the Town's financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2023. We encourage the readers to consider the information presented here as well as the Town's basic financial statements that follow this section.

Financial Highlights

Government-Wide Financial Statements:

Net Position – The liabilities and deferred inflows of the Town’s governmental activities exceeded its assets and deferred outflows for the fiscal year ending June 30, 2023, by \$704 thousand (presented as “total net position”). Of this amount, a negative of \$53.9 million was reported as “unrestricted”. The net investment in capital assets was \$43.9 million. The assets of the Town’s business-type activities exceed its liabilities by \$25.4 million. Of this amount, \$21.0 million represents the Town’s business-type activities net investment in capital assets.

Change in Net Position – The Town’s total net position increased by \$7.7 million in fiscal year 2023. Net position of governmental activities increased by \$7.7 million due mainly to a decrease in long-term net pension liability in the retirement plans and other post-employment benefits (OPEB) liability.

The Town’s total bonded debt (including premiums) increased by \$2.0 million during the current fiscal year due to the issuance of debt. The Town issued bonds related to the wastewater treatment facility in the amount of \$4.95M during the fiscal year.

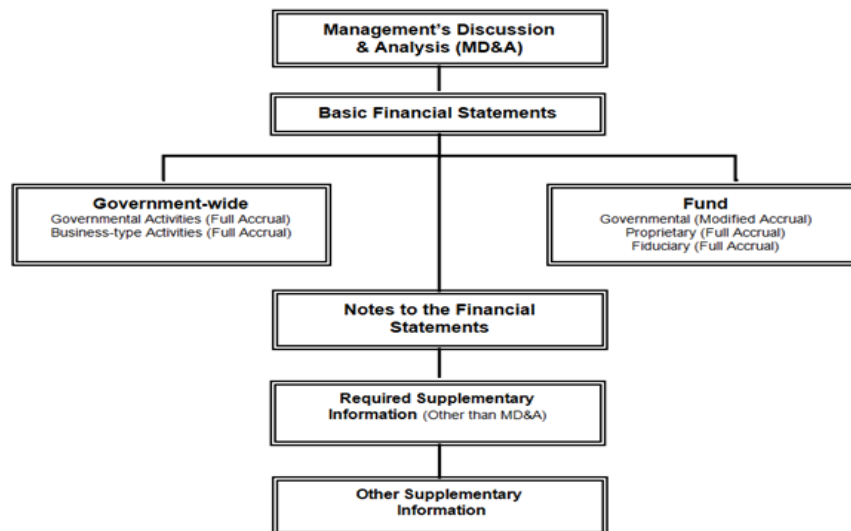
Fund Highlights:

Governmental Funds – Fund Balances – As of June 30, 2023, the Town’s governmental funds reported a combined ending fund balance of \$19.8 million a \$1.3 million increase from the prior year of which \$2.6 million is a result of bonds proceeds. Of the total fund balance reported, \$9.6 million represents “unassigned fund balance”.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town’s basic financial statements, which are comprised of three components: 1) introductory, 2) financial, and 3) statistical. As illustrated in the following chart, the financial section of this report consists of five components: management’s discussion and analysis (this section), the basic financial statements, notes to the financial statements, required supplementary information and other supplementary information.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023



The Town's financial statements present a focus on the Town as a whole (government-wide) as well as the major individual funds. The fund financial statements focus on the individual parts of the Town government, reporting the operations of the Town in more detail than the government-wide statements. Both perspectives government-wide and individual fund, allow the user to address relevant questions, broaden the basis for comparisons year to year or government to government and enhance the Town's accountability.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. Government-wide financial reporting consists of two statements: Statement of Net Position and Statement of Activities.

The *statement of net position* presents information on the entire Town's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two 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 Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town'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 (examples are, uncollected taxes and earned but unused vacation time).

The government-wide financial statements can be found on the pages indicated on the table of contents for this report.

Both of the government-wide financial statements distinguish functions of the Town 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 costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, streets public works, education, culture and recreation. The business-type activities of the Town include the wastewater fund and school lunch. The government-wide financial statements can be found on the pages indicated on the table of contents of this report.

In the statement of activities, the operations of the Town are presented in a format that reports the net of expenses and revenues of its individual functions – the objective being to report the relative burden of each of the Town's functions to

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

the taxpayers. Revenue's offsetting related functional expenses are separated into three categories: charges for services, operating grants and contributions, and capital grants and contributions.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental 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 Town maintains 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 balances for the General Fund, and American Rescue Plan Act Fund which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Fund data for each of these non-major governmental funds is provided in the form of combining statements included in the other supplementary information.

The Town adopts an annual appropriated budget for its General Fund and School Unrestricted Fund. Budgetary comparison statements have been provided for the General Fund and the School Unrestricted Fund to demonstrate compliance with this budget. These comparison statements can be found on the pages indicated on the table of contents of this report.

The basic governmental fund financial statements can be found on the pages indicated on the table of contents of this report.

Proprietary funds. Proprietary funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The Town has 2 enterprise funds. The wastewater fund as well as the school lunch fund. The Town has no internal service funds.

The basic proprietary fund financial statements can be found on the pages indicated on the table of contents of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

OPEB Trust Fund -Provides post-employment benefits for all vested full-time employees such as health, dental and life insurance for the Town retirees.

The basic fiduciary fund financial statements can be found on the pages indicated on the table of contents of this report.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

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 the pages indicated on the table of contents of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* which presents schedules relating to the Town's pension and other postemployment benefit plans, as well as budgetary comparison schedules for the General Fund and School Fund to demonstrate compliance with their respective budgets. Required supplementary information can be found on the pages indicated on the table of contents of this report.

Supplementary information. In addition to the basic financial statements, accompanying notes, and required supplementary information this report also presents certain *supplementary information* which presents the budgetary comparison information for the school unrestricted fund, combining financial statement information, tax collector's annual report and the annual supplemental transparency report (MTP2). Supplementary information can be found on the pages indicated on the table of contents of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position, and an important determinant of its ability to finance services in the future. In the case of the Town of East Greenwich, assets exceeded liabilities (net position) by \$24.7 million for the primary government. The unrestricted net deficit at June 30, 2023 is (\$52.4 million). Consistent with prior years the Town has significant investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. Net investment in capital assets as of June 30, 2023 is \$64.9 million. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

Government-wide Financial Analysis (in 000's)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current assets and Other Assets	\$ 39,290	\$ 42,081	\$ 5,630	\$ 3,183	\$ 44,920	\$ 45,264
Capital assets, Net of Accumulated Depreciation	82,999	82,555	37,109	36,193	120,108	118,748
Total Assets	122,289	124,636	42,739	39,376	165,028	164,012
Deferred Outflows of Resources:						
Deferred Outflows of Resources	14,565	15,152	244	232	14,809	15,384
Total Deferred Outflows of Resources	14,565	15,152	244	232	14,809	15,384
Liabilities:						
Current Liabilities	13,521	8,759	2,142	415	15,663	9,174
Long-Term Liabilities Outstanding	105,206	103,694	15,068	13,341	120,274	117,035
Total Liabilities	118,727	112,453	17,210	13,756	135,937	126,209
Deferred Inflows of Resources						
Deferred Inflows of Resources	18,831	35,716	364	443	19,195	36,159
Total Deferred Inflows of Resources	18,831	35,716	364	443	19,195	36,159
Net Position						
Net investment in capital assets	43,956	42,022	21,034	23,280	64,990	65,302
Restricted	9,336	13,831	2,779	3,620	12,115	17,451
Unrestricted	(53,996)	(64,234)	1,596	(1,491)	(52,400)	(65,725)
Total net position	\$ (704)	\$ (8,381)	\$ 25,409	\$ 25,409	\$ 24,705	\$ 17,028

Increases and decreases in net position may over time serve as a useful indicator of changes in a government's financial position. In the case of the Town's governmental activities for the Fiscal Year 2023, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$704 thousand.

The increase in total assets is attributed to the increase of ambulance receivables as well as a Beneficiary in the National Opioid Litigation Settlement for which the Town received approximately \$71 thousand in FY 2023. Included in the Current and Other Assets is the Town's Net Pension Asset which equals the Total Pension Liability (that the actuary calculates) less Pension Assets, therefore, for Fiscal Year 2023, the Net increased by \$12.6 million.

The decrease of the net pension liability is due to the increase of the related net investment income, which the affect is an increase in the long-term liabilities, and the reduction in the OPEB liability is due to changes in assumptions such as the closure of a higher benefit plan design.

Important to note is the Town's implementation of Governmental Accounting Standards Board Statement No. 96 Subscription- Based Information Technology Arrangements (SBITA). This standard requires the Town to recognize a right-to-use subscription-based asset as an intangible asset with a corresponding subscription-based liability. This requirement was adopted as of July 1, 2022 and the appropriate asset and liability have been recognized.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

	Statement of Activities (in 000s)					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues:						
Charges for service	\$ 3,841	\$ 3,860	\$ 4,492	\$ 3,520	\$ 8,333	\$ 7,380
Operating grants & contributions	12,338	10,518	381	1,256	12,719	11,774
Capital grants & contributions	570	729	-	-	570	729
General Revenues:						
Property Taxes	60,783	60,780	-	-	60,783	60,780
Grants Not Restricted to Specific Programs	3,650	1,562	-	-	3,650	1,562
Unrestricted Investment Earnings	413	75	-	-	413	75
Miscellaneous Revenue	146	113	-	-	146	113
Total revenues	81,741	77,637	4,873	4,776	86,614	82,413
Expenses						
General government	4,482	3,692	-	-	4,482	3,692
Public safety	12,314	11,286	-	-	12,314	11,286
Public works	4,322	4,356	-	-	4,322	4,356
Cultural and Recreation	2,567	1,603	-	-	2,567	1,603
Health and Welfare	8	-	-	-	8	-
Education	48,972	45,979	-	-	48,972	45,979
Interest and Fiscal Charges	1,399	1,208	-	-	1,399	1,208
Sewer	-	-	4,037	4,104	4,037	4,104
School Lunch	-	-	836	851	836	851
Total expenses	74,064	68,124	4,873	4,955	78,937	73,079
Excess(deficiency) in net assets before transfers	7,677	9,513	-	(179)	7,677	9,334
Transfers in (out)	-	-	-	-	-	-
Change in net position	7,677	9,513	-	(179)	7,677	9,334
Beginning Net Position	(8,381)	(17,894)	25,409	25,588	17,028	7,694
Ending Net Position	\$ (704)	\$ (8,381)	\$ 25,409	\$ 25,409	\$ 24,705	\$ 17,028

Governmental Activities in Fiscal Year 2023, the governmental activities revenues increased from Fiscal Year 2022 by approximately \$4.1 thousand and expenses increased by approximately \$5.9 million.

Governmental Activities Revenues were \$81.7 million of which 74.4 percent, or \$60.7 million was generated by property taxes. The major components of the governmental activities increase in revenues are as follows:

- Property tax revenues, net of refunds, increased slightly by \$3 thousand or .01 percent from \$60.78 million to \$60.78 million due to an increase in the budgeted collections rate.
- Charges for services decrease is attributed to the recognition of the deferred inflow of revenue attributed to the Opioid Litigation for which the Town is a Beneficiary. On the government wide statements, the full amount awarded to East Greenwich is required to be reported. East Greenwich will receive 1.7467671439% of the amount awarded to the State of \$28.1 million, totaling \$492 thousand. Variances year over year reported decreases in detail cruiser fees, rescue runs, realty transfer tax stamps which were offset by increases in building permits and recreation program fees. Variances in real estate conveyance taxes due to an uptick in the borrowing rate environment and lack of housing inventory. Building permits reported a significant increase of \$185 thousand over the prior year.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

- Operating grants and contributions increased by \$1.7 million dollars over the prior year.
 - The Town is a Beneficiary in a National Opioid Settlement and received \$71 thousand in Fiscal Year 2023 and expects this to continue.
 - School Housing Aid increased by \$88 thousand.
 - The increase attributed to the recognition of the State grant for pension on behalf of the school department under the funding policy, set forth in the RIGL 16-16-22, provides for actuarially determined periodic contributions to the plan. Under the plan, the State is required to contribute 40% of annual covered payroll. The State's share for June 30, 2023 was \$2.25 million, an increase of \$35 thousand over the prior year.
 - State Aid to education increased by \$251 thousand over the prior year.
 - School special revenue funds increased by \$385 thousand over the prior year.

- Capital grants and contributions decreased slightly due to a reduction in grant opportunities in 2023.

Revenue Drivers:

The adoption of the fiscal year 2023 budget included a separate tax rate for all flexible categories. For instance, the residential rate increased from \$21.01 in fiscal year 2022 to \$21.42; commercial rate increased from \$23.25 in fiscal year 2022 to \$24.16 and personal property went from \$30.23 in fiscal year 2022 to \$31.77 per thousand dollars of assessed valuation. The growth in the total assessed value of taxable property, excluding motor vehicles, was approximate .69 percent. Total net assessed value of flexible taxable property increased by \$18,565,102 from \$2,683,678,566 to \$2,702,243,668.

Total expenses for governmental activities were \$74.0 million, an increase of \$5.9 million over the prior year. Three activities: public safety, public works, and education accounted for the majority of the expenses, as depicted in the following amounts and percentages: \$12.3 million (16.5 percent), \$4.3 million (5.81 percent), and \$49.0 million (66.2 percent), respectively. The Changes in Net Position table above is provided for the Town's government-wide activities for the years ended June 30, 2023 and 2022.

Important to note is that while the Town uses modified accrual basis of accounting it is required to report on a full accrual basis for financial reporting purposes and the way in which this is accomplished is by using conversion entries called GASB 34. The most commonly reported entries made are for capital assets, long-term liabilities (i.e. pension and OPEB liability), capital outlay expenditures, debt service expenditures, debt issuance, disposal of capital assets, compensated absences liabilities, adjustments to work in progress, and depreciation. When these entries are made, they either increase or decrease the program activities and provide for the reconciliation between the fund financials to the government-wide financials.

Major expense factors impacted by these GASB 34 entries include:

- Public safety expenses increased mainly due to an increase in the recognition of capital assets, depreciation expense, and accounting for compensated absences totaled \$453 thousand which increased the fund financials, however, this was offset by entries to record OPEB and Pension expenses because they do not require the use of current financial resources and are not reported as an expenditure in the governmental funds. The NET increase in the public safety function was \$1.0 million.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

- General government expenditures increased slightly due to the recognition of depreciation expense attributed to the capital assets additions. Similarly, this increase was offset slightly by the changes related to pension plan investments, OPEB, and compensated absences. The NET increase related to the general government function was \$789 thousand.
- Education expenditures increased by \$2.9 million from the prior year mainly in the areas of salary and benefits, and material and supplies; \$1.1 million, and \$274 thousand respectively. The increase also accounted for the GASB 34 entries associated with claims and judgements, capital asset additions and depreciation expense, OPEB, and a decrease in the recording of pension performance.

Governmental Activities includes recognition of capital assets and accounting for increases in compensated absence liabilities for all employees who accrued sick and vacation (also known as compensated absences) at year end.

Business-Type Activities

Net position in business-type activities increased by \$152 resulting in a .001 percent increase in business-type net position.

While the school lunch program expenditure exceeded revenue by \$ 4 thousand, the sewer fund reported an increase in net position of \$4 thousand. The business-type activities are reported on a full accrual basis, therefore, the conversion entries made to account for additions to capital assets and depreciation expense, compensated absences, and long-term debt contributed to the positive net position for the current fiscal year. Specifically, the sewer fund reported “inflows” for OPEB and pension liabilities which resulted in the increase in the NET position of the fund.

Financial Analysis of the Governmental Funds

As noted earlier, the Town of East Greenwich uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of the end of the current fiscal year, the Town of East Greenwich's governmental funds reported combined ending fund balances of \$19.7 million, an increase of \$1.3 million. Of this increase, approximately \$2.6 million was advanced for capital equipment and subsequently bonded in fiscal year 2023 and reimbursed by the issuance of the bonds. The ending fund balance of \$19.7 million is designated as follows: \$9.6 million or 48.1 percent is available for spending at the government's discretion (unassigned). The remaining fund balance of \$10.1 million includes \$8.8 million committed to town and school special revenue, capital reserve and permanent trust funds. The remaining amount of \$1.3 million consists of non-spendable and restricted fund balance mainly attributed expenses paid in advance in fiscal year 2023 but associated with fiscal year 2024 such as contributions to the employee's high deductible healthcare plan, insurance renewals, travel expenditures associated with the upcoming budget, etc. The majority of the non-spendable fund balance

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

is attributed to the Rose Trust Fund and other Fiduciary Trust Funds.

The General Fund is the chief operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The School Unrestricted Fund is used to report all financial transactions of the East Greenwich School Department but is considered a department of the Town since its major source of revenue is property tax dollars and is not a separate taxing authority. Therefore, the School Unrestricted Fund is reported within the Town Operating Fund. At the end of the current fiscal year, excluding the School Fund amount, the total General Fund balance was \$9.9 million which represents an increase of \$147 thousand over the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund budgeted expenditures. Unassigned fund balance represents 13.51 percent of the 2024 FY Adopted General Fund Expenditure Budget, while total fund balance represents 13.9 percent of that same amount.

The fund balance of the Town of East Greenwich's General Fund, excluding the School Fund, increased by \$147,708 as a result of the following positive factors:

- Management's decision to implement a conservative practice of hiring for vacant positions where possible and conservative operational spending as we continue to be faced with an unexpected rise in inflation related to commodities and goods and service. This decision continues to be in force as of the writing of this report. Additionally, the Town has entered into two important contracts during the 2024 fiscal; 1) virtual net metering and 2) LED street light conversion. Both of these projects will yield significant savings in our energy consumption for the future.
- On a budgetary basis, the operating surplus in the General Fund was \$519 thousand. Revenues exceeded budget by \$1.3 million while expenditures were under budget by \$75 thousand. Other financing sources (uses) over budget decreased the surplus by \$730 thousand which allowed for the town to transfer funds to capital reserve projects outlined in the six-year capital improvement plan and to set money aside to convert the town's street lights to LED thus reducing future energy costs. The ROI for this project is estimated to be four years.
- Attributing to the budgeted revenue surplus is higher than expected current year taxes received which is in direct correlation with the diligent efforts of the tax collection procedures implemented. Additionally, the Town received higher than anticipated state aid revenues which are a pass thru generated from the meal and beverage taxes, additional \$318 thousand over budget. Business licenses and fees as well as real estate conveyance fees brought in an excess of \$483 thousand. Overall, we're continuing to experience an uptick in all revenue categories despite the volatile mortgage interest rate environment and inflation.

Although reported in the General Fund, the school department maintains its own operating budget. Any excess funds remaining at year-end remain with the school department to be used at their discretion, per State Law. At the end of the fiscal year, the fund balance, committed for education programs was \$2.6 million. The total fund balance of the School Unrestricted Fund decreased by \$998 thousand as compared to the June 30, 2022 fund balance. Key factors in this decrease are as follows:

- On a budgetary basis, the school district reported a surplus of \$386 thousand, however, the surplus is offset by the committed fund balance, \$1.023 million, which was assigned to help finance the 2022-2023 school

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

operating budget. In addition to this commitment, the school district committed 50 percent of the cost to replace the turf field at the high school which is recognized in the change in encumbrances.

- The difference between the GAAP basis of accounting and the budgetary basis of accounting is the result of recognizing the fund balance commitments of \$1.58 thousand as a revenue source under the budgetary basis but not the GAAP basis. Therefore, for financial reporting purposes the commitments (if applicable) reduces the budgetary surplus thus resulting in a deficit position for fiscal year 2023.
- With the exception of supplies and materials and capital outlay, all expenditure categories of the school districts operating budget resulted in a positive variance of \$560 thousand.

The school fund has a total fund balance of \$2.6 million of which \$857 thousand is committed to help finance the 2023-2024 fiscal year budget.

Proprietary Funds

The Town's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds are utilized when a state or local government charges customers to recover its costs of providing services.

Total net position for the sewer fund increase by \$4 thousand. The sewer fund is reporting a positive unrestricted net position at the end of the fiscal year totaling \$1.2 million. Net investment in capital assets decrease by \$2.2 million over the prior year totaling \$21.0 million and the restricted net position for debt service decreased by \$643 thousand due to the retirement of debt. Much of the revenue generated in the sewer fund is to fund debt service associated with sewer and road assessments or non-debt funded capital improvements.

Important to note is the classification of reporting for sewer assessment debt. Consistent with GASB 6, S40, paragraph 121 special assessment revenue and receivables should be recognized on the accrual basis. Debt issued to finance capital projects that will be repaid wholly or in part from special assessments should report special assessment debt with governmental commitment in the statement of net position and either display it separately-on the face of the statement-or disclose it in the notes if combined with other liabilities on the statement. The Town has opted to include it within unrestricted net position. This reporting change has resulted in the significant increase in that category. Long-term sewer assessment receivables decreased by \$485 thousand due to the maturity of assessments.

The school lunch program maintains a surplus position of \$431 thousand.

Other factors concerning the finances of these funds have already been addressed in the discussion of the Town of East Greenwich's business-type activities.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

Capital Assets and Debt Administration

Capital Assets -The Town of East Greenwich's investment in capital assets for its governmental and business type activities as of June 30, 2023 amounts to \$120.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, infrastructure, and construction in progress. The 2023 fiscal year resulted in a decrease in value of investment in capital assets of \$400 thousand. During the 2023 fiscal year, specifically, the amount of new capital assets was \$1.7 million for the governmental activities, however, the amount of accumulated depreciation expense was \$3.3 million in comparison to the prior year of new capital assets of \$1.8 million and depreciation expense of \$3.1 million. The 2023 fiscal year resulted in an increase in value of capital assets of \$1.2 million mainly attributed to the acquisition of open space, market value of \$1.9 million.

TOWN OF EAST GREENWICH'S CAPITAL ASSETS
AT YEAR END NET OF ACCUMULATED
DEPRECIATION (in 000s)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 8,763	\$ 6,844	\$ 15	\$ 15	\$ 8,778	\$ 6,859
Construction in Progress	253	379	4,456	2,135	4,709	2,514
Infrastructure	1,542	1,602	19,342	20,163	20,884	21,765
Building & Improvements	60,267	61,901	10,609	11,030	70,876	72,931
Land Improvements	7,073	6,647	-	-	7,073	6,647
Equipment	1,895	1,949	2,473	2,601	4,368	4,550
Right-to-Use	70	157	-	-	70	157
Subscription based services	91	-	-	-	91	-
Vehicles	3,045	3,233	214	249	3,259	3,482
Total	\$ 82,999	\$ 82,712	\$ 37,109	\$ 36,193	\$ 120,108	\$ 118,905

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

- Open space acquisition of the Pine Property accounted for the increase in land, \$1.919 million.
- Land improvements included replacement of the artificial turf at Carcieri Field, \$776 thousand and \$50 thousand was related to security improvements at Meadowbrook School.
- Additional costs related to the school security improvements are captured in building improvements totaling \$170 thousand. Replacement of the chiller at town hall accounted for an additional \$132.6 thousand.
- Town-wide purchases of new vehicles and equipment includes \$222 thousand in town fleet, \$291 thousand for town security access and an upgrade to the town council chambers audio system for \$46.6 thousand.
- Construction in progress increased \$2.32 million in support of wastewater treatment plant upgrades.
- Implementation of GASB96 – Subscription-Based Technology Arrangements resulted in an increase of \$94 thousand, this is the “right to use” asset.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

Additional information on the Town of East Greenwich's capital assets can be found in Note 7 to the Financial Statements.

Debt Administration - At the end of the current fiscal year, the Town of East Greenwich had total bonded debt outstanding of \$54.7 million. Of this amount, \$6.9 million comprises debt backed by the full faith and credit of the government. Based on GASB 88, Direct Placement Debt is generally conducted by an investment banker who acts as an agent in bringing together the seller and the buyer which have terms negotiated directly with the investor or lender and are not offered for public sale. The Town issues school bonds through RI Health and Education Building Corp who then becomes the purchaser of the Town bonds - "Borrower Bonds". These bonds are entirely backed by the full faith and credit of the Town. Bonds authorized but unissued totaled an additional \$9.6 million as of June 30, 2023.

State statutes limit the amount of general obligation bonded debt a town can issue to 3 percent of net assessed property values. However, all bonds approved through State enabling legislation and voter referendums are exempt from the limit. At June 30, 2023, the Town had a debt limit of \$81.1 million. Of the Town's \$54.7 million in debt outstanding, \$16.8 million is subject to the Town's legal debt limit. A balance of \$64.3 million exists within the legal limit for additional bonds to be issued.

TOWN OF EAST GREENWICH'S OUTSTANDING DEBT AT YEAR END BONDS, LOANS AND CAPITALIZED LEASES PAYABLE (in 000s)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 5,195	\$ 3,000	\$ 1,720	\$ 2,015	\$ 6,915	\$ 5,015
Direct Placement Debt	33,607	36,771	14,195	10,938	47,802	47,709
Total	\$ 38,802	\$ 39,771	\$ 15,915	\$ 12,953	\$ 54,717	\$ 52,724

The Town's total bonded debt increased by \$2.0 million during the 2023 fiscal year due to the issuance of \$2.7 million in general obligations bonds associated with school building improvements and open space.

The Town of East Greenwich is one of only five Rhode Island communities that have a bond rating of Aa1 by Moody's Investors Service and AA+ by Standard and Poor's. The Moody's credit report cited the following factors for the affirmation:

The Aa1 rating reflects the town's very strong credit position. Its Aa1 rating is higher than the median rating of Aa3 for cities nationwide. Key credit factors include a very strong wealth and income profile, strong tax base, a healthy financial position and moderate debt and pension liabilities. Although the financial position of the Town is sufficient but weak, current experienced management team who employ conservative budgeting and financial management, establish formal fiscal policies, and long-term planning for capital expenditures provides for positive outlook.

Below are certain Moody's credit criteria comparing the Town to the Aa1 national medians:

- Residential income ratio of Town residents is a robust at 190.9% compared to the US Aa1 median of 172.0%.
- Full value per capita of \$209,353 is much stronger than that of the US Aa1 median of \$172,312.

Town of East Greenwich, Rhode Island
Management Discussion & Analysis (MD&A)
For the Year Ended June 30, 2023

- Tax base of \$2.91 B is smaller than the US Aa1 median of \$5.3 B.
- Debt and pension burden are slightly above in comparison to the US Aa1 medians.
- Net pension liability to operating revenues is 1.2x and roughly equivalent to the US Aa1 medians at 1.0x.

Additional information on the Town of East Greenwich's long-term debt can be found in Note 9 of the Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- As of June 2023, the average labor force in East Greenwich was 7,150 with employment at 6,949 yielding an unemployment rate of 2.8 percent, an increase of 1.17 percent from prior year of 2.4 percent. The state's unemployment rate was 2.9 percent and the federal unemployment rate was 3.8 percent.
- The Town of East Greenwich's total adopted General Fund budget for fiscal year 2024 totaled \$78,899,380, which reflects an increase of 5.2% over the fiscal 2023 budget. Of the Town's \$78,899,380 budget, \$39,723,999 or 50.35% is budgeted for the East Greenwich Public Schools. The Town is budgeted to receive \$5,968,974 or 12.50% from the State of Rhode Island for aid to Education.
- Property tax revenues for the fiscal year 2024 reflect an increase in the Town's tax levy of \$2.4 million than the previous fiscal year. The town's net taxable levy increased by \$3.3 million, from \$2.702 billion to \$2.706 billion in fiscal year 2024. The residential property tax rate increased from \$21.42 to \$21.85, commercial property tax rate increased from \$24.16 to \$24.93, and personal property tax rate increased from \$31.77 to \$45.50 per thousand dollars of assessed value. A \$35,000 personal property tax rate exemption was approved which resulted in approximately 392 small businesses having no tax liability (RIGL 44-5.3-1).

Requests for Information

This financial report is designed to provide a general overview of the Town of East Greenwich'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 Office of the Finance Director, P.O. Box 111, 125 Main Street, East Greenwich, RI 02871.

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Town of East Greenwich, Rhode Island
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
<i>Current Assets:</i>			
Cash and cash equivalents	\$ 21,627,326	\$ 109,158	\$ 21,736,484
Restricted Cash	-	4,900,500	4,900,500
Receivables, Net of Allowances for Uncollectible	4,636,725	2,400,325	7,037,050
Internal balances	4,564,910	(4,564,910)	-
Inventories	-	5,086	5,086
Prepaid items	102,734	-	102,734
Total Current Assets	30,931,695	2,850,159	33,781,854
<i>Noncurrent Assets:</i>			
Sewer assessment receivable	-	2,703,115	2,703,115
Net pension asset	8,357,704	76,648	8,434,352
Capital assets:			
Nondepreciable assets	9,015,738	4,471,213	13,486,951
Depreciable assets, net	73,983,126	32,637,929	106,621,055
Total Non-Current Assets	91,356,568	39,888,905	131,245,473
Total assets	122,288,263	42,739,064	165,027,327
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges in refunding	-	127,777	127,777
Pension related outflows	10,209,996	29,530	10,239,526
OPEB related outflows	4,354,891	86,724	4,441,615
Total deferred outflows of resources	14,564,887	244,031	14,808,918
Total assets and deferred outflows of resources	\$ 136,853,150	\$ 42,983,095	\$ 179,836,245

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	\$ 1,950,812	\$ 521,758	\$ 2,472,570
Accrued expenses	3,172,553	101,955	3,274,508
Accrued interest	206,133	-	206,133
Unearned revenues	3,261,097	14,187	3,275,284
Current portion of leases	140,629	-	140,629
Current portion of bonds and notes payable	3,957,833	1,482,709	5,440,542
Current portion of claims payable	295,850	-	295,850
Current portion of compensated absences	535,850	21,466	557,316
Total current liabilities	13,520,757	2,142,075	15,662,832
<i>Noncurrent liabilities</i>			
Leases	5,026	-	5,026
Bonds and notes payable	34,844,170	14,490,715	49,334,885
Compensated absences	1,607,550	43,583	1,651,133
Claims payable	423,402	-	423,402
Net other post-employment benefit liability	26,704,982	533,829	27,238,811
Net pension liability	41,620,439	-	41,620,439
Total noncurrent liabilities	105,205,569	15,068,127	120,273,696
Total liabilities	118,726,326	17,210,202	135,936,528
DEFERRED INFLOWS OF RESOURCES			
Pension related inflows	6,324,460	61,587	6,386,047
OPEB related inflows	12,070,767	302,157	12,372,924
Charge on refunding	95,667	-	95,667
Deferred leases	340,624	-	340,624
Total deferred inflows of resources	18,831,518	363,744	19,195,262
NET POSITION			
Net investment in capital assets	43,955,539	21,033,763	64,989,302
Restricted for:			
Pension	8,357,704	76,648	8,434,352
Education	438,253	-	438,253
Public safety	185,328	-	185,328
Debt service	-	2,703,115	2,703,115
Trust purposes			
Nonexpendable	355,033	-	355,033
Unrestricted	(53,996,551)	1,595,623	(52,400,928)
Total net position	(704,694)	25,409,149	24,704,455
Total liabilities, deferred inflows or resources and net position	\$ 136,853,150	\$ 42,983,095	\$ 179,836,245

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Statement of Activities
For the Year Ended June 30, 2023

	<u>Net (Expense) Revenue and Changes in Net Position</u>						
	<u>Program Revenues</u>				<u>Primary Government</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities							
General government	\$ 4,481,967	\$ 1,622,970	\$ 2,241,421	\$ 106,884	\$ (510,692)	\$ -	\$ (510,692)
Public safety	12,314,784	1,140,058	376,620	-	(10,798,106)	-	(10,798,106)
Public works	4,322,464	214,093	-	-	(4,108,371)	-	(4,108,371)
Culture and recreation	2,566,690	648,386	161,155	-	(1,757,149)	-	(1,757,149)
Health and wellness	7,575	3,546	-	-	(4,029)	-	(4,029)
Education	48,971,518	211,881	9,558,273	463,231	(38,738,133)	-	(38,738,133)
Interest and fixed charges	1,398,928	-	-	-	(1,398,928)	-	(1,398,928)
Total governmental activities	<u>74,063,926</u>	<u>3,840,934</u>	<u>12,337,469</u>	<u>570,115</u>	<u>(57,315,408)</u>	<u>-</u>	<u>(57,315,408)</u>
Business-Type Activities							
Sewer	4,037,237	4,017,457	24,000	-	-	4,220	4,220
School Lunch	835,625	474,082	357,475	-	-	(4,068)	(4,068)
Total business-type activities	<u>4,872,862</u>	<u>4,491,539</u>	<u>381,475</u>	<u>-</u>	<u>-</u>	<u>152</u>	<u>152</u>
Total Town of East Greenwich	<u>\$ 78,936,788</u>	<u>\$ 8,332,473</u>	<u>\$ 12,718,944</u>	<u>\$ 570,115</u>	<u>\$ (57,315,408)</u>	<u>\$ 152</u>	<u>\$ (57,315,256)</u>
General revenues							
Property taxes					60,782,535	-	60,782,535
Unrestricted investment earnings					412,807	-	412,807
Grants and contributions not restricted to a specific program					3,650,227	-	3,650,227
Miscellaneous					146,369	-	146,369
Total General Revenues					<u>64,991,938</u>	<u>-</u>	<u>64,991,938</u>
Change in net position					7,676,530	152	7,676,682
Net position - beginning of year					(8,381,224)	25,408,997	17,027,773
Net position - end of year					<u>\$ (704,694)</u>	<u>\$ 25,409,149</u>	<u>\$ 24,764,211</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Governmental Fund Financial Statements
Balance Sheet
June 30, 2023

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>American</u>	<u>Governmental</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Rescue Plan Act</u>	<u>Funds</u>	<u>Funds</u>
Assets				
Cash and cash equivalents	\$ 17,682,112	\$ 3,269,075	\$ 676,139	\$ 21,627,326
Receivables, net	2,851,480	-	1,785,245	4,636,725
Due from other funds	4,884,058	-	7,434,357	12,318,415
Prepaid items	102,734	-	-	102,734
Total assets	<u>25,520,384</u>	<u>3,269,075</u>	<u>9,895,741</u>	<u>38,685,200</u>
Deferred outflows of resources				
Deferred outflows	-	-	-	-
Total deferred outflows of resources	-	-	-	-
Total assets and deferred outflows of resources	<u>25,520,384</u>	<u>3,269,075</u>	<u>9,895,741</u>	<u>38,685,200</u>
Liabilities				
Accounts payable	884,445	8,115	1,058,252	1,950,812
Accrued expenses	3,049,895	-	122,658	3,172,553
Unearned revenues	-	3,260,960	137	3,261,097
Due to other funds	6,840,441	-	913,064	7,753,505
Total liabilities	<u>10,774,781</u>	<u>3,269,075</u>	<u>2,094,111</u>	<u>16,137,967</u>
Deferred inflows of resources				
Deferred property tax revenue	1,500,980	-	-	1,500,980
Deferred revenue other receivables	657,254	-	281,950	939,204
Deferred leases	-	-	340,624	340,624
Total deferred inflows of resources	<u>2,158,234</u>	<u>-</u>	<u>622,574</u>	<u>2,780,808</u>
Fund balance				
Nonspendable	102,734	-	355,033	457,767
Restricted	-	-	623,581	623,581
Committed	2,652,726	-	6,200,463	8,853,189
Assigned	184,813	-	-	184,813
Unassigned	9,647,096	-	(21)	9,647,075
Total fund balance	<u>12,587,369</u>	<u>-</u>	<u>7,179,056</u>	<u>19,766,425</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 25,520,384</u>	<u>\$ 3,269,075</u>	<u>\$ 9,895,741</u>	<u>\$ 38,685,200</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Reconciliation of the Governmental Funds Balance Sheet Total
Fund Balances to the Statement of Net Position
June 30, 2023

Total governmental fund balances	\$ 19,766,425
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets	161,587,093
Less: accumulated depreciation and amortization	<u>(78,588,227)</u>
Net capital assets	82,998,866
Other deferred taxes and ambulance receivables are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds.	
Deferred property taxes revenue	1,500,980
Deferred other receivables	939,204
Net pension asset	8,357,704
Other long-term assets related to net pension and OPEB activity and therefore, are deferred outflows of resources in the funds.	
Pension related outflows	10,209,996
OPEB related outflows	4,354,891
Other long-term liabilities related to net pension and OPEB activity and therefore, are deferred inflows of resources in the funds.	
Pension related inflows	(6,324,460)
OPEB related inflows	(12,070,767)
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due.	
	(206,133)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the governmental funds.	
Bonds and notes payable	(38,802,003)
Deferred amount on refunding	(95,667)
Leases payable	(145,655)
Compensated absences	(2,143,400)
Other postemployment benefits	(26,704,982)
Town net pension liability	(41,620,439)
Claims and judgements	<u>(719,252)</u>
Net position (deficit) of governmental activities	<u><u>\$ (704,694)</u></u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2023

	Major Funds		Nonmajor	Total
	General Fund	American Rescue Plan Act	Governmental Funds	Governmental Funds
Revenues				
General property taxes, interest and lien fees	\$ 60,543,079	\$ -	\$ -	\$ 60,543,079
Intergovernmental	11,033,837	296,666	5,044,949	16,375,452
Fines, Penalties and charges for services	1,767,745	-	822,688	2,590,433
Licenses and permits	1,048,765	-	-	1,048,765
Investment income	389,615	-	23,192	412,807
Other revenues	178,896	-	27,229	206,125
Total revenues	74,961,937	296,666	5,918,058	81,176,661
Expenditures				
General government	4,140,096	5,000	676,814	4,821,910
Public safety	14,126,714	-	117,061	14,243,775
Public works	3,676,348	-	7,110	3,683,458
Culture and recreation	1,585,518	-	882,909	2,468,427
Health and Welfare	-	7,575	-	7,575
Education	47,342,760	-	2,237,847	49,580,607
Capital outlay	96,237	284,091	2,296,763	2,677,091
Debt service				
Principal	99,364	-	3,663,833	3,763,197
Interest	-	-	1,391,974	1,391,974
Total expenditures	71,067,037	296,666	11,274,311	82,638,014
Excess (deficiency) of revenues over expenditures	3,894,900	-	(5,356,253)	(1,461,353)
Other financing sources (uses)				
Bond proceeds	-	-	2,695,000	2,695,000
Issuance of lease	96,237	-	-	96,237
Transfers in	-	-	4,842,083	4,842,083
Transfers out	(4,841,637)	-	(446)	(4,842,083)
Total other financing sources (uses)	(4,745,400)	-	7,536,637	2,791,237
Net change in fund balance	(850,500)	-	2,180,384	1,329,884
Fund balance, July 1, 2022	13,437,869	-	4,998,672	18,436,541
Fund balance, June 30, 2023	<u>\$ 12,587,369</u>	<u>\$ -</u>	<u>\$ 7,179,056</u>	<u>\$ 19,766,425</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2023

Net change in fund balances - total governmental funds	\$ 1,329,884
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
Cost basis, acquisition of assets	3,775,190
Depreciation expense	(3,329,498)
Loss on disposition of capital assets	<u>(2,009)</u>
	443,683
Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources.	
Deferred taxes	239,456
Deferred ambulance revenue	416,427
The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of bonds	(2,695,000)
Principal paid on bonds	3,663,833
Lease proceeds	(96,237)
Lease payments	99,364
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest, is not reported until due.	(13,030)
Some expenses reported in the Statement of Activities, such as compensated absences, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds.	(198,196)
Some expenses reported in the Statement of Activities, such as deferred amount of refunding, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds.	6,076
Some expenses reported in the Statement of Activities, such as claims and judgements, do not require the current financial resources, and therefore, are not reported as expenditures in the governmental funds.	(62,233)
The other postemployment benefit expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.	
Change in OPEB related outflows	(466,389)
Change in OPEB related inflows	815,688
Change in net OPEB liability	992,924
The net pension asset / liability expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.	
Change in net pension asset	(4,470,300)
Change in pension related outflows	(120,884)
Change in pension related inflows	15,937,434
Change in net pension liability	<u>(8,145,968)</u>
Change in net position of governmental activities	<u>\$ 7,676,530</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Enterprise Funds
Statement of Net Position
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	
	Sewer	School Lunch	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 50,000	\$ 59,158	\$ 109,158
Restricted Cash	4,900,500	-	4,900,500
Accounts and other receivables, net	2,382,549	17,776	2,400,325
Inventories	-	5,086	5,086
Due from other funds	-	432,001	432,001
Total current assets	7,333,049	514,021	7,847,070
Non-current assets			
Long-term sewer assessment receivables	2,703,115	-	2,703,115
Net pension asset	76,648	-	76,648
Capital assets not being depreciated	4,471,213	-	4,471,213
Capital assets, net of accumulated depreciation	32,637,929	-	32,637,929
Total non-current assets	39,888,905	-	39,888,905
Total assets	47,221,954	514,021	47,735,975
Deferred outflows of resources			
Deferred charge on refunding	127,777	-	127,777
Deferred outflows of resources related to pension	29,530	-	29,530
Deferred outflows of resources related to OPEB	86,724	-	86,724
Total deferred outflows of resources	244,031	-	244,031
Total assets and deferred outflows of resources	\$ 47,308,678	\$ 514,021	\$ 47,822,699

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
 Enterprise Funds
 Statement of Net Position
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	Total
	Sewer	School Lunch	
Liabilities			
<i>Current liabilities:</i>			
Accounts payable	453,475	68,283	521,758
Accrued expenses	101,955	-	101,955
Due to other funds	4,996,911	-	4,996,911
Unearned revenue	-	14,187	14,187
Current portion of compensated absences	21,466	-	21,466
Current portion of long term debt	1,482,709	-	1,482,709
Total current liabilities	7,056,516	82,470	7,138,986
<i>Non-current liabilities:</i>			
Compensated absences	43,583	-	43,583
Net OPEB liability	533,829	-	533,829
Long term debt after one year	14,490,715	-	14,490,715
Total non-current liabilities	15,068,127	-	15,068,127
Total liabilities	22,124,643	82,470	22,207,113
Deferred inflows of resources			
Deferred inflows of resources related to pensions	61,587	-	61,587
Deferred inflows of resources related to OPEB	302,157	-	302,157
Total liability and deferred inflows of resources	22,488,387	82,470	22,570,857
Net position			
Net investment in capital assets	21,033,763	-	21,033,763
Restricted:			
Pension	76,648	-	76,648
Debt service	2,703,115	-	2,703,115
Unrestricted	1,164,072	431,551	1,595,623
Total net position	\$ 24,977,598	\$ 431,551	\$ 25,409,149

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Enterprise Funds
Statement Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	Total
	Sewer	School Lunch	
<i>Operating revenues</i>			
Charges for sales and services	\$ 3,884,674	\$ 474,082	\$ 4,358,756
Sewer assessments and interest income	132,783	-	132,783
<i>Total operating revenues</i>	4,017,457	474,082	4,491,539
<i>Operating expenses</i>			
Salaries and benefits	1,240,141	-	1,240,141
Materials and supplies	163,101	-	163,101
Contract services	397,099	-	397,099
Repairs and maintenance	100,662	-	100,662
Utilities	234,461	-	234,461
Administrative expenses	129,671	-	129,671
Depreciation and amortization	1,404,813	-	1,404,813
School lunch operations	-	835,625	835,625
<i>Total operating expenses</i>	3,669,948	835,625	4,505,573
Operating income (loss)	347,509	(361,543)	(14,034)
<i>Nonoperating revenues (expenses)</i>			
Intergovernmental	24,000	357,475	381,475
Interest income (expense)	(367,289)	-	(367,289)
<i>Income (loss) before transfers</i>	4,220	(4,068)	152
<i>Transfers</i>			
Transfers in (out)	-	-	-
<i>Total transfers</i>	-	-	-
<i>Change in net position</i>	4,220	(4,068)	152
Net position, July 1, 2022	24,973,378	435,619	25,408,997
Net position, June 30, 2023	<u>\$ 24,977,598</u>	<u>\$ 431,551</u>	<u>\$ 25,409,149</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Enterprise Funds
Statement of Cash Flows
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	
	Sewer	School Lunch	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 4,158,979	\$ 562,554	\$ 4,721,533
Payments to suppliers of goods and services	(808,793)	(856,496)	(1,665,289)
Cash paid to employees	(818,605)	-	(818,605)
Net cash provided (used) by operating activities	2,531,581	(293,942)	2,237,639
Cash flows from noncapital financing activities:			
Due to/from other funds	2,140,535	(63,533)	2,077,002
Grants	24,000	357,475	381,475
Net cash provided (used) by noncapital financing activities	2,164,535	293,942	2,458,477
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(2,320,856)	-	(2,320,856)
Issuance of Debt	4,950,000	-	4,950,000
Bond principal payments	(2,017,746)	-	(2,017,746)
Bond interest payments	(357,014)	-	(357,014)
Net cash provided (used) by capital and related financing activities	254,384	-	254,384
Cash flows from investing activities:			
Interest received	-	-	-
Net cash provided by investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	4,950,500	-	4,950,500
Balances-beginning of the year	-	59,158	59,158
Balances-end of the year	<u>\$ 4,950,500</u>	<u>\$ 59,158</u>	<u>\$ 5,009,658</u>
Displayed as:			
Cash and cash equivalents	50,000	59,158	109,158
Restricted cash	4,900,500	-	4,900,500
Total	<u>\$ 4,950,500</u>	<u>\$ 59,158</u>	<u>\$ 5,009,658</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Enterprise Funds
Statement of Cash Flows
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major	Nonmajor	
	Sewer	School Lunch	Total
<i>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</i>			
Operating income (loss)	\$ 347,509	\$ (361,543)	\$ (14,034)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	1,404,813	-	1,404,813
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(354,303)	88,472	(265,831)
(Increase) decrease in due from other funds	-	-	-
(Increase) decrease in sewer assessment receivables	495,825	-	495,825
(Increase) decrease in net pension asset	196,166	-	196,166
(Increase) decrease in deferred outflows related to pension	11,375	-	11,375
(Increase) decrease in deferred outflows related to OPEB	(44,364)	-	(44,364)
Increase (decrease) in accounts payable and accrued expenses	233,269	(13,549)	219,720
Increase (decrease) in unearned revenue	-	(7,322)	(7,322)
Increase (decrease) in compensated absences	8,051	-	8,051
Increase (decrease) in net OPEB liability	312,490	-	312,490
Increase (decrease) in deferred inflows related to pension	(257,850)	-	(257,850)
Increase (decrease) in deferred inflows related to OPEB	178,600	-	178,600
<i>Net cash provided (used) by operating activities</i>	<u>\$ 2,531,581</u>	<u>\$ (293,942)</u>	<u>\$ 2,237,639</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2023

	OPEB Trust Fund
<i>Assets</i>	
Cash and cash equivalents	\$ -
Investments, at fair value	
Mutual funds	<u>3,920,421</u>
Total assets	<u>3,920,421</u>
<i>Deferred outflows of resources</i>	
Deferred outflows	<u>-</u>
Total assets and deferred outflows of resources	<u><u>\$ 3,920,421</u></u>
<i>Liabilities</i>	
Accounts payable	<u>-</u>
Total liabilities	<u>-</u>
<i>Deferred inflows of resources</i>	
Unearned revenue	<u>-</u>
Total deferred inflows of resources	<u>-</u>
<i>Net Position</i>	
Restricted for OPEB	<u>3,920,421</u>
Total net position	<u>3,920,421</u>
Total liabilities and net position	<u><u>\$ 3,920,421</u></u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2023

	OPEB
	<u>Trust Funds</u>
<i>Additions</i>	
Employer contributions	\$ 921,373
Net change in fair value of investments	<u>310,823</u>
<i>Total additions</i>	<u>1,232,196</u>
<i>Deductions</i>	
Benefits paid	921,373
Administrative costs	<u>11,722</u>
<i>Total deductions</i>	<u>933,095</u>
<i>Changes in net position</i>	299,101
Net position, July 1, 2022	<u>3,621,320</u>
Net position, June 30, 2023	<u>\$ 3,920,421</u>

The accompanying notes are an integral part of this statement

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies:

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

A. Financial reporting entity:

The Town of East Greenwich is a municipal corporation governed by a Town Council/Town Manager form of government with an elected five member Town Council.

The Town of East Greenwich was incorporated in 1677. The Town operates under a Home Rule Charter, adopted in 1972. All legislative powers of the Town, except such powers as are reserved by the state law or vested in the financial Town Meeting by the Charter and by-laws enacted by the Town Council, are vested in the Town Council by the Charter, including the ordering of any tax, making appropriations and transacting of any other business pertaining to the financial affairs of the Town.

As a general rule, the effect of inter-fund activity has been eliminated from the Government-wide financial statements. However, inter-fund services provided and used are not eliminated in the process of consolidation.

B. Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 61, The Financial Reporting entity: Omnibus an amendment of GASB Statements No. 14 and No. 34. 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 financial 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:

- a) The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- b) The primary government is obligated in some manner for the debt of the organization.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

The following entity was considered for classification as a component unit for fiscal year 2023:

*The Town has established a postretirement health care benefits (OPEB) plan to provide postretirement health care benefits to certain employees groups of the Town and their beneficiaries. The Town performs the duties of a governing board for the OPEB plan and is required to make contributions to the OPEB plan.

The financial statements of the fiduciary component units are reported as an OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component unit.

The Town of East Greenwich does not have any component units.

B. Basis of presentation:

Government-wide financial statements:

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

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

Fund financial statements:

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

- a) Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent (10%) of the corresponding total for all funds of that category or type; and
- b) Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund or enterprise fund are at least five percent (5%) of the corresponding total for all governmental and enterprise funds combined.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

The Town reports the following major governmental fund:

General Fund

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.

American Rescue Plan Act

The American Rescue Plan Act (ARPA) accounts for grant monies related to ARPA as well as corresponding expenditures.

The Town reports the following major proprietary fund:

Sewer Fund

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

Additionally, the Town reports the following fund types:

OPEB Trust Fund

The *OPEB Trust Fund* is used to account for funding of future other postemployment benefits such as health, dental and life insurance for the Town's retirees.

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

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

Governmental funds:

Governmental funds are used to account for operations that supply basic government services.

The Town uses the following governmental funds:

General Fund:

The General Fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for and report all activities except those legally or administratively required to be accounted for in other funds.

Special revenue funds:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. The Town's major special revenue fund is the School Unrestricted Fund, which provides primary education to the Town's children. Revenues for the School Unrestricted Fund derived primarily from State and Federal Aid and transfers from the Town.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

Debt Service fund:

Accounts for debt activities for the Town and School.

Capital projects funds:

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned for the acquisition or construction of specific capital projects or items.

Permanent funds:

Permanent funds account for and report assets held by the Town where the principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund. The Town's permanent funds are all non-major funds.

Proprietary funds:

Proprietary funds are used to account for business-like activities provided to the general public (enterprise funds) or within the government (internal service funds). These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. Of the Town's two enterprise funds, the Sewer is considered major while School Lunch is considered a nonmajor fund. The Town has no internal service funds.

Fiduciary funds:

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of these funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. They use the economic resources measurement focus and accrual basis of accounting.

Other postemployment benefits (OPEB) trust:

The OPEB Trust fund accounts for contributions made by the Town and its participating employees to provide postemployment benefits (health insurance) to participating employees.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

C. Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. 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 revenue 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.

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 and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Functional expenses in the statement of activities include certain indirect expenses, such as employee benefits, pension and insurance. These expenses are allocated to governmental activity functions based on total salary expenses for each function.

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

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 Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, 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, including entering into contracts giving the Town the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through 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. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

Recognition of grant revenues is based on the susceptibility of accrual as determined by the legal and contractual requirements established by each grantor. For grants not restrictive as to specific purposes and revocable only for failure to comply with general prescribed requirements, revenues are recognized when actually received. Where expenditure is the prime factor in determining eligibility, grant revenue is recognized as allowable expenditures are made provided, they are collected during the year or within 60 days subsequent to year-end. Prior to expenditure, proceeds are recorded as unearned revenues.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Sewer Enterprise Fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Cash Equivalents:

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

Cash and cash equivalents consist of cash on hand, time and demand deposits and all highly liquid investments with a maturity of three months or less when purchased. Under Rhode Island laws, depository institutions holding deposits of the State, its agencies or governmental subdivision of the State, must insure or pledge eligible collateral equal to 100% of the deposits maturing in greater than sixty days. Any institutions not meeting certain federally prescribed minimum capital standards must insure deposits or pledged collateral equal to 100% of the deposits, regardless of maturity.

E. Investments:

Investments are reported at fair value, based on quotations from applicable national securities exchanges. Fair value is defined as 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. Unrealized gains and losses from changes in fair value are recognized as investment income. The Town does not have an investment policy for custodial credit risk or other risks.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

F. Interfund Receivables and Payables:

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

G. Real Estate and Personal Property Taxes:

The Town is permitted by state law to levy property taxes. Taxes are recognized as revenue when they are collected. Taxes are levied each July on (a) 100% of the full and fair value of real and tangible personal property owned within the Town on the previous December 31; and, (b) the value, as determined by the Rhode Island Vehicle Valuation Commission, of vehicles registered within the Town the previous calendar year, prorated for the actual number of days so registered, reduced by the amount exempt under the Motor Vehicle Phase-Out Program.

Taxes levied during July are payable in quarterly installments on September 1, December 1, March 1 and June 1, or on September 1, if paid in one payment. Unpaid property taxes at June 30, 2023 include delinquent installments of the current and prior years. The Town does not record interest earned on delinquent taxes until payment is received.

The allowance for uncollectible accounts is based on that portion of current and delinquent taxes receivable, which is estimated to be doubtful of collection. This provision does not constitute an abandonment of claim or the cessation of collection effort.

The municipality holds an annual tax sale in May or June. This tax sale includes all property with a delinquent balance as of the December 1 quarterly installment for the current year. Subsequent to the tax sale, recorder's deeds are placed on sold properties.

H. Inventories and Prepaids:

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of donated commodities are stated at fair market value. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Town of East Greenwich, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

I. Capital Assets and Depreciation:

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 column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and with a useful life of greater than one (1) year excluding building improvements and infrastructure. Building improvements require initial individual cost of more than \$10,000 with a useful life greater than one (1) year. Infrastructure assets require initial individual cost of more than \$10,000 with a useful life greater than five (5) years.

As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs that are essentially amounts spent in relation to capital assets and that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the government are depreciated and amortized using the straight-line method over the following estimated useful lives:

Land improvements	15 Years
Buildings	30 to 50 Years
Right-to-Use Building	2 Years
Building improvements	10 to 40 Years
Right-to-Use equipment	5 to 30Years
Vehicles	5 to 10 Years
Infrastructure	20 to 50 Years

J. Leases:

Lessee

The Town determines if an arrangement is a lease at inception. Leases are included in right-to-use lease assets and lease liabilities in the statements of net position.

Lease assets represent the Town's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

Lease liabilities represent the Town's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Town will exercise that option.

The Town recognizes payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Town has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The Town accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the Town treats the components as a single lease unit.

Lessor

The Town determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the Town's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Town recognizes payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Town has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

The Town accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the Town treats the components as a single lease unit.

K. Subscription-Based Information Technology Arrangements (SBITA):

A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in conjunction with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period in which the municipality has a noncancellable right to use the IT asset. The subscription also includes the periods covered by an option to extend or to terminate the contract. The Town would recognize a right-to-use subscription-based asset as an intangible asset with a corresponding subscription-based liability. The liability should be initially measured at the present value of the payments expected to be made during the term. Future payments should be discount using the interest rate the software vendor charges or the government's incremental borrowing rate.

L. Bond Premiums and Issuance Costs:

In the governmental funds, bond premiums and issuance costs are treated as period costs in the year the bonds are issued. Bond issuance costs are included in debt service expenditures and bond premiums are reflected as other financing sources in the governmental fund's financial statements. Bond premiums are reported as other financing sources while discounts are reported as other financing uses.

In the Government-wide statement of net position, bond premiums are deferred and amortized over the term of the bonds using the straight-line method. Bond premiums are presented as an addition to the face amount of the bonds payable.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

M. Deferred Inflows and Outflows of Resources:

In addition to assets, the statement of financial 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 assets 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 Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position and a deferred charge on refunding on the enterprise funds. 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/OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and net difference between projected and actual earning on pension/OPEB investments. These amounts are deferred and included in pension/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), or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period.

In addition to liabilities, the statement of financial 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 assets 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. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Town reports deferred inflow of resources related to pensions and OPEB in the government-wide statement of net position. A deferred inflow of resources related to pension/OPEB results from differences between expected and actual experience, changes in assumptions or other inputs and net difference between projected and actual earning on pension investments. These amounts are deferred and included in pension/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), or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period. For governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and other receivables. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

N. Compensated Absences:

Unused vacation leave is paid upon an employee's termination. Sick leave not taken is paid only to police department employees up to 300 days of total accumulated sick leave at 50%, upon retirement. School department employees are paid compensated absences based on various employee agreements. Compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. In governmental funds compensated absence expenditures are only reported when matured. Amounts not expected to be liquidated with expendable available resources are reported as long-term debt in the government-wide financial statements. Long-term debt and other obligations financed by the proprietary funds are reported as liabilities in the appropriate funds. For proprietary fund types, accrued compensated absences are recorded as a liability within those funds using the full accrual basis.

O. Long-Term Obligations:

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant 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, are reported as debt service expenditures.

P. Encumbrances:

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

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

Q. Fund equity:

Government-Wide Financial Statements – Net Position

The Town's net position has been segregated into the following three components:

Net investment in capital assets - represents the net book value of all capital assets less the outstanding balances of bonds and other debt, and deferred inflows of resources, if any, used to acquire, construct or improve these assets, increased by deferred outflows of resources related to those assets, if any.

Restricted – assets that have been limited to uses specified either externally by creditors, contributors, laws or regulations of other governments or internally by enabling legislation or law; reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted – a residual category for the balance of net position.

Governmental Fund Financial Statements:

The Town's fund balance is reported in the following categories:

Non-spendable – amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted – amounts that have been restricted to specific purposes either by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed – amounts constrained to specific purposes by the Town, using its highest level of decision-making authority. Commitments will only be used for specific purposes pursuant to a formal action of the Town Council. Town Council Resolution is required to approve, modify, or rescind a fund balance commitment.

Assigned – amounts that are intended by the Town to be used for specific purposes but are neither restricted nor committed. The Town Council delegates to the Town Administrator or designee the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.

Unassigned – amounts available for any purpose. Only the general fund can report a positive fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Town of East Greenwich, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

Expenditures may be incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. Composition of the ending fund balance will be determined by applying the following: In those instances where both restricted and unrestricted amounts are available, restricted amounts will be considered to have been spent first (as allowed and in compliance with stated and specified terms or requirements), followed by committed amounts, followed by assigned amounts, and then unassigned amounts.

R. Pensions

Employees' Retirement System plan (ERS)

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

Teachers' Survivors Benefit plan (TSB)

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

Municipal Employee's Retirement System (MERS)

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

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town's plan and additions to/deductions from Town's fiduciary net position have been determined on the same basis as they are reported by

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

the Town. For this purpose, the Town recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

The Town's general fund has typically been used to liquidate the pension and OPEB liabilities historically.

S. Use of Estimates:

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

T. Reconciliation of Government-Wide Net Position and Fund Financial Statements Fund Balance:

The governmental fund Balance Sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the Government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements".

U. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-Wide Statement of Activities:

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the Government-wide Statement of Activities. One element of the reconciliation states that "the governmental funds report principal repayments on debt obligations as an expenditure."

Another element of that reconciliation states that, "Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds." Also, the allowance adjustment on the ambulance receivables affects the revenue recorded in the Statement of Activities.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

1. Summary of significant accounting policies (continued):

V. Implementation of New Accounting Principles:

During the fiscal year June 30, 2023, the Town of East Greenwich has adopted the following new accounting standards issued by GASB:

The Town of East Greenwich implemented this standard in the current year.

- GASB Statement No. 91, Conduit Debt Obligations, was during fiscal year 2023. *The Town has determined that these requirements have no effect on the financial reporting*
- GASB Statement No. 92, Omnibus 2020, was during fiscal year 2023. *The Town has determined that these requirements have no effect on the financial reporting*
- GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, was during fiscal year 2023. *The Town has determined that these requirements have no effect on the financial reporting*
- GASB Statement No. 96, Subscription-Based Information Technology Arrangements, was during fiscal year 2023. *The Town has implemented this standard in the current fiscal year.*

Future Pronouncements

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

- GASB Statement No. 99, Omnibus 2023, which is required to be implemented during fiscal years 2024. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.
- GASB Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62, which is required to be implemented during fiscal year 2024. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.
- GASB Statement No. 101, Compensated Absences, which is required to be implemented during fiscal year 2025. Management will evaluate the potential impact that the implementation of this Statement will have on the financial statements at some point in the future.

These pronouncements will be implemented by their respective implementation dates.

Town of East Greenwich, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Stewardship, Compliance and Accountability:

A. Budgetary Information

In accordance with the East Greenwich Home Rule Charter, the Town has formally established budgetary accounting control for its General Fund. The General Fund is subject to an annual operating budget that is prepared by the administration of the Town Manager and submitted to the Town Council for approval. The annual operating budgets' appropriated amounts are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. The General Fund annual operating budget is prepared on the budgetary basis of accounting which is not in conformity with GAAP. The budget to actual presentation in required supplementary information is reflected on the budgetary basis.

Appropriations in addition to those contained in the annual operating budgets, except for the purpose of meeting a public emergency, are made upon the recommendation of the Town Manager with the Director of Finance's certification as to General Fund surplus to meet such appropriations and with Town Council's approval. Amendments to the operating budgets that do not result in additional appropriations may be made within departments by means of a transfer.

The budget of the School Unrestricted Fund is prepared annually and submitted to the School Committee for approval. The amount of the annual transfer from the Town's General Fund to the School Unrestricted Fund is ultimately determined through the adoption of the General Fund budget.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

2. Stewardship, Compliance and Accountability (continued):

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2023, expenditures exceeded appropriations for the following functions:

Function	Expenditures in Excess of Appropriations
General Government	\$ 9,590
Public Safety	357,161
Senior and Human Services	11,363
Transfers to Other Funds	730,000

Excess expenditures over appropriations occurred within the following functions, General Government, Public Safety, Senior and Human Services and Transfers to Other Funds. The excess expenditures general government was due to IT expenditures, Public Safety due to overtime and staff pay, Senior and Hyman Services due to increase in staff pay and Transfers to Other Funds is associated with yearend recommendations to fund capital reserves as outline in the six-year capital improvement plan.

C. Deficit Fund Equity and Accumulated Deficits

The following funds had fund deficits as of June 30, 2023:

Fund	Nonmajor Governmental Funds	Fund Deficit
Idea Part B	School Special Revenue Fund	21

The fund deficit for IDEA Part B is expected to be funded through external contributions.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

3. Cash Deposits and Investments:

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 which is guaranteed by FDIC.

Rhode Island public law requires 100% of public deposits in a qualified public depository with maturities greater than sixty (60) days are collateralized with either bank segregated assets, in a trust department or in custodial accounts at a Federal Reserve Bank or federal home loan bank.

State statutes and the Town investment policy as approved by Town Council authorize the

Town to invest in financial institutions whose principal office is located in the state of Rhode Island or which has a deposit taking facility within the state. Investments are also permitted in any mutual, money market fund comprised of government-backed instruments or repurchase agreements.

A. Deposits

Substantially all of the Town'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 which is guaranteed by FDIC.

Government-wide Statement of Net Position

Governmental activities	\$ 21,627,326
Business-type activities	5,009,658

Fiduciary Funds Statement of Net Position

OPEB Trust Fund	<u>-</u>
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Total carrying amount of deposits \$ 26,636,984

Custodial credit risk in the case of deposits is the risk that in the event of a bank failure, the government's deposits may not be returned. Deposits are limited by State Law and Town Policy and additionally may have more than fifty percent of the Town's average monthly expenses invested in the same institution. The Town's policy is also to require full collateralization of all Town investments and funds on deposit not otherwise insured. As such, the entire bank balance of the Town as of June 30, 2023 of \$22,537,182 was insured or collateralized.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

3. Cash Deposits and Investments (continued):

B. Investments

As of June 30, 2023, the Town's investments of \$3,920,421 are comprised entirely of mutual funds. The mutual funds were unrated.

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 Town does not have an interest rate policy. The Town does not have any investments that are subject to interest rate risk for the fiscal year ended June 30, 2023. If applicable, information about the exposure of the Town's debt type investments to this risk is reported using the segment time distribution model.

Credit Risk

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk exposure. The Town did not have any debt type investments that were exposed to credit risk as of June 30, 2023.

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2023, the Town did not have any uninsured and unregistered securities held by the counterparty, or by its trust department or agent that were not in the Town's name.

Fair Value Disclosure

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements).

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

3. Cash Deposits and Investments (continued):

The following table summarizes the assets and liabilities of the Town for which fair values are determined on a recurring basis as of June 30, 2023:

<u>30-Jun-23</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investment by Fair Value Level:				
Mutual Funds	3,920,421	3,920,421	-	-
	<u>\$ 3,920,421</u>	<u>\$ 3,920,421</u>	<u>\$ -</u>	<u>\$ -</u>

4. Receivables

Receivable as of year-end for the Town's individual major funds and nonmajor governmental funds and proprietary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Sewer</u>	<u>Nonmajor Governmental and Business Type Funds</u>	<u>Total</u>
Receivables:				
Accounts	1,069,085	\$ 2,274,497	\$ -	\$ 3,343,582
Property Tax	2,003,991	-	-	2,003,991
Tax Liens	-	-	-	-
Intergovernmental	212	-	1,386,278	1,386,490
Special Assessments	-	2,861,167	-	2,861,167
Leases	-	-	362,878	362,878
Other	280,942	-	53,865	334,807
Gross Receivables	<u>3,354,230</u>	<u>5,135,664</u>	<u>1,803,021</u>	<u>10,292,915</u>
Less Allowance for Uncollectibles	<u>(502,750)</u>	<u>(50,000)</u>	<u>-</u>	<u>(552,750)</u>
Net Total Receivables	<u>\$ 2,851,480</u>	<u>\$ 5,085,664</u>	<u>\$ 1,803,021</u>	<u>\$ 9,740,165</u>

The intergovernmental receivable related to the nonmajor governmental and other funds of \$1,386,278 includes a receivable of \$281,950 related to a national opioid settlement with three major opioid distributors. The receivable is not expected to be collected within a year.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

5. Lease Receivable:

The Town, acting as lessor, leases real property under long-term, non-cancelable lease agreements. The leases expire at various dates through 2027 and some leases may provide for a renewal option for one additional five-year term. During the year ended June 30, 2023, the Town recognized \$119,735 and \$17,339 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under least agreements are as follows:

Governmental Activities			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 127,775	\$ 12,086	\$ 139,861
2025	88,782	7,315	96,097
2026	77,219	4,056	81,275
2027	60,102	853	60,955
Total	<u>\$ 353,878</u>	<u>\$ 24,310</u>	<u>\$ 378,188</u>

6. Interfund Receivables, Payables and Transfers:

The composition of interfund balances as of June 30, 2023 is as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Other Financing Sources</u>	<u>Other Financing Uses</u>
<u>Major Governmental Funds</u>				
General fund	\$ 4,884,058	\$ 6,840,441	\$ -	\$ 4,841,637
<u>Non-Major Governmental Funds</u>				
Town special revenue	2,718,736	406,364	55,000	-
School special revenue	117,372	506,700	-	-
Town capital projects	3,911,170	-	1,525,446	446
Debt Service	356,185	-	3,261,637	-
Permanent Trust	330,894			
<u>Proprietary Funds</u>				
Sewer Fund	-	4,996,911	-	-
School	432,001	-	-	-
Totals	<u>\$ 12,750,416</u>	<u>\$ 12,750,416</u>	<u>\$ 4,842,083</u>	<u>\$ 4,842,083</u>

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

7. Capital Assets:

Capital asset activity for the year ended June 30, 2023 is as follows:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Adjustments/</u> <u>Increases</u>	<u>Adjustments/</u> <u>Decreases</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:				
Nondepreciable assets:				
Land	\$ 6,843,533	\$ 1,919,437	\$ -	\$ 8,762,970
Construction in progress	379,142	146,971	273,345	252,768
Total capital assets not being depreciated	<u>7,222,675</u>	<u>2,066,408</u>	<u>273,345</u>	<u>9,015,738</u>
Capital Assets Being Depreciated and Amortized:				
Infrastructure	38,152,902	-	-	38,152,902
Buildings and improvements	87,313,219	302,601	-	87,615,820
Land Improvements	10,389,953	826,225	-	11,216,178
Office Furniture and Equipment	777,554	46,662	-	824,216
Motor Vehicles	8,793,964	222,310	129,921	8,886,353
Right-to-Use Lease Building	42,405	-	-	42,405
Right-to-Use Computer Equipment	193,025	-	-	193,025
Subscription Based Services	-	272,061	-	272,061
Machinery and Equipment	5,056,127	312,268	-	5,368,395
Total Capital assets Being Depreciated and Amortized	<u>150,719,149</u>	<u>1,982,127</u>	<u>129,921</u>	<u>152,571,355</u>
Less Accumulated Depreciation and Amortization for:				
Infrastructure	36,550,563	60,022	-	36,610,585
Buildings and improvements	25,437,788	1,910,907	-	27,348,695
Land Improvements	3,742,845	399,970	-	4,142,815
Office Furniture and Equipment	538,290	44,191	-	582,481
Motor Vehicles	5,561,396	408,067	127,912	5,841,551
Right-to-Use Lease Building	16,962	25,443	-	42,405
Right-to-Use Computer Equipment	61,958	61,429	-	123,387
Subscription Based Services	-	181,374	-	181,374
Machinery and Equipment	3,476,839	238,095	-	3,714,934
Total Accumulated Depreciation and Amortization	<u>75,386,641</u>	<u>3,329,498</u>	<u>127,912</u>	<u>78,588,227</u>
Total Assets Being Depreciated and Amortized, Net	<u>75,332,508</u>	<u>(1,347,371)</u>	<u>2,009</u>	<u>73,983,126</u>
Governmental Activities Capital Assets, Net	<u>\$ 82,555,183</u>	<u>\$ 719,037</u>	<u>\$ 275,354</u>	<u>\$ 82,998,864</u>

Adjustments/Increase during the year ended June 30, 2023 include amounts related to the implementation of GASB Statement No. 96.

Depreciation and amortization expense was charged to governmental functions as follows:

Governmental Activities:	
General government	\$ 336,619
Public safety	411,482
Public works	713,408
Cultural and Recreation	102,250
Education	1,637,827
Total Depreciation and amortization expense	<u>\$ 3,201,586</u>

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

7. Capital Assets (continued):

	<i>Balance July 1, 2022</i>	<i>Adjustments/ Increases</i>	<i>Adjustments/ Decreases</i>	<i>Balance June 30, 2023</i>
Business-Type Activities				
Nondepreciable assets:				
Land	\$ 15,372	\$ -	\$ -	\$ 15,372
Construction in Progress	2,134,986	2,320,854	-	4,455,840
Total Capital Assets Not Being Depreciated	<u>2,150,358</u>	<u>2,320,854</u>	<u>-</u>	<u>4,471,212</u>
Depreciable assets:				
Building	20,826,147	-	-	20,826,147
Building Improvements	3,232,433	-	-	3,232,433
Equipment and Fixtures	3,773,479	-	-	3,773,479
Motor Vehicles	544,067	-	-	544,067
Infrastructure	32,376,713	-	-	32,376,713
Total Capital Assets Being Depreciated	<u>60,752,839</u>	<u>-</u>	<u>-</u>	<u>60,752,839</u>
Less Accumulated Depreciation for:				
Building	12,653,809	281,670	-	12,935,479
Building Improvements	375,287	138,441	-	513,728
Equipment and Fixtures	1,172,180	128,705	-	1,300,885
Motor Vehicles	295,550	34,058	-	329,608
Infrastructure	12,213,272	821,940	-	13,035,212
Total Accumulated Depreciation	<u>26,710,098</u>	<u>1,404,814</u>	<u>-</u>	<u>28,114,912</u>
Total Assets Being Depreciated, Net	<u>34,042,741</u>	<u>(1,404,814)</u>	<u>-</u>	<u>32,637,929</u>
Business-Type Activities Capital Assets, Net	<u>\$ 36,193,099</u>	<u>\$ 916,040</u>	<u>\$ -</u>	<u>\$ 37,109,141</u>

Depreciation expense was charged to business-type activities as follows:

Business-Type Activities	
Sewer	1,404,814
Total Depreciation and amortization expense	<u>\$ 1,404,814</u>

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

8. Long-Term Obligations

A. General Obligation Bonds

The government issues general obligation bonds (both privately and publicly placed) to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with maturities that range from 10 to 30 years.

General obligation bonds outstanding at June 30, 2023 are as follows:

Description	Date of Issue	Date of Maturity	Interest Rate (%)	Amount of Original Issue	Balance Outstanding June 30, 2023
Governmental Activities:					
General Obligation Bonds:					
General Obligation Bond 2020	7/3/2020	7/30/2027	1.12%	\$ 3,485,000	\$ 2,500,000
General Obligation Bond A 2022	11/4/2022	11/1/2032	4.25%	2,495,000	2,495,000
General Obligation Bond B 2022	11/4/2022	11/1/2027	5.53%	200,000	200,000
Directly Placed Debt:					
Health and Education Building Corp	11/15/2010	5/15/2029	0.0897%	10,635,000	3,545,003
Improvements to Briggs-Boesch- Private	7/10/2014	7/1/2025	2.09%	350,000	65,000
RI Infrastructure Water Road & Bridge	5/25/2015	9/1/2024	.023% - 1.73%	2,000,000	471,000
Road & Bridge Revolving Loan	5/30/2017	9/1/2036	1.76%	5,000,000	3,861,000
Health and Education Building Corp	10/22/2020	5/15/2037	1.99%	29,655,000	25,665,000
Total Directly Placed Debt				47,640,000	33,607,003
Total Governmental Activities				53,820,000	38,802,003
Business-Type Activities:					
General Obligation Bonds:					
Refunding Bond	9/8/2016	10/1/2028	2.75% - 4.0%	5,055,000	1,720,000
Directly Placed Debt:					
RI Infrastructure Bank	10/30/2002	9/1/2022	3.90%	11,100,000	-
RI Infrastructure Bank	12/21/2006	9/1/2027	1.27%	7,600,000	2,155,000
RI Infrastructure Bank	9/14/2009	9/1/2029	.041% - 2.68%	2,900,000	1,186,000
RI Infrastructure Bank	6/2/2016	9/1/2035	.031% - 2.24%	6,000,000	4,318,000
RI Infrastructure Bank	6/10/2010	9/1/2031	.061% - 3.25%	3,000,000	1,563,000
RI Infrastructure Bank	6/13/2023	9/1/2042	2.02% - 3.14%	4,950,000	4,950,000
Total Directly Placed Debt				35,550,000	14,172,000
Total Business-Type Activities				40,605,000	15,892,000
Total Outstanding				\$ 94,425,000	\$ 54,694,003

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

8. Long-Term Obligations (continued):

B. Legal Debt Margin

The Town's legal debt margin as set forth by State Statute is limited to three percent of total assessed value. In addition to the bonding authority granted under §45-12-2 of the Rhode Island General Laws, the Town of East Greenwich, Rhode Island, can authorize bond issues pursuant to a special act of the Rhode Island General Assembly. Bond issues authorized by a special act of the General Assembly are normally not subject to any legal debt limit but are subject to financial constraints such as the Town's ability and willingness to service the bonded debt.

Of the Town's \$54,694,003 total bonds payable (including bonds payable for the sewer enterprise fund), approximately \$16,797,593 is subject to its legal debt limits. The \$54,716,796 outstanding does not exceed the Town's legal debt limit of \$81,067,310, which is 3% of the assessed value (\$2,702,243,668) of taxable property of the Town as of December 31, 2021. The total long-term debt bond obligations of the Town of \$54,716,796 represent approximately 2.02% of the assessed value of the taxable property of the Town at June 30, 2023 (assessment date December 31, 2021).

C. Authorized But Unissued Bond Authority

The Town has the following remaining authorized but unissued bond authority as of June 30, 2023:

Purpose	Authorized Amount	Issued	Authorized and Unissued
School Improvements	\$ 57,276,000	\$ 49,298,382	\$ 7,977,618
Public Buildings	4,000,000	3,050,000	950,000
Open Space	500,000	456,618	43,382
Sewer Treatment System	1,125,000	450,000	675,000
Total	<u>\$ 62,901,000</u>	<u>\$ 53,255,000</u>	<u>\$ 9,646,000</u>

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

8. Long-Term Obligations (continued):

D. Changes in Long-Term Liabilities

Changes in the Town's long-term liabilities for the year ended June 30, 2023 are as follows:

Description of Purpose	Beginning Balance 7/1/2022	Additions	Reductions	Ending Balance 6/30/2023	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable:					
Direct Placement Debt	\$ 36,770,836	\$ -	\$ 3,163,833	\$ 33,607,003	\$ 3,172,833
General Obligation Debt	3,000,000	2,695,000	500,000	5,195,000	785,000
Total Bonds Payable	<u>39,770,836</u>	<u>2,695,000</u>	<u>3,663,833</u>	<u>38,802,003</u>	<u>3,957,833</u>
Compensated Absences	1,945,204	198,196	-	2,143,400	535,850
Leases Payable	148,782	96,237	99,364	145,655	140,629
Net Pension Liability	33,474,471	8,145,968	-	41,620,439	-
Net OPEB Liability - Town	20,556,036	-	1,801,970	18,754,066	-
Net OPEB Liability - School	7,141,870	809,046	-	7,950,916	-
Claims and Judgements	657,019	190,000	127,767	719,252	295,850
Total Governmental Activities Long-Term Debt	<u>\$103,694,218</u>	<u>\$12,134,447</u>	<u>\$ 5,692,934</u>	<u>\$110,135,731</u>	<u>\$ 8,887,995</u>
Business-Type Activities:					
Bonds Payable:					
General Obligation Debt	\$ 2,015,000	\$ -	\$ 295,000	\$ 1,720,000	\$ 295,000
Issuance Premium on Bonds	109,187	-	27,763	81,424	-
Total Bonds Payable	<u>2,124,187</u>	<u>-</u>	<u>322,763</u>	<u>1,801,424</u>	<u>295,000</u>
Direct Placement Debt	10,938,280	4,950,000	1,716,280	14,172,000	1,187,709
Net OPEB Liability	221,339	312,490	-	533,829	-
Compensated Absences	56,998	8,051	-	65,049	21,466
Total Business-Type Activities Long-Term Liabilities	<u>\$ 13,340,804</u>	<u>\$ 5,270,541</u>	<u>\$ 2,039,043</u>	<u>\$ 16,572,302</u>	<u>\$ 1,504,175</u>

*Additions during the year ended June 30, 2023 include amounts related to the implementation of GASB Statement No. 96.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

8. Long-Term Obligations (continued):

For the governmental activities, compensated absences, net pension liability, net OPEB liability, total OPEB liability and claims and judgements are generally liquidated by the General Fund inclusive of the School Department.

The debt service requirements for long-term debt at June 30, 2023 were as follows:

	Governmental Activities			Business-Type Activities		
	General Obligation Bonds					
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 785,000	\$ 135,985	\$ 920,985	\$ 295,000	\$ 50,913	\$ 345,913
2025	790,000	117,655	907,655	295,000	39,113	334,113
2026	790,000	99,218	889,218	290,000	28,863	318,863
2027	790,000	80,781	870,781	285,000	20,238	305,238
2028	790,000	62,344	852,344	280,000	11,773	291,773
2029 - 2033	1,250,000	132,813	1,382,813	275,000	3,781	278,781
	<u>\$ 5,195,000</u>	<u>\$ 628,794</u>	<u>\$ 5,823,794</u>	<u>\$ 1,720,000</u>	<u>\$ 154,679</u>	<u>\$ 1,874,679</u>

	Governmental Activities			Business-Type Activities		
	Direct Placement Debt					
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 3,172,833	\$ 1,222,542	\$ 4,395,375	\$ 1,187,709	\$ 225,085	\$ 1,412,794
2025	2,749,833	1,197,260	3,947,093	1,213,873	263,753	1,477,626
2026	2,501,833	1,175,838	3,677,671	1,240,926	242,549	1,483,475
2027	2,526,833	1,152,641	3,679,474	1,266,978	220,229	1,487,207
2028	2,556,833	1,126,175	3,683,008	1,297,029	196,568	1,493,597
2029 - 2033	10,961,833	2,381,002	13,342,835	3,895,439	688,309	4,583,748
2034 - 2038	9,137,005	543,181	9,680,186	2,407,892	334,088	2,741,980
2039 - 2043	-	-	-	1,662,154	113,604	1,775,758
	<u>\$ 33,607,003</u>	<u>\$ 8,798,639</u>	<u>\$ 42,405,642</u>	<u>\$ 14,172,000</u>	<u>\$ 2,284,184</u>	<u>\$ 16,456,184</u>

Direct Placed Debt

The Town has debt that is directly placed as separately identified above. These issuances are primarily through the Rhode Island Infrastructure Bank and the Rhode Island Health and Educational Building Corporation and with the exception of non payment of scheduled debt service which would result in the entire balance becoming due, do not contain any significant default related events, termination events with finance-related consequences or subjective acceleration clauses.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

8. Long-Term Obligations (continued):

E. Leases Payable

The Town, acting as lessee, leases equipment as well as certain other facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2025 and some leases may provide for a renewal option for two years.

Total future minimum lease payments under lease agreements are as follows:

	Governmental Activities		
	Principal	Interest	Total
2024	\$ 44,392	\$ 870	\$ 45,262
2025	5,026	62	5,088
2026	-	-	-
2027	-	-	-
2028	-	-	-
	\$ 49,418	\$ 932	\$ 50,350

F. Subscription Based Information Technology Arrangements:

The Town acting as a subscriber subscribes to Municipal Uniform Information System (MUNIS) under a software service agreement. The software service agreement expires in 2024.

Total future minimum lease payments under software agreements are as follows:

	Governmental Activities		
	Principal	Interest	Total
2024	\$ 96,237	\$ -	\$ 96,237
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
	\$ 96,237	\$ -	\$ 96,237

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

9. Fund Balance:

The components of fund balance for the governmental funds at June 30, 2023 are as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances:			
Nonspendable for:			
Prepays	\$ 102,734	\$ -	\$ 102,734
Held in Trust	-	355,033	355,033
Restricted for:			
Educational Programs	-	438,253	438,253
Public Safety	-	185,328	185,328
Committed to:			
General Government	-	738,783	738,783
Public Safety	-	482,082	482,082
Cultural and Recreation	-	2,744,504	2,744,504
Education	2,652,726	276,664	2,929,390
Capital Improvements	-	1,602,245	1,602,245
Debt Service	-	356,185	356,185
Assigned for:			
General Government	71,094	-	71,094
Public Safety	99,122	-	99,122
Public Works	11,884	-	11,884
Cultural and Recreation	2,713	-	2,713
Unassigned	9,647,096	(21)	9,647,075
Total Fund Balances	<u>\$12,587,369</u>	<u>\$ 7,179,056</u>	<u>\$ 19,766,425</u>

Major encumbrances of \$249,981 are reported in the assigned fund balance of the General Fund and represent amounts expected to be honored upon performance by the vendor.

10. Defined Benefit Pension Plans:

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire

A. Plan Description

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

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

B. Benefits Provided

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

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

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

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

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

General Employees

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

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

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

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

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

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

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

Police and Fire Employees

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

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

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

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

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

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

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

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

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

C. 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.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

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

- A. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA may be granted in four-year intervals while the COLA is suspended.
- B. Effective July 1, 2015, the COLA is determined based on 50% of the plan's five- year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%, plus 50% of the lesser of 3.0% or last year's CPI-U increase for a total maximum increase of 3.50%. Previously, it was the plan's five-year average investment rate of return less 5.5% limited to a range of 0.0% to 4.0%.
- C. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on the fourth year provision described in (a) above will be limited to the first \$30,000. These limits will be indexed annually to increase in the same manner as COLAs, with the known values of \$27,184 for 2020, \$27,608 for 2021 and 27,901 for 2022.

D. Employees Covered by Benefit Terms

The Town of East Greenwich has five separate reporting units within its MERS plan. The units are for Town Employees, Town Employees with COLA, Town Fire Non-Cert Employees, Police Employees, and Fire Employees.

At the June 30, 2022 valuation date, the following employees were covered by the benefit terms:

	Town Employees	Town Employees W/ COLA	Town Fire Non-Cert Employees	Police Employees	Fire Employees
Retirees and Beneficiaries	38	71	1	34	34
Inactive, Non-retired Members	57	61	0	8	4
Active Members	18	147	1	30	37
Total	113	279	2	72	75

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

E. Contributions

The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 2% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 9.25%. Public safety employees are required to contribute 10% of their salaries. The Town contributes at a rate of covered employee payroll as determined by an independent actuary on an annual basis. The General Assembly can amend the amount of these contribution requirements. The Town contributed \$2,373,923 in the year ended June 30, 2023.

F. Net Pension Liability (Asset)

The total pension liability (asset) was determined by actuarial valuations performed as of June 30, 2022 and rolled forward to June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial cost method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used
Amortization method	Level percentage of payroll, closed
Investment rate of return	7.00%
Projected salary increases	General Employees - 3.5% to 7.25%: Police & Fire Employees - 4.0% to 14.0%
Inflation	2.50%
Cost of Living Adjustments	A 2.1% COLA is assumed for all Mers units with COLA provision
Mortality	Vairants of the PUB (10) Tables for Healthy and Disabled Retirees, projected with Scale Ultimate MP 16

The actuarial assumptions used in the June 30, 2021 valuation rolled forward to June 30, 2022 and the calculation of the total pension liability at June 30, 2022 were consistent with the results of an actuarial experience study performed as of June 30, 2019, as approved by the system's Board on May 22, 2020.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 40 sources. The June 30, 2022 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Asset class	Target Asset Allocation	Long-Term Expected Real Rate of Return
GROWTH		
Global equity:		
U.S. Equity	24.30%	5.52%
International Developed Equity	11.10%	6.04%
Emerging Markets Equity	4.60%	7.83%
Sub-total	40.00%	
Private Growth		
Private Equity	12.50%	9.42%
Non-Core Real Estate	2.50%	4.80%
Sub-total	15.00%	
INCOME		
Equity Options	2.00%	5.25%
EMD (50/50 Blend)	2.00%	1.82%
Liquid Credit	3.00%	2.95%
Private Credit	3.00%	2.95%
Collateralized Loan Obligations (CLO)	2.00%	2.95%
Sub-total	12.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	-0.44%
Systematic Trend	5.00%	3.33%
Sub-total	10.00%	
Inflation Protection		
Core Real Estate	4.00%	4.80%
Private Infrastructure	4.00%	5.65%
Sub-total	8.00%	
Volatility Protection		
IG Corp Credit	3.25%	1.18%
Securitized Credit	3.25%	1.18%
Absolute Return	6.50%	3.33%
Cash	2.00%	-0.32%
Sub-total	15.00%	
	100.00%	

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

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

G. Discount Rate

The discount rate used to measure the total pension liability of the plans was 7.0%. 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.

The following schedules present the changes in the Net Pension Liability (Asset) for the year:

Municipal Employee's Retirement System - Town Employees			
Town Employees	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2021	\$ 7,304,668	\$ 9,535,553	\$ (2,230,885)
Changes for the year:			
Service cost	145,358	-	145,358
Interest on total pension liability	500,816	-	500,816
Differences between expected and actual experience of the total pension liability	293,583	-	293,583
Changes in assumptions	-	-	-
Contributions - employer	-	98,446	(98,446)
Contributions - employee	-	42,241	(42,241)
Net investment income	-	(235,903)	235,903
Benefit payments, including employee refunds	(445,671)	(445,671)	-
Administrative expense	-	(8,042)	8,042
Other changes	-	(561,842)	561,842
Net changes	494,086	(1,110,771)	1,604,857
Balance as of June 30, 2022	\$ 7,798,754	\$ 8,424,782	\$ (626,028)

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

Municipal Employee's Retirement System - Town Employees with COLA			
Town Employees W/ COLA	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2021	\$ 26,245,944	\$ 29,750,986	\$ (3,505,042)
Changes for the year:			
Service cost	495,389	-	495,389
Interest on total pension liability	1,807,599	-	1,807,599
Differences between expected and actual experience of the total pension liability	(39,025)	-	(39,025)
Changes in assumptions	-	-	-
Contributions - employer	-	334,339	(334,339)
Contributions - employee	-	164,331	(164,331)
Net investment income	-	(788,317)	788,317
Benefit payments, including employee refunds	(1,341,580)	(1,341,580)	-
Administrative expense	-	(26,874)	26,874
Other changes	-	60,200	(60,200)
Net changes	<u>922,383</u>	<u>(1,597,901)</u>	<u>2,520,284</u>
Balance as of June 30, 2022	<u>\$ 27,168,327</u>	<u>\$ 28,153,085</u>	<u>\$ (984,758)</u>

Municipal Employee's Retirement System - Town Fire Non-Cert Employees			
Town Fire Non-Cert Employees	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2021	\$ 243,806	\$ 164,655	\$ 79,151
Changes for the year:			
Service cost	2,248	-	2,248
Interest on total pension liability	16,388	-	16,388
Differences between expected and actual experience of the total pension liability	6,932	-	6,932
Changes in assumptions	-	-	-
Contributions - employer	-	8,877	(8,877)
Contributions - employee	-	855	(855)
Net investment income	-	(4,157)	4,157
Benefit payments, including employee refunds	(21,636)	(21,636)	-
Administrative expense	-	(142)	142
Other changes	-	-	-
Net changes	<u>3,932</u>	<u>(16,203)</u>	<u>20,135</u>
Balance as of June 30, 2022	<u>\$ 247,738</u>	<u>\$ 148,452</u>	<u>\$ 99,286</u>

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

Municipal Employee's Retirement System - Police Employees			
Police Employees	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2021	\$ 24,226,621	\$ 20,990,258	\$ 3,236,363
Changes for the year:			
Service cost	478,387	-	478,387
Interest on total pension liability	1,666,312	-	1,666,312
Differences between expected and actual experience of the total pension liability	619,047	-	619,047
Changes in assumptions	-	-	-
Contributions - employer	-	757,344	(757,344)
Contributions - employee	-	240,275	(240,275)
Net investment income	-	(562,824)	562,824
Benefit payments, including employee refunds	(1,322,716)	(1,322,716)	-
Administrative expense	-	(19,187)	19,187
Other changes	-	16,944	(16,944)
Net changes	<u>1,441,030</u>	<u>(890,164)</u>	<u>2,331,194</u>
Balance as of June 30, 2022	<u>\$ 25,667,651</u>	<u>\$ 20,100,094</u>	<u>\$ 5,567,557</u>
Municipal Employee's Retirement System - Fire Employees			
Fire Employees	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance as of June 30, 2021	\$ 25,246,974	\$ 19,699,667	\$ 5,547,307
Changes for the year:			
Service cost	548,554	-	548,554
Interest on total pension liability	1,745,819	-	1,745,819
Differences between expected and actual experience of the total pension liability	(346,883)	-	(346,883)
Changes in assumptions	-	-	-
Contributions - employer	-	955,900	(955,900)
Contributions - employee	-	282,557	(282,557)
Net investment income	-	(537,799)	537,799
Benefit payments, including employee refunds	(1,161,953)	(1,161,953)	-
Administrative expense	-	(18,334)	18,334
Other changes	-	(13,644)	13,644
Net changes	<u>785,537</u>	<u>(493,273)</u>	<u>1,278,810</u>
Balance as of June 30, 2022	<u>\$ 26,032,511</u>	<u>\$ 19,206,394</u>	<u>\$ 6,826,117</u>

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

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

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

	1% Decrease	Current Discount Rate	1% Increase
	6%	7%	8%
Town Employees	\$ 118,035	\$ (626,028)	\$(1,302,027)
Town Employees with COLA	1,586,608	(984,758)	(3,320,822)
Town Fire Non-Cert Employees	123,643	99,286	77,154
Police Employees	8,002,348	5,567,557	3,355,548
Fire Employees	9,278,271	6,826,117	4,598,438

I. Pension Plan Fiduciary Net Position

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

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Municipal Employees' Retirement System of the State of Rhode Island - General, Police, and Fire (continued):

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

For the year ended June 30, 2023, the employer recognized a net pension expense of \$1,274,393, including \$50,309 reported for the Sewer Fund. The employer reported deferred outflows and inflows of resources related to pension from the following sources:

	Town Employees	Town Employees W/ COLA	Town Fire Non- Cert Employees	Police Employees	Fire Employees	Totals
Deferred Outflows of Resources:						
Difference Between Expected and Actual Experience	\$ 128,445	\$ -	\$ 6,121	\$ 492,602	\$ 384,529	\$ 1,011,697
Change in Assumptions	-	29,184	-	-	203,490	232,674
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-	-	-	-
Town Contributions Subsequent to Measurement Date	87,976	350,220	15,634	855,708	1,064,385	2,373,923
Total Deferred Outflows of Resources	<u>\$ 216,421</u>	<u>\$ 379,404</u>	<u>\$ 21,755</u>	<u>\$ 1,348,310</u>	<u>\$ 1,652,404</u>	<u>\$ 3,618,294</u>
Deferred Inflow of Resources:						
Difference between expected and actual experience	\$ -	\$ 426,258	\$ 1,236	\$ 830,578	\$ 614,456	\$ 1,872,528
Change in Assumptions	-	106,395	452	35,460	-	142,307
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	120,188	258,597	1,243	185,209	172,473	737,710
Total Deferred Inflows of Resources	<u>\$ 120,188</u>	<u>\$ 791,250</u>	<u>\$ 2,931</u>	<u>\$ 1,051,247</u>	<u>\$ 786,929</u>	<u>\$ 2,752,545</u>

Total of the Town contributions subsequent to measurement date of \$2,373,923 reported as deferred outflows of resources related to pensions above will be recognized as a reduction (addition) of the net pension liability (asset) in the subsequent period.

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

Year Ending June 30	Town Employees	Town Employees w/COLA	Town Fire Non-Cert Employees	Police Employees	Fire Employees
2024	\$ 51,257	\$ (423,369)	\$ (785)	\$ (405,550)	\$ 17,327
2025	(84,811)	(408,018)	(582)	(349,590)	(214,210)
2026	(132,744)	(459,485)	(1,566)	(288,238)	(310,457)
2027	174,555	532,811	3,658	484,733	356,318
2028	-	(4,005)	605	-	(47,888)
Thereafter	-	-	1,860	-	-
Total	<u>\$ 8,257</u>	<u>\$ (762,066)</u>	<u>\$ 3,190</u>	<u>\$ (558,645)</u>	<u>\$ (198,910)</u>

10. Defined Benefit Pension Plans (continued):

Employees' Retirement System of the State of Rhode Island - Teachers

A. Plan Description

All full-time teachers, principals, school nurses and certain other school officials (including the superintendent) in the town's school system must participate in a cost-sharing multiple-employer defined benefit pension plan - the Employees' Retirement System plan - administered by the Employees' Retirement System of the State of Rhode Island (System). Under a cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits of the employees of any participating employer providing pension benefits through the plan, regardless of the status of the employers' payment of its pension obligation to the plan. The plan provides retirement and disability benefits and death benefits to plan members and beneficiaries.

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

B. Eligibility and Plan Benefits

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

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

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

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

10. Defined Benefit Pension Plans (continued):

Employees' Retirement System of the State of Rhode Island – Teachers (continued):

C. Contributions

The funding policy, as set forth in the General Laws, Section 16-16-22, provides for actuarially determined periodic contributions to the plan. For fiscal 2023, full-time teachers, principals, school nurses and certain other school officials 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 School 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 School; the rates were 11.12% and 15.04% of annual covered payroll for the fiscal year ended June 30, 2022 for the state and School, respectively. The School contributed \$3,505,589 \$3,104,571, and \$2,928,478 for the fiscal years ended June 30, 2023, 2022 and 2021, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2023, the School reported a liability of \$29,127,478 for its proportionate share of the net pension liability that reflected a reduction for contributions made by the state. The amount recognized by the School 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 School were as follows:

East Greenwich School Department proportionate share of net pension liability	\$ 29,127,478
State's proportionate share of the net pension liability associated with the East Greenwich School Department	<u>21,541,816</u>
Total net pension liability	<u><u>\$ 50,669,294</u></u>

The net pension liability was measured as of June 30, 2022, 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, 2021 rolled forward to June 30, 2022. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the state, actuarially determined. At June 30, 2022 the School's proportion was 1.07%, which was an increase of .02% from the prior year.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Employees' Retirement System of the State of Rhode Island – Teachers (continued):

For the year ended June 30, 2023, the School recognized gross pension expense of \$4,191,424 and revenue of \$1,940,048 for support provided by the State. At June 30, 2023 the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 431,410	\$ 566,530
Changes of assumptions	587,462	436,699
Net difference between projected and actual earnings on pension plan investments	-	609,458
Changes in proportion and differences between System contributions and proportionate share contributions	1,616,645	484,074
Contributions subsequent to the measurement date	3,505,589	-
	\$ 6,141,106	\$ 2,096,761
Net amount of deferred outflows and (inflows) excluding East Greenwich School Department contributions subsequent to measurement date		\$ 538,756

The \$3,505,589 reported as deferred outflows of resources related to pensions resulting from the School contributions in fiscal year 2023 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:

Year ended June 30:	
2024	\$ 125,505
2025	(27,777)
2026	(701,544)
2027	928,456
2028	120,790
Thereafter	93,326
	\$ 538,756

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Employees' Retirement System of the State of Rhode Island – Teachers (continued):

E. Actuarial Assumptions

The total pension liability was determined using the following 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, 2021 valuation rolled forward to June 30, 2022 and the calculation of the total pension liability at June 30, 2022 were consistent with the results of an actuarial experience study performed as of June 30, 2019, as approved by the systems board on May 22, 2020.

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 40 sources. The June 30, 2022 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Asset class	Target Asset Allocation	Long-Term Expected Real Rate of Return
GROWTH		
Global equity:		
U.S. Equity	24.30%	5.52%
International Developed Equity	11.10%	6.04%
Emerging Markets Equity	4.60%	7.83%
Sub-total	40.00%	
Private Growth		
Private Equity	12.50%	9.42%
Non-Core Real Estate	2.50%	4.80%
Sub-total	15.00%	
INCOME		
Equity Options	2.00%	5.25%
EMD (50/50 Blend)	2.00%	1.82%
Liquid Credit	3.00%	2.95%
Private Credit	3.00%	2.95%
Collateralized Loan Obligations (CLO)	2.00%	2.95%
Sub-total	12.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	-0.44%
Systematic Trend	5.00%	3.33%
Sub-total	10.00%	
Inflation Protection		
Core Real Estate	4.00%	4.80%
Private Infrastructure	4.00%	5.65%
Sub-total	8.00%	
Volatility Protection		
IG Corp Credit	3.25%	1.18%
Securitized Credit	3.25%	1.18%
Absolute Return	6.50%	3.33%
Cash	2.00%	-0.32%
Sub-total	15.00%	
	100.00%	

10. Defined Benefit Pension Plans (continued):

Employees' Retirement System of the State of Rhode Island – Teachers (continued):

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

F. Discount Rate

The discount rate used to measure the total pension liability was 7.0%. 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.

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ 36,542,815	\$ 29,127,478	\$ 22,389,810

H. Pension Plan Fiduciary Net Position Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

10. Defined Benefit Pension Plans (continued):

Teachers' Survivor Benefits

A. Plan Description

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

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

B. Eligibility and Plan Benefits

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

In January, a yearly cost-of-living adjustment for spouse's benefits is paid and based on the annual social security adjustment.

Survivors are eligible for benefits if the member has made contributions for at least six months prior to death or retirement.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Teachers' Survivor Benefits (continued):

The TSB plan provides benefits based on the highest salary at the time of retirement of the teacher. Benefits are payable in accordance with the following table:

<u>Highest Annual Salary</u>	<u>Basic Monthly Spouse's Benefits</u>
\$17,000 or less	\$ 825.00
\$17,001 to \$25,000	\$ 962.50
\$25,001 to \$33,000	\$ 1,100.00
\$33,001 to \$40,000	\$ 1,237.50
\$40,001 and over	\$ 1,375.00

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

Parent and 1 Child	Parent and 2 or more Children	One Child Alone	Two Children Alone	Three or More Children Alone	Dependent Parent
150%	175%	75%	150%	175%	100%

C. 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 Greenwich School Department contributed \$28,469, \$29,336 and \$27,707 for the fiscal years ended June 30, 2023, 2022 and 2021, respectively, equal to 100% of the required contributions for each year.

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

At June 30, 2023 the East Greenwich School Department reported an asset of \$6,823,566 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, 2022, 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, 2021 rolled forward to June 30, 2022. The 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, 2022 the Department's proportion was 3.88%, which was a increase of 0.12% from the prior year.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Teachers' Survivor Benefits (continued):

For the year ended June 30, 2023 the East Greenwich School Department recognized pension income of \$743,577. At June 30, 2023 the East Greenwich School Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 167,684	\$ 878,765
Changes of assumptions	165,806	228,551
Net difference between projected and actual earnings on pension plan investments	-	157,818
Changes in proportion and differences between System contributions and proportionate share contributions	118,167	271,607
Contributions subsequent to the measurement date	28,469	-
	\$ 480,126	\$ 1,536,741
Net amount of deferred outflows and (inflows) excluding School contributions subsequent to measurement date		\$ (1,085,084)

The \$28,469 reported as deferred outflows of resources related to pensions resulting from the East Greenwich School Department contributions in fiscal year 2023 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:

Year ended June 30:	
2024	\$ (237,913)
2025	(331,744)
2026	(407,188)
2027	126,212
2028	(130,480)
Thereafter	(103,971)
	\$ (1,085,084)

10. Defined Benefit Pension Plans (continued):

Teachers' Survivor Benefits (continued):

E. Actuarial Assumptions

The total pension liability was determined using the following 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, 2021 valuation and the calculation of the total pension liability at June 30, 2022 were consistent with the results of an actuarial experience study performed as of June 30, 2019, as approved by the System's board on May 22, 2020.

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 40 sources. The June 30, 2022 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Teachers' Survivor Benefits (continued):

<u>Asset class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
GROWTH		
Global equity:		
U.S. Equity	24.30%	5.52%
International Developed Equity	11.10%	6.04%
Emerging Markets Equity	4.60%	7.83%
Sub-total	40.00%	
Private Growth		
Private Equity	12.50%	9.42%
Non-Core Real Estate	2.50%	4.80%
Sub-total	15.00%	
INCOME		
Equity Options	2.00%	5.25%
EMD (50/50 Blend)	2.00%	1.82%
Liquid Credit	3.00%	2.95%
Private Credit	3.00%	2.95%
Collateralized Loan Obligations (CLO)	2.00%	2.95%
Sub-total	12.00%	
STABILITY		
Crisis Protection Class		
Treasury Duration	5.00%	-0.44%
Systematic Trend	5.00%	3.33%
Sub-total	10.00%	
Inflation Protection		
Core Real Estate	4.00%	4.80%
Private Infrastructure	4.00%	5.65%
Sub-total	8.00%	
Volatility Protection		
IG Corp Credit	3.25%	1.18%
Securitized Credit	3.25%	1.18%
Absolute Return	6.50%	3.33%
Cash	2.00%	-0.32%
Sub-total	15.00%	
	100.00%	

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

F. Discount Rate

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

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

10. Defined Benefit Pension Plans (continued):

Teachers' Survivor Benefits (continued):

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

The following presents the net pension liability (asset) calculated using the current discount rate as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

1.00% Decrease (6.0%)	Current Discount Rate (7.0%)	1.00% Increase (8.0%)
\$ (5,990,019)	\$ (6,823,566)	\$ (7,580,892)

H. Pension Plan Fiduciary Net Position

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

I. Aggregated Pension Information

	Net Pension Asset	Deferred Outflows of Resources Related to Pensions	Net Pension Liability	Deferred Inflows of Resources Related to Pensions	Pension Expense (Income)
Municipal Employees' Retirement System					
Town Employees	\$ 626,028	\$ 216,421	\$ -	\$ 120,188	\$ 726,279
Town Employees w/COLA	984,758	379,404	-	791,250	(297,901)
Town Fire Non-Cert Employees	-	21,755	99,286	2,931	7,084
Police Employees	-	1,348,310	5,567,557	1,051,247	175,520
Fire Employees	-	1,652,404	6,826,117	786,929	663,411
Employees' Retirement System	-	6,141,106	29,127,478	2,096,761	4,191,424
Teachers' Survivors Benefit Plan	6,823,566	480,126	-	1,536,741	(743,577)
Total	\$ 8,434,352	\$ 10,239,526	\$41,620,439	\$ 6,386,047	\$ 4,722,240

For governmental activities, the net pension asset \$8,357,704 for the Town is recorded on the government-wide statement of net position. Sewer fund's portion of the net pension asset of \$76,648 (Town Employees w/ COLA) is recorded in the statement of net position of the business-type activities/enterprise funds.

10. Defined Benefit Pension Plans (continued):

Defined Contribution Plan

A. Plan Description

Certain employees participating in the ERS defined 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. Employees contribute 5% of their annual covered salary and employers contribute 1% of annual covered salary. Employee contributions are immediately vested while employer contributions and any investment earnings thereon are vested after three years of contributory service. Benefit terms and contributions required under the plan by both the employee and employer are established by the General Laws, which are subject to amendment by the General Assembly.

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

The East Greenwich School Department recognized expense associated with the defined contribution plan of \$742,271 for the year ended June 30, 2023.

B. Plan Funding Policy

The Funding policy is outlined in RIGL chapter 36-10.3 (which can be amended by the Rhode Island General Assembly). Contribution rates are:

	Employee Contribution	Employer Contribution
ERS - Teachers - Contribute to Social Security - Less Than 20 Years of Service at 7/1/2012	5%	1% to 1.5% Depending on Years of Service
ERS - Teachers - Do Not Contribute to Social Security - Less Than 20 Years of Service at 7/1/2012	7%	3% to 3.5% Depending on Years of Service
ERS - Teachers - More Than 20 Years of Service on July 1, 2012	No DC Plan Contributions (Employee and Employer) After July 1, 2015	

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich OPEB Trust (the Trust)

A. Plan Description

The East Greenwich OPEB Trust Fund administers the Town's Other Post-Employment Benefits, a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) to the below listed employee groups of the Town. Benefit provisions are established through negotiations between the Town and the various unions representing the employees. The plan is considered to be part of the Town's financial reporting Town and is included in the Town's financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a standalone financial report.

Each group is covered under a separate contract with the Town. The groups are:

- Police Department
- Fire Department
- National Education Association of RI (NEAR!)
- Department of Public Works (DPW)
- Other groups including Non-Union, Town Council, Department Heads, and Non- Police Union (Other)

Seasonal employees and temporary police are excluded from the Plan.

The Trust Fund investments are managed by Vanguard Institutional Advisory Services (VIAS) and services are administered by Public Agency Retirement Services. All costs for management and administration are paid by the assets in the Trust Fund.

B. Benefits Provided

Police and Fire

Upon retirement, Police Officers and Fire Fighters receive fully covered medical coverage (single or family) under Blue Cross Blue Shield (or equivalent) until the retiree becomes Medicare eligible. At the time the retiree becomes eligible for Medicare they will become covered under the Group Plan 65 (single or single +1 coverage).

Dental coverage is only provided to Police or Fire retirees that were hired before 7/1/2019 with 20 years of service until age 65.

Life Insurance coverage of \$50,000 is provided only to police officers that retire with 20 or more years of service. Some current retirees have life insurance coverage at a lower rate, applicable at the time of retirement.

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich OPEB Trust (the Trust) (continued):

DPW, NEARI, and Other Divisions

Upon retirement employees receive full coverage under the Group Plan 65 (single coverage only).

Effective for all individuals retiring after July 1, 1993, the Town's obligation to provide health care coverage for a retiree shall continue until the retiree or his/her spouse is enjoying accident and health coverage from another employer. If the coverage under the new employer provides coverage in an amount less than that provided by the Town plan, the Town shall pay to the accident and health care provider the additional premium required to provide medical benefits not less than provided by the Town plan. If the accidental and health care program under the new employer ceases to be provided at any time before the retiree becomes eligible for Medicare, the Town's obligation to pay for medical coverage shall resume.

C. Eligibility

Police and Fire

Police Officers and Fire Fighters are participants in the Municipal Employee Retirement System (MERS) and are eligible for retirement at age 55 with 10 years of service or any time after attaining 20 years of service. Effective July 1, 2018, retirement age under MERS changed to age 50 and 25 years of service (or 27 years of service) for police officers and fire fighters that were not retirement eligible as of June 30, 2018. Employees hired after July 1, 2019 must be employed by the Town for 20 years to receive benefits.

DPW, NEARI, and Other Divisions

Employees who retire after age 65 and after earning 10 or more years of credited service.

Certain employees under this group are participants in the MERS and are eligible for retirement at age 58 with 10 years of service. Effective July 1, 2012, retirement age under MERS changed to Social Security Normal Retirement Age and 5 years of service (early retirement as early as age 59) that were not retirement eligible as of June 30, 2012.

D. Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

	<u>Participants</u>
Active Employees	144
Retires	105
Total	<u>249</u>

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich OPEB Trust (the Trust) (continued):

E. Contributions

DPW, NEARI, and Other Divisions

If an employee retires prior to age 65, the retiree is partially covered under the Blue Cross Blue Shield Plan (single coverage only) with the Town contributing 3.3% of the premium per year of service at retirement. Retirees contribute the remaining amount of the required premium which is not funded by the Town.

Police and Fire

Employee contributions are not required for Police Officers and Fire Fighters upon retirement.

F. Investments

Investment Policy

The Trust's policy in regard *to* the allocation of invested assets is established and may be amended by the VIAS discretionary investment management agreement approved and signed by the Town's plan administrator and any other investment policy established by the Town. It is the policy of the Town *to* pursue an investment strategy that reduced risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Town's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims *to* refrain from dramatically shifting asset class allocations over short term time span.

Rate of Return

For the year ended June 30, 2023 the annual money-weighted rate of return on investments, net of investment expense, was 8.26% The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

G. Net OPEB Liability of the Town

The components of the net OPEB liability of the Town at June 30, 2023, were as follows:

Total OPEB liability	\$ 23,208,316
Plans fiduciary net position	3,920,421
Town's net OPEB liability	\$ 19,287,895
Plan net position as a percentage of the total OPEB liability	16.89%

For governmental activities of the net OPEB liability of \$18,754,066 for the Town is recorded on the government-wide statement of net position. Sewer fund's portion of net OPEB liability of \$533,829 recorded in the statement of net position of the business- type activities/enterprise funds.

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich OPEB Trust (the Trust) (continued):

The Town's net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

H. Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Description	Assumption
Discount Rate	3.88%
Projected Salary Increase	3.00%
Investment Rate of Return	6.00%
Healthcare Cost Trend Rate	6.50% Per Year Graded Down by the Getzen Model to an Ultimate Rate of 4.04% Per Year. Dental is a Flat 4.0%

Mortality rates were based on 2010 Public sector Retirement Plans Mortality table for total Teacher, total Public Safety and total General employee populations with MP-2021.

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 pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Vanguard Growth Strategy	100%	6.00%

I. Discount Rate

The discount rate used to measure the total OPEB liability for the Town's OPEB Plan was 3.88% for the current year, as compared to 3.71% in the prior year. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plans fiduciary net position was projected to be available to make projected future benefit payments of current plan members for four years. These payments were discounted using the long-term expected rate of return of 6.00%. Future benefits payments beyond four years were discounted using the tax-exempt general obligation municipal bonds rated AA or better rate at June 30, 2023, which was 3.86%. The tax-exempt general obligation municipal bonds rate was set using the Fidelity General Obligation AA - 20 Years Index.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich OPEB Trust (the Trust) (continued):

The long-term expected rate of 6.00% was blended with the index rate of 3.86% for tax exempt general obligation municipal bonds rated AA or better at June 30, 2023, to arrive at a discount rate of 3.88% used to determine the Town's Plan total OPEB liability.

J. Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2022	\$ 24,398,695	\$ 3,621,320	\$ 20,777,375
Changes for the Year:			
Service cost	664,269	-	664,269
Interest on the Total OPEB Liability	884,502	-	884,502
Changes in Benefits	555,002	-	555,002
Changes in assumptions	(628,807)	-	(628,807)
Difference Between Expected and Actual Experience	(1,788,762)	-	(1,788,762)
Employer Contributions	-	876,583	(876,583)
Net Investment Income	-	299,101	(299,101)
Benefit payments, including refunds	(876,583)	(876,583)	-
Net changes	(1,190,379)	299,101	(1,489,480)
Balances at June 30, 2023	<u>\$ 23,208,316</u>	<u>\$ 3,920,421</u>	<u>\$ 19,287,895</u>

K. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

	<u>1% Decrease (3.88)</u>	<u>Current discount rate (3.88%)</u>	<u>1% Increase (4.88%)</u>
Total OPEB liability	\$ 21,816,861	\$ 19,287,895	\$ 17,148,313

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich OPEB Trust (the Trust) (continued):

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

The following presents the net OPEB liability of the Town, as well as what the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (5.50% decreasing to 3.04%, Dental is a flat 3.0%)	Current trend rate (6.50% decreasing to 4.04%, Dental is a flat 4.0%)	1% Increase (7.50% decreasing to 5.04%, Dental is a flat 5.0%)
Total OPEB liability	\$ 17,368,201	\$ 19,287,895	\$ 21,564,168

M. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the Town recognized OPEB expense of \$(451,068), including \$446,726 reported for Sewer fund. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Change in assumptions	\$ 2,978,397	\$ 4,893,586
Differences between actual and expected experience	-	6,023,724
Differences between actual and expected experience	155,037	-
Total	\$ 3,133,434	\$ 10,917,310

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB expense as follows:

Year ended June 30:	
2024	\$ (2,338,473)
2025	(2,353,782)
2026	(1,747,646)
2027	(937,645)
2028	(320,073)
Thereafter	(86,257)
Total	\$ (7,783,876)

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich School Department Postretirement Health Insurance Program:

A. Plan Description

The Town of East Greenwich School Department administers the School Department Postretirement Health Insurance Program (the Program), a single employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) to members of the East Greenwich School Department. Benefit provisions are established through negotiations between the School Department and the various unions representing the employees. The Program is not administered through a trust and there are no assets being accumulated for the Program in a trust or trust-like arrangement. The Program does not issue a standalone financial report.

B. Benefits Provided

Eligible retirees receive full medical and dental insurance coverage for two (2) years following retirement. The eligible retiree may elect individual or family coverage.

Eligible retirees are covered under their life insurance policy for an additional two (2) years following retirement. The base amount for life insurance is \$30,000 for teachers and \$60,000 for administrators.

C. Eligibility

Members of the East Greenwich School Department are eligible for postretirement health and life insurance coverage after attaining twenty (20) years of service with the School Department. Certain administrative members require only five (5) years of service with the School Department to become eligible.

Members of the East Greenwich School Department are generally members in the Employee Retirement System of Rhode Island ("ERSRI"). ERSRI members that were vested (10 years of service under ERSRI) by July 1, 2005 are eligible for retirement at any age with 28 years of service or at age 60 with 10 years of service. ERSRI members that were not vested by July 1, 2005 are eligible for retirement at age 59 with 29 years of service or age 65 with 10 years of service will full pension benefits or age 55 with 20 years of service and reduced pension benefits. For ERSRI members with less than 5 years of service as of July 1, 2012, retirement age is a members Social Security Normal Retirement Age and 5 years of service.

Current paraprofessionals and custodians are excluded from the program. There is one grandfathered retiree currently receiving medical and dental benefits.

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich School Department Postretirement Health Insurance Program (continued):

D. Employees Covered by Benefit Terms

At June 30, 2023, the following employees were covered by the benefit terms:

	<u>Participants</u>
Active Employees	319
Retires	<u>10</u>
Total	<u><u>329</u></u>

E. Contributions

The retiree contribution rate is 18% for the rate charged to active members for individual or family coverage as applicable (20% for administrative members). A retiree may elect the buyback amount in lieu of medical and dental coverage. As of July 1, 2018, the buyback amount is \$4,375 per year.

F. Total OPEB Liability of the Town

The Town's total OPEB liability was measured as of June 30, 2023.

G. Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<u>Description</u>	<u>Assumption</u>
Discount Rate	3.86%
Projected Salary Increases	3.00%
Investment Rate of Return	6.00%
Healthcare Cost Trend Rate	6.50% Per Year Graded Down by the Getzen Model to an Ultimate Rate of 4.04%

Mortality rates were based on 2010 Public sector Retirement Plans Mortality table for total Teacher, total Public Safety and total General employee populations with MP-2021.

Town of East Greenwich, Rhode Island
Notes to Financial Statements
For the Year Ended June 30, 2023

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich School Department Postretirement Health Insurance Program (continued):

H. Discount Rate

The discount rate used to measure the total OPEB liability for the School Department Postretirement Health Insurance Program was 3.86% for the current year, as compared to 3.69% in the prior year. The discount rate is based on the tax-exempt general obligation municipal bonds rated AA or better rate at June 30, 2023, which was 3.69%. The tax-exempt general obligation municipal bonds rate was set using the Fidelity General Obligation AA- 20 Years Index.

I. Change in the Total OPEB Liability

	Net OPEB Liability
Balance at June 30, 2022	\$ 7,141,870
Service cost	382,593
Interest on net OPEB liability and service cost	252,534
Changes of benefit terms	-
Differences between actual and expected experience	531,640
Changes in assumptions	(182,131)
Benefit payments, including refunds	(175,590)
Trust administrative expenses	-
Contributions - employer	-
Contributions - active employees	-
Net investment income	-
Net changes	809,046
Balances at June 30, 2023	\$ 7,950,916

J. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Impact of 1% Change in Discount Rate		
	1% Decrease (2.86%)	Current discount rate (3.86%)	1% Increase (4.86%)
Total OPEB liability	\$ 8,472,543	\$ 1,950,916	\$ 7,456,793

Town of East Greenwich, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2023

11. Other Postemployment Benefit (OPEB) Plans

The Town of East Greenwich School Department Postretirement Health Insurance Program (continued):

K. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

Impact of 1% Change in Healthcare Trend Rate			
	1% Decrease (5.50% decreasing to 3.04%, Dental is a flat 3.0%)	Current trend rate (6.50% decreasing to 4.04%, Dental is a flat 4.0%)	1% Increase (7.50% decreasing to 5.04%, Dental is a flat 5.0%)
Total OPEB liability	\$ 7,091,107	\$ 7,950,916	\$ 8,958,588

L. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the Town recognized OPEB expense of \$607,746. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	\$ 677,440	\$ 620,903
Changes in assumptions	630,741	834,711
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total	\$ 1,308,181	\$ 1,455,614

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

Year ended June 30:	
2024	\$ (27,382)
2025	(27,382)
2026	(27,382)
2027	(27,382)
2028	(27,382)
Thereafter	(10,523)
Total	\$ (147,433)

Town of East Greenwich, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2023

11. Other Postemployment Benefit (OPEB) Plans

M. Aggregated OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2023:

	<u>Deferred Outflow of Resources Related to OPEB</u>	<u>Deferred Inflows of Resources Related to OPEB</u>	<u>Net OPEB Liability</u>	<u>OPEB Expense</u>
Town Postretirement Health Insurance Plan	\$ 3,133,434	\$ 10,917,310	\$ 19,287,895	\$ (451,868)
School Department Health Insurance Program	1,308,181	1,455,614	7,950,916	607,746
Total	<u>\$ 4,441,615</u>	<u>\$ 12,372,924</u>	<u>\$ 27,238,811</u>	<u>\$ 155,878</u>

12. Litigation, Claims, Judgments, And Settlements

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

13. Risk Management

Health Insurance

The School Department participated in a multiemployer cost reimbursement healthcare self-insurance risk pool managed by WB Community Health (WBCH). The School Department pays WBCH monthly premiums based upon "working rates" that are periodically adjusted to reflect changes in actual costs. Funds on deposit with WBCH are made available to pay claims, claim reserves and administrative costs. Due to the School Department experiencing significant increases in claims payments over prior fiscal years, the Town converted to a fully insured plan for health insurance. As of July 1, 2022, the Town participates in the Rhode Island Interlocal Trust plan.

Town of East Greenwich, Rhode Island

Notes to Financial Statements

For the Year Ended June 30, 2023

13. Risk Management (continued):

The School Department is a member of a Health Pool Trust. The relationship between members and the Trust is not a joint venture, but rather is a public Town risk pool with the members being participants in the pool.

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters for which the Town carries commercial insurance. Settled claims resulting from these risks have not exceeded the Town's coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage from the prior year.

14. Subsequent Events

Management reviewed subsequent events through the report date of January 26, 2024. No material events have occurred that require disclosures.

Required Supplementary Information Section

Town of East Greenwich, Rhode Island
Required Supplementary Information
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget - Positive (Negative)
Revenues:				
Property tax revenues	\$ 60,400,455	\$ 60,400,455	\$ 60,543,079	\$ 142,624
Intergovernmental revenues	8,027,985	8,027,985	8,352,623	324,638
Licenses, fees, tuition and rent	1,031,550	1,031,550	1,498,027	466,477
Other local revenues	2,008,140	2,008,140	2,224,744	216,604
Total revenues	<u>71,468,130</u>	<u>71,468,130</u>	<u>72,618,473</u>	<u>1,150,343</u>
Use of fund balance	<u>1,524,965</u>	<u>1,573,832</u>	<u>1,573,832</u>	<u>-</u>
Total Revenues and Use of Fund Balance	<u>72,993,095</u>	<u>73,041,962</u>	<u>74,192,305</u>	<u>1,150,343</u>
Expenditures:				
Current:				
General government	3,168,040	3,168,040	3,177,599	(9,590)
Public safety	13,868,675	13,868,675	14,225,836	(357,161)
Public works	3,851,656	3,851,656	3,688,232	163,424
Community parks and recreation	1,232,852	1,230,337	1,176,239	54,098
Senior and Human Services	398,114	400,629	411,992	(11,363)
Education	45,210,476	45,259,343	44,699,389	559,954
Miscellaneous	1,455,000	1,455,000	1,369,686	85,314
Total expenditures	<u>69,184,813</u>	<u>69,233,680</u>	<u>68,748,974</u>	<u>484,675</u>
Excess of Revenues over Expenditures	<u>3,808,282</u>	<u>3,808,282</u>	<u>5,443,331</u>	<u>1,635,018</u>
Other Financing Uses:				
Transfers in	-	-	-	-
Transfers out	<u>(3,808,282)</u>	<u>(3,808,282)</u>	<u>(4,538,282)</u>	<u>(730,000)</u>
Total Other Financing Uses	<u>(3,808,282)</u>	<u>(3,808,282)</u>	<u>(4,538,282)</u>	<u>(730,000)</u>
Excess of Revenues and Other Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 905,049</u>	<u>\$ 905,018</u>
Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance because of the following reconciling items:				
Use of fund balance is not a GAAP revenue			(1,573,832)	
Change in encumbrances			<u>(181,717)</u>	
Total Net Change in Fund Balance - GAAP basis			<u>\$ (850,500)</u>	

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2023

The accompanying Statement of Revenues and Expenses - Budget and Actual presents comparisons of the legally adopted budget (more fully described in Note 1) with actual data on the budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resultant basis, timing, perspective and entity differences in the excess (deficiency) of revenues over expenses for the year ended June 30, 2023 are presented below:

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>	<u>Net Changes in Fund Balance</u>
Balance, to GAAP Reconciliation	\$ 74,192,305	\$ 73,287,256	\$ 905,049
State Teachers' Retirement on-Behalf Contributions for Pension	2,343,464	2,343,464	-
Effects of Gasb Statement No 96, not budgeted	96,237	96,237	-
Use of Fund Balance	(1,573,832)	-	(1,573,832)
Encumbrances are Reported in the Year the Order is Placed for Budgetary Purposes	<u>-</u>	<u>181,717</u>	<u>(181,717)</u>
Balance, GAAP Basis	<u>\$ 75,058,174</u>	<u>\$ 75,908,673</u>	<u>\$ (850,500)</u>

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island

Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Town Employees
Schedule of Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
A. Total pension liability									
1. Service Cost	\$ 145,358	\$ 137,003	\$ 133,210	\$ 111,102	\$ 120,085	\$ 103,137	\$ 105,287	\$ 103,703	\$ 99,292
2. Interest on the Total Pension Liability	500,816	467,628	455,987	442,965	452,499	464,122	471,552	471,823	470,293
3. Changes of benefit terms	-	-	-	-	-	-	-	115,576	-
4. Difference between expected and actual experience of the Total Pension Liability	293,583	315,428	157,520	103,827	(208,304)	(133,067)	(141,746)	(187,642)	-
5. Changes of assumptions	-	-	(123,808)	-	-	350,998	-	-	(51,335)
6. Benefit payments, including refunds of employee contributions	(445,671)	(454,581)	(462,424)	(503,408)	(488,582)	(546,798)	(519,351)	(496,385)	(503,723)
7. Net change in total pension liability	494,086	465,478	160,485	154,486	(124,302)	238,392	(84,258)	7,075	14,527
8. Total pension liability – beginning	7,304,668	6,839,190	6,678,705	6,524,219	6,648,521	6,410,129	6,494,387	6,487,312	\$ 6,472,785
9. Total pension liability – ending (a)	<u>\$ 7,798,754</u>	<u>\$ 7,304,668</u>	<u>\$ 6,839,190</u>	<u>\$ 6,678,705</u>	<u>\$ 6,524,219</u>	<u>\$ 6,648,521</u>	<u>\$ 6,410,129</u>	<u>\$ 6,494,387</u>	<u>\$ 6,487,312</u>
B. Plan fiduciary net position									
1. Contributions – employer	98,446	82,459	69,214	57,052	57,949	65,206	59,728	78,349	59,487
2. Contributions – employee	42,241	42,347	45,891	42,791	45,568	42,978	39,342	22,842	19,825
3. Net investment income	(235,903)	2,062,407	275,745	465,261	553,595	763,822	13,936	171,162	1,032,284
4. Benefit payments, including refunds of employee contributions	(445,671)	(454,581)	(462,424)	(503,408)	(488,582)	(546,798)	(519,351)	(496,385)	(503,723)
5. Pension Plan Administrative Expense	(8,042)	(7,858)	(7,597)	(7,273)	(7,370)	(7,216)	(22,741)	(6,879)	(6,464)
6. Other	(561,842)	257,734	183,300	(3,732)	44,537	1,181	-	(215,978)	(189,935)
7. Net change in plan fiduciary net position	(1,110,771)	1,982,508	104,129	50,691	205,697	319,173	(429,086)	(446,889)	411,474
8. Plan fiduciary net position – beginning	9,535,553	7,553,045	7,448,916	7,398,225	7,192,528	6,874,554	7,303,640	7,750,529	7,339,055
9. Plan fiduciary net position – ending (b)	<u>8,424,782</u>	<u>9,535,553</u>	<u>7,553,045</u>	<u>7,448,916</u>	<u>7,398,225</u>	<u>7,193,727</u>	<u>6,874,554</u>	<u>7,303,640</u>	<u>7,750,529</u>
C. Net pension liability - ending (a) - (b)	\$ (626,028)	\$ (2,230,885)	\$ (713,855)	\$ (770,211)	\$ (874,006)	\$ (545,206)	\$ (464,425)	\$ (809,253)	\$ (1,263,217)
D. Plan fiduciary net position as a percentage of the total pension liability	108.03%	130.54%	110.44%	111.53%	113.40%	108.20%	107.25%	112.46%	119.47%
E. Covered payroll	\$ 1,776,992	\$ 1,604,255	\$ 1,534,681	\$ 1,251,154	\$ 1,308,111	\$ 1,268,599	\$ 1,158,274	\$ 1,142,107	\$ 1,093,519
F. Net pension liability as a percentage of covered payroll	-35.23%	-139.06%	-46.51%	-61.56%	-66.81%	-42.98%	-40.10%	-70.86%	-115.52%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available
Note: Measurement date of the net pension liability is one year prior to report date

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island

Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Town Employees with COLA
Schedule of Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
A. Total pension liability									
1. Service Cost	\$ 495,389	\$ 494,007	\$ 511,790	\$ 516,154	\$ 550,204	\$ 551,263	\$ 530,518	\$ 519,936	\$ 532,162
2. Interest on the Total Pension Liability	1,807,599	1,755,238	1,708,024	1,669,049	1,613,891	1,580,018	1,511,717	1,400,259	1,330,029
3. Changes of benefit terms	-	-	-	-	-	-	-	319,194	-
4. Difference between expected and actual experience of the Total Pension Liability	(39,025)	(188,846)	(89,668)	(514,167)	(328,885)	(146,524)	(228,251)	100,087	-
5. Changes of assumptions	-	-	(228,516)	-	-	990,834	-	-	(64,708)
6. Benefit payments, including refunds of employee contributions	(1,341,580)	(1,284,570)	(1,151,922)	(1,072,204)	(988,226)	(984,562)	(842,771)	(874,547)	(835,413)
7. Net change in total pension liability	922,383	775,829	749,708	598,832	846,984	1,991,029	971,213	1,464,929	962,070
8. Total pension liability – beginning	26,245,944	25,470,115	24,720,407	24,121,575	23,274,591	21,283,562	20,312,349	18,847,420	17,885,350
9. Total pension liability – ending (a)	<u>\$ 27,168,327</u>	<u>\$ 26,245,944</u>	<u>\$ 25,470,115</u>	<u>\$ 24,720,407</u>	<u>\$ 24,121,575</u>	<u>\$ 23,274,591</u>	<u>\$ 21,283,562</u>	<u>\$ 20,312,349</u>	<u>\$ 18,847,420</u>
B. Plan fiduciary net position									
1. Contributions – employer	334,339	297,328	266,097	264,876	265,658	305,983	312,577	392,668	322,223
2. Contributions – employee	164,331	163,621	168,177	172,225	190,667	186,912	188,573	114,931	113,285
3. Net investment income	(788,317)	6,434,723	884,293	1,503,252	1,738,621	2,426,006	(17,348)	496,830	2,795,391
4. Benefit payments, including refunds of employee contributions	(1,341,580)	(1,284,570)	(1,151,922)	(1,072,204)	(988,226)	(984,562)	(842,771)	(874,547)	(835,413)
5. Pension Plan Administrative Expense	(26,874)	(24,518)	(24,364)	(23,499)	(23,145)	(22,920)	(9,336)	(16,732)	(17,505)
6. Other	60,200	(57,556)	12,323	(12,180)	(793,177)	100,104	1,050	98,895	2,356
7. Net change in plan fiduciary net position	(1,597,901)	5,529,028	154,604	832,470	390,398	2,011,523	(367,255)	212,045	2,380,337
8. Plan fiduciary net position – beginning	29,750,986	24,221,958	24,067,354	23,234,884	22,844,486	20,832,963	21,200,218	20,988,173	18,607,836
9. Plan fiduciary net position – ending (b)	<u>28,153,085</u>	<u>29,750,986</u>	<u>24,221,958</u>	<u>24,067,354</u>	<u>23,234,884</u>	<u>22,844,486</u>	<u>20,832,963</u>	<u>21,200,218</u>	<u>20,988,173</u>
C. Net pension liability - ending (a) - (b)	\$ (984,758)	\$ (3,505,042)	\$ 1,248,157	\$ 653,053	\$ 886,691	\$ 430,105	\$ 450,599	\$ (887,869)	\$ (2,140,753)
D. Plan fiduciary net position as a percentage of the total pension liability	103.62%	113.35%	95.10%	97.36%	96.32%	98.15%	97.88%	104.37%	111.36%
E. Covered payroll	\$ 6,056,096	\$ 5,784,625	\$ 5,895,202	\$ 5,811,747	\$ 5,993,504	\$ 5,998,511	\$ 5,836,278	\$ 5,726,172	\$ 5,526,086
F. Net pension liability as a percentage of covered payroll	-16.26%	-60.59%	21.17%	11.24%	14.79%	7.17%	7.72%	-15.51%	-38.74%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available
Note: Measurement date of the net pension liability is one year prior to report date

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Town Fire Non-Cert Employees
Schedule of Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
A. Total pension liability									
1. Service Cost	\$ 2,248	\$ 2,123	\$ -	\$ -	\$ 2,863	\$ -	\$ 815	\$ 3,849	\$ 3,139
2. Interest on the Total Pension Liability	16,388	16,691	17,301	28,590	28,565	26,099	25,013	25,448	25,307
3. Changes of benefit terms	-	-	-	-	-	-	-	5,514	-
4. Difference between expected and actual experience of the Total Pension Liability	6,932	(1,648)	(3,398)	(168,450)	(8,232)	38,950	-	-	-
5. Changes of assumptions	-	-	(2,229)	-	-	15,205	10,839	(17,586)	(5,663)
6. Benefit payments, including refunds of employee contributions	(21,636)	(21,485)	(21,409)	(21,409)	(21,409)	(21,804)	(21,752)	(21,252)	(21,263)
7. Net change in total pension liability	3,932	(4,319)	(9,735)	(161,269)	1,787	58,450	14,915	(4,027)	1,520
8. Total pension liability – beginning	243,806	248,125	257,860	419,129	417,342	358,892	343,977	348,004	346,484
9. Total pension liability – ending (a)	<u>\$ 247,738</u>	<u>\$ 243,806</u>	<u>\$ 248,125</u>	<u>\$ 257,860</u>	<u>\$ 419,129</u>	<u>\$ 417,342</u>	<u>\$ 358,892</u>	<u>\$ 343,977</u>	<u>\$ 348,004</u>
B. Plan fiduciary net position									
1. Contributions – employer	8,877	7,420	6,461	-	2,868	-	929	7,766	4,970
2. Contributions – employee	855	807	462	-	571	-	207	987	747
3. Net investment income	(4,157)	35,613	5,200	9,485	12,267	33,181	(105)	7,556	43,637
4. Benefit payments, including refunds of employee contributions	(21,636)	(21,485)	(21,409)	(21,409)	(21,409)	(21,804)	(21,752)	(21,252)	(21,263)
5. Pension Plan Administrative Expense	(142)	(136)	(143)	(148)	(163)	(313)	(281)	(303)	(273)
6. Other	-	-	-	-	(142,643)	(2)	-	(1)	1
7. Net change in plan fiduciary net position	(16,203)	22,219	(9,429)	(12,072)	(148,509)	11,062	(21,002)	(5,247)	27,819
8. Plan fiduciary net position – beginning	164,655	142,436	151,865	163,937	312,446	301,384	322,386	327,633	299,814
9. Plan fiduciary net position – ending (b)	<u>148,452</u>	<u>164,655</u>	<u>142,436</u>	<u>151,865</u>	<u>163,937</u>	<u>312,446</u>	<u>301,384</u>	<u>322,386</u>	<u>327,633</u>
C. Net pension liability - ending (a) - (b)	\$ 99,286	\$ 79,151	\$ 105,689	\$ 105,995	\$ 255,192	\$ 104,896	\$ 57,508	\$ 21,591	\$ 20,371
D. Plan fiduciary net position as a percentage of the total pension liability	59.92%	67.54%	57.40%	58.89%	39.11%	74.87%	83.98%	93.72%	94.15%
E. Covered payroll	\$ 42,737	\$ 40,360	\$ 23,108	\$ -	\$ 28,542	\$ -	\$ 10,334	\$ 49,341	\$ 37,371
F. Net pension liability as a percentage of covered payroll	232.32%	196.11%	457.37%	#DIV/0!	894.09%	#DIV/0!	556.49%	43.76%	54.51%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available
Note: Measurement date of the net pension liability is one year prior to report date

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Police Employees
Schedule of Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
A. Total pension liability									
1. Service Cost	\$ 478,387	\$ 469,351	\$ 486,024	\$ 510,357	\$ 527,840	\$ 453,432	\$ 427,351	\$ 390,013	\$ 372,758
2. Interest on the Total Pension Liability	1,666,312	1,656,608	1,652,579	1,598,440	1,561,693	1,520,628	1,466,942	1,374,698	1,334,421
3. Changes of benefit terms	-	-	-	-	-	-	-	520,782	-
4. Difference between expected and actual experience of the Total Pension Liability	619,047	(692,186)	(757,949)	(150,336)	(403,981)	(37,646)	(43,323)	51,859	-
5. Changes of assumptions	-	-	(86,862)	-	-	1,201,903	-	-	(96,981)
6. Benefit payments, including refunds of employee contributions	(1,322,716)	(1,276,607)	(1,179,200)	(1,166,550)	(1,137,148)	(1,144,199)	(1,152,174)	(1,100,046)	(1,063,538)
7. Net change in total pension liability	1,441,030	157,166	114,592	791,911	548,404	1,994,118	698,796	1,237,306	546,660
8. Total pension liability – beginning	24,226,621	24,069,455	23,954,863	23,162,952	22,614,548	20,620,430	19,921,634	18,684,328	18,137,668
9. Total pension liability – ending (a)	<u>\$ 25,667,651</u>	<u>\$ 24,226,621</u>	<u>\$ 24,069,455</u>	<u>\$ 23,954,863</u>	<u>\$ 23,162,952</u>	<u>\$ 22,614,548</u>	<u>\$ 20,620,430</u>	<u>\$ 19,921,634</u>	<u>\$ 18,684,328</u>
B. Plan fiduciary net position									
1. Contributions – employer	757,344	721,232	697,082	693,687	696,413	680,149	641,008	565,061	410,654
2. Contributions – employee	240,275	234,092	229,905	240,278	248,627	236,164	228,603	173,534	164,093
3. Net investment income	(562,824)	4,539,901	612,929	1,027,165	1,177,373	1,567,970	(4,665)	321,983	1,838,387
4. Benefit payments, including refunds of employee contributions	(1,322,716)	(1,276,607)	(1,179,200)	(1,166,550)	(1,137,148)	(1,144,199)	(1,152,174)	(1,100,046)	(1,063,538)
5. Pension Plan Administrative Expense	(19,187)	(17,298)	(16,888)	(16,057)	(15,674)	(14,814)	(12,549)	(11,067)	(11,512)
6. Other	16,944	-	-	(67,797)	-	(33)	(2)	(12,993)	1
7. Net change in plan fiduciary net position	(890,164)	4,201,320	343,828	710,726	969,591	1,325,237	(299,779)	(63,528)	1,338,085
8. Plan fiduciary net position – beginning	20,990,258	16,788,938	16,445,110	15,734,384	14,764,793	13,439,556	13,739,335	13,802,863	12,464,778
9. Plan fiduciary net position – ending (b)	<u>20,100,094</u>	<u>20,990,258</u>	<u>16,788,938</u>	<u>16,445,110</u>	<u>15,734,384</u>	<u>14,764,793</u>	<u>13,439,556</u>	<u>13,739,335</u>	<u>13,802,863</u>
C. Net pension liability - ending (a) - (b)	\$ 5,567,557	\$ 3,236,363	\$ 7,280,517	\$ 7,509,753	\$ 7,428,568	\$ 7,849,755	\$ 7,180,874	\$ 6,182,299	\$ 4,881,465
D. Plan fiduciary net position as a percentage of the total pension liability	78.31%	86.64%	69.75%	68.65%	67.93%	65.29%	65.18%	68.97%	73.87%
E. Covered payroll	\$ 2,402,746	\$ 2,340,903	\$ 2,299,074	\$ 2,402,808	\$ 2,486,294	\$ 2,361,623	\$ 2,292,658	\$ 2,169,150	\$ 2,084,775
F. Net pension liability as a percentage of covered payroll	231.72%	138.25%	316.67%	312.54%	298.78%	332.39%	313.21%	285.01%	234.15%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note: Measurement date of the net pension liability is one year prior to report date

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Municipal Employee's Retirement System Agent Plan – Fire Employees
Schedule of Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
A. Total pension liability									
1. Service Cost	\$ 548,554	\$ 532,238	\$ 550,730	\$ 524,081	\$ 534,564	\$ 494,010	\$ 453,527	\$ 408,699	\$ 391,401
2. Interest on the Total Pension Liability	1,745,819	1,652,173	1,610,600	1,562,397	1,456,481	1,394,410	1,339,670	1,239,901	1,206,908
3. Changes of benefit terms	-	-	-	-	-	-	-	557,617	-
4. Difference between expected and actual experience of the Total Pension Liability	(346,883)	284,191	(503,525)	(278,571)	640,190	268,706	23,103	151,465	-
5. Changes of assumptions	-	-	62,617	-	-	1,159,532	-	-	(111,133)
6. Benefit payments, including refunds of employee contributions	(1,161,953)	(1,115,959)	(1,118,584)	(1,146,649)	(1,079,187)	(1,165,198)	(1,048,145)	(1,051,556)	(1,060,261)
7. Net change in total pension liability	785,537	1,352,643	601,838	661,258	1,552,048	2,151,460	768,155	1,306,126	426,915
8. Total pension liability – beginning	25,246,974	23,894,331	23,292,493	22,631,235	21,079,187	18,927,727	18,159,572	16,853,446	16,426,531
9. Total pension liability – ending (a)	<u>\$ 26,032,511</u>	<u>\$ 25,246,974</u>	<u>\$ 23,894,331</u>	<u>\$ 23,292,493</u>	<u>\$ 22,631,235</u>	<u>\$ 21,079,187</u>	<u>\$ 18,927,727</u>	<u>\$ 18,159,572</u>	<u>\$ 16,853,446</u>
B. Plan fiduciary net position									
1. Contributions – employer	955,900	888,892	799,057	769,371	738,829	767,306	666,079	623,185	455,828
2. Contributions – employee	282,557	274,776	263,803	256,817	260,379	268,892	255,969	195,953	184,574
3. Net investment income	(537,799)	4,260,764	562,414	929,699	1,054,324	1,409,229	(3,814)	260,782	1,477,703
4. Benefit payments, including refunds of employee contributions	(1,161,953)	(1,115,959)	(1,118,584)	(1,146,649)	(1,079,187)	(1,165,198)	(1,048,145)	(1,051,556)	(1,060,261)
5. Pension Plan Administrative Expense	(18,334)	(16,234)	(15,496)	(14,533)	(14,036)	(13,314)	(10,261)	(10,467)	(9,253)
6. Other	(13,644)	2,181	29,392	(1)	(140,356)	1,014,368	1,096	15,104	2,462
7. Net change in plan fiduciary net position	(493,273)	4,294,420	520,586	794,704	819,953	2,281,283	(139,076)	33,001	1,051,053
8. Plan fiduciary net position – beginning	19,699,667	15,405,247	14,884,661	14,089,957	13,270,004	10,988,721	11,127,797	11,094,796	10,043,743
9. Plan fiduciary net position – ending (b)	<u>19,206,394</u>	<u>19,699,667</u>	<u>15,405,247</u>	<u>14,884,661</u>	<u>14,089,957</u>	<u>13,270,004</u>	<u>10,988,721</u>	<u>11,127,797</u>	<u>11,094,796</u>
C. Net pension liability - ending (a) - (b)	<u>\$ 6,826,117</u>	<u>\$ 5,547,307</u>	<u>\$ 8,489,084</u>	<u>\$ 8,407,832</u>	<u>\$ 8,541,278</u>	<u>\$ 7,809,183</u>	<u>\$ 7,939,006</u>	<u>\$ 7,031,775</u>	<u>\$ 5,758,650</u>
D. Plan fiduciary net position as a percentage of the total pension liability	73.78%	78.03%	64.47%	63.90%	62.26%	62.95%	58.06%	61.28%	65.83%
E. Covered payroll	\$ 2,829,056	\$ 2,747,743	\$ 2,633,810	\$ 2,551,515	\$ 2,598,755	\$ 2,668,882	\$ 2,515,401	\$ 2,385,864	\$ 2,296,956
F. Net pension liability as a percentage of covered payroll	241.29%	201.89%	322.31%	329.52%	328.67%	292.60%	315.62%	294.73%	250.71%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note: Measurement date of the net pension liability is one year prior to report date

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Town Employees
Schedule of Contributions
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
Actuarially Determined Contribution	\$ 87,976	\$ 98,446	\$ 82,459	\$ 69,214	\$ 57,052	\$ 57,949	\$ 65,206	\$ 59,728	\$ 78,349
Contributions in Relation to the Determined Contribution	87,976	98,446	82,459	69,214	57,052	57,949	65,206	59,728	78,349
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,458,241	\$ 1,776,992	\$ 1,604,255	\$ 1,534,681	\$ 1,251,154	\$ 1,308,111	\$ 1,269,599	\$ 1,158,274	\$ 1,142,107
Contributions as a Percentage of Covered Payroll	6.03%	5.54%	5.14%	4.51%	4.56%	4.43%	5.14%	5.16%	6.86%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note 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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Town Employees with COLA
Schedule of Contributions
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
Actuarially Determined Contribution	\$ 350,220	\$ 334,339	\$ 297,328	\$ 266,097	\$ 264,876	\$ 265,658	\$ 305,983	\$ 312,577	\$ 392,668
Contributions in Relation to the Determined Contribution	350,220	334,339	297,328	266,097	264,876	265,658	305,983	312,577	392,668
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 5,792,661	\$ 6,056,096	\$ 5,784,625	\$ 5,896,202	\$ 5,811,747	\$ 5,993,504	\$ 5,998,511	\$ 5,836,278	\$ 5,726,172
Contributions as a Percentage of Covered Payroll	6.05%	5.52%	5.14%	4.51%	4.56%	4.43%	5.10%	5.36%	6.86%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note 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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Town Fire Non-Cert Employees
Schedule of Contributions
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
Actuarially Determined Contribution	\$ 15,634	\$ 8,877	\$ 7,420	\$ 6,461	\$ -	\$ 2,868	\$ -	\$ 929	\$ 7,766
Contributions in Relation to the Determined Contribution	15,634	8,877	7,420	6,461	-	2,868	-	929	7,766
Contributions Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 44,379	\$ 42,737	\$ 40,360	\$ 23,108	\$ -	\$ 28,542	\$ -	\$ 10,334	\$ 49,341
Contributions as a Percentage of Covered Payroll	35.23%	20.77%	18.38%	27.96%	N/A	10.05%	N/A	8.99%	15.74%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note 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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Police Employees
Schedule of Contributions
*Last 10 Years**

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
Actuarially determined contribution	\$ 855,708	\$ 757,344	\$ 721,232	\$ 697,082	\$ 693,687	\$ 696,413	\$ 680,149	\$ 641,008	\$ 565,081
Contributions in relation to the actuarially determined contribution	<u>855,708</u>	<u>757,344</u>	<u>721,232</u>	<u>697,082</u>	<u>693,687</u>	<u>696,413</u>	<u>680,149</u>	<u>641,008</u>	<u>565,081</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,700,217	\$ 2,402,746	\$ 2,340,903	\$ 2,299,074	\$ 2,402,808	\$ 2,486,294	\$ 2,361,623	\$ 2,292,658	\$ 2,169,150
Contributions as a percentage of covered payroll	31.69%	31.52%	30.81%	30.32%	28.87%	28.01%	28.80%	27.96%	26.05%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note 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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Municipal Employee's Retirement System Agent Plan – Fire Employees
Schedule of Contributions
*Last 10 Years***

	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
Actuarially determined contribution	\$ 1,064,385	\$ 955,900	\$ 888,892	\$ 799,057	\$ 769,371	\$ 738,829	\$ 767,306	\$ 666,079	\$ 623,185
Contributions in relation to the actuarially determined contribution	1,064,385	955,900	888,892	799,057	769,371	738,829	767,306	666,079	623,185
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,079,988	\$ 2,829,056	\$ 2,747,743	\$ 2,633,810	\$ 2,551,515	\$ 2,598,755	\$ 2,668,882	\$ 2,515,401	\$ 2,385,864
Contributions as a percentage of covered payroll	34.56%	33.79%	32.35%	30.34%	30.15%	28.43%	28.75%	26.48%	26.12%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note 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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Teachers Retirement Plan
Schedule of the Town's Proportionate Share of the Net Pension Liability and Related Ratios
*Last 10 Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	1.078%	1.0460%	1.0400%	1.0470%	1.0380%	0.9510%	1.0340%	0.9690%	0.9820%
Employer's proportionate share of the net pension liability	\$29,127,478	\$24,611,650	\$33,221,108	\$33,401,289	\$32,979,770	\$30,002,460	\$30,861,308	\$26,682,681	\$23,910,166
State's proportionate share of the net pension liability associated with the school district	21,541,816	18,251,744	24,684,097	25,021,024	24,598,302	22,674,651	21,135,464	18,228,770	16,396,302
Total	<u>\$50,669,294</u>	<u>\$42,863,394</u>	<u>\$57,905,205</u>	<u>\$58,422,313</u>	<u>\$57,578,072</u>	<u>\$52,677,111</u>	<u>\$51,996,772</u>	<u>\$44,911,451</u>	<u>\$40,306,468</u>
Employer's covered payroll	\$21,074,312	\$19,598,055	\$19,250,469	\$19,031,733	\$18,269,242	\$18,297,483	\$17,784,726	\$16,931,742	\$16,995,774
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	138.21%	125.58%	172.57%	175.50%	180.52%	163.97%	173.53%	157.59%	140.68%
Plan fiduciary net position as a percentage of the total pension liability	54.30%	66.50%	54.60%	54.60%	54.30%	54.00%	54.06%	57.55%	61.40%

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note to Schedule:

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

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of June 30, 2020 measurement date compared to the June 30, 2019

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Teachers Retirement Plan
Schedule of Contributions
*Last 10 Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 3,505,589	\$ 3,104,571	\$ 2,928,478	\$ 2,829,429	\$ 2,652,750	\$ 2,533,100	\$ 2,248,280	\$ 2,347,911	\$ 2,125,947
Contributions in relation to the actuarially determined contribution	3,505,589	3,104,571	2,928,478	2,829,429	2,652,750	2,533,100	2,248,280	2,347,911	2,125,947
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$21,074,312	\$19,598,055	\$19,598,065	\$19,250,469	\$19,031,733	\$18,269,242	\$18,297,483	\$17,784,726	\$16,931,742
Contributions as a percentage of covered payroll	16.63%	15.84%	14.94%	14.70%	13.94%	13.87%	12.29%	13.20%	12.56%

Notes:

* Note this schedule is intended to show information for 10 years - additional years will be displayed as they become available

Note to Schedule:

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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Teacher Survivors Benefit Plan
Schedule of the Town's Proportionate Share of the Net Pension Liability and Related Ratios
*Last 10 Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension asset	3.883%	3.770%	3.880%	3.789%	3.789%	3.724%	3.692%	3.643%	3.665%
Employer's proportionate share of the net pension asset	\$ 6,823,566	\$ 7,364,891	\$ 4,607,513	\$ 3,381,097	\$ 3,381,097	\$ 3,080,730	\$ 3,676,575	\$ 3,401,345	\$ 4,556,589
Employer's covered payroll	\$ 21,074,312	\$ 19,598,065	\$ 19,250,469	\$ 19,031,733	\$ 18,269,242	\$ 18,297,483	\$ 17,784,726	\$ 16,931,742	\$ 16,995,774
Employer's proportionate share of the net pension asset as a percentage of its covered payroll	32.38%	37.58%	23.93%	17.77%	18.51%	16.84%	20.67%	20.09%	26.81%
Plan fiduciary net position as a percentage of the total pension asset	177.7%	185.7%	150.2%	137.4%	137.4%	136.1%	153.3%	146.6%	173.3%

Notes:

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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Teacher Survivors Benefit Plan
Schedule of Contributions
*Last 10 Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily determined contribution	\$ 28,469	\$ 29,336	\$ 27,741	\$ 27,381	\$ 27,652	\$ 26,703	\$ 21,486	\$ 24,622	\$ 22,815
Contributions in relation to the statutorily determined contribution	<u>28,469</u>	<u>29,336</u>	<u>27,741</u>	<u>27,381</u>	<u>27,652</u>	<u>26,703</u>	<u>21,486</u>	<u>24,622</u>	<u>22,815</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 21,074,312	\$ 19,598,065	\$ 19,250,469	\$ 19,031,733	\$ 17,947,924	\$ 17,823,609	\$ 17,590,459	\$ 17,812,753	\$ 16,528,974
Contributions as a percentage of covered payroll	0.14%	0.15%	0.14%	0.14%	0.15%	0.15%	0.12%	0.14%	0.14%

Notes:

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

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Notes to State ERS, TSB and MERS Plans
For the Year Ended June 30, 2023

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

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

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

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

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

June 30, 2022 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2022 measurement date compared to the June 30, 2020 measurement date.

June 30, 2020 measurement date –

As part of the 2020 Actuarial Experience Study for the six-year period ending June 30, 2019 as approved by the System Board on May 22, 2020, certain assumptions were modified and reflected in the determination of net pension liability (asset) at the June 30, 2020 measurement date. The following summarizes the more significant changes in assumptions:

- Updated the underlying mortality tables from the RP-2014 set of tables to the public sector-based PUB (10) tables.
- Increased slightly the probabilities of turnover.
- Decreased slightly the probabilities of retirement.
- Modified slightly the probabilities of disability, including adding material incidence of disability for members in the age ranges that historically have been eligible to retire but under prospective provisions are not.

June 30, 2019 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2019 measurement date compared to the June 30, 2018 measurement date.

June 30, 2018 measurement date –

There were no changes in actuarial methods or assumptions reflected in the calculation of the net pension liability (asset) of the plans as of the June 30, 2018 measurement date compared to the June 30, 2017 measurement date.

See independent auditor’s report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Notes to State ERS, TSB and MERS Plans
For the Year Ended June 30, 2023

June 30, 2017 measurement date –

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

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

June 30, 2016 measurement date –

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

June 30, 2015 measurement date –

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

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

- Employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 11% for state employees and municipal general employees will contribute 8.25% (9.25% for units with a COLA provision) and participate solely in the defined benefit plan going forward – service credit accruals will increase from 1% to 2% per year.
- Members are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.
- MERS public safety employees may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS public safety employees will contribute 9.00% (10.00% for units with a COLA provision)

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
Notes to State ERS, TSB and MERS Plans
For the Year Ended June 30, 2023

- Employees with more than 10 but less than 20 years of service at July 1, 2012 will receive an increased employer contribution to the defined contribution plan. Also, members who earn less than \$35,000 per year will not be required to pay the administrative fees to the defined contribution plan.
- Members who retired from a COLA eligible plan before July 1, 2012 will received a one-time cost of living adjustment of 2% of the first \$25,000 paid as soon as administratively possible.
- Retirees as of June 30, 2015 will receive two \$500 stipends; the interim cost of living increases will occur at 4 year rather than 5-year intervals.
- The COLA formula was adjusted to: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5.5% (5yr Return - 5.5%, with a max of 4%) and 50% calculated using previous year's CPI-U (max of 3%) for a total max COLA of 3.5%. This COLA is calculated on the first \$25,855, effective 01/01/16, and indexed as of that date as well. (The indexing formula is run annually regardless of funding level each year.)
- Minor adjustments were made to the actuarial reduction for employees choosing to retire early.

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

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

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
OPEB Trust Plan
Schedule of Changes in Town's Net Pension Liability and Related Ratios
Last 10 Years

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability							
Service cost	\$ 664,269	\$ 913,106	\$ 868,234	\$ 745,430	\$ 1,027,630	\$ 1,370,374	\$ 1,601,706
Interest on net OPEB liability and service cost	884,502	610,517	722,567	837,959	1,306,953	1,278,417	1,114,524
Change of benefit terms	555,002	-	-	-	(8,326,565)	-	-
Differences between actual and expected experience	(1,788,762)	(2,956,350)	(697,880)	(85,981)	(4,072,148)	(1,433,610)	(221,518)
Changes of assumptions	(628,807)	(5,186,454)	2,168,004	2,222,788	1,418,989	(412,741)	(3,884,069)
Benefit payments, including refunds	<u>(876,583)</u>	<u>(827,853)</u>	<u>(808,889)</u>	<u>(945,461)</u>	<u>(842,034)</u>	<u>(813,708)</u>	<u>(809,496)</u>
Net change in total OPEB liability	(1,190,379)	(7,447,034)	2,252,036	2,774,735	(9,487,175)	(11,268)	(2,198,853)
Total OPEB liability - beginning	<u>24,398,695</u>	<u>31,845,729</u>	<u>29,593,693</u>	<u>26,818,958</u>	<u>36,306,133</u>	<u>36,317,401</u>	<u>38,516,254</u>
Total OPEB liability - ending	<u><u>\$ 23,208,316</u></u>	<u><u>\$ 24,398,695</u></u>	<u><u>\$ 31,845,729</u></u>	<u><u>\$ 29,593,693</u></u>	<u><u>\$ 26,818,958</u></u>	<u><u>\$ 36,306,133</u></u>	<u><u>\$ 36,317,401</u></u>
OPEB fiduciary net position							
Benefit payments, including refunds	\$ (876,583)	\$ (827,853)	\$ (808,889)	\$ (945,461)	\$ (842,034)	\$ (813,708)	\$ (809,496)
Contributions - employer	876,583	827,853	808,889	945,461	842,034	1,163,708	1,159,496
Net investment income	<u>299,101</u>	<u>(564,680)</u>	<u>907,505</u>	<u>142,944</u>	<u>200,869</u>	<u>198,547</u>	<u>257,366</u>
Net change in plan fiduciary net position	299,101	(564,680)	907,505	142,944	200,869	548,547	607,366
Plan fiduciary net position - beginning	<u>3,621,320</u>	<u>4,186,000</u>	<u>3,278,495</u>	<u>3,135,551</u>	<u>2,934,682</u>	<u>2,386,135</u>	<u>1,778,769</u>
Plan fiduciary net position - ending	<u><u>3,920,421</u></u>	<u><u>3,621,320</u></u>	<u><u>4,186,000</u></u>	<u><u>3,278,495</u></u>	<u><u>3,135,551</u></u>	<u><u>2,934,682</u></u>	<u><u>2,386,135</u></u>
Plan's OPEB liability - ending	<u><u>\$ 19,287,895</u></u>	<u><u>\$ 20,777,375</u></u>	<u><u>\$ 27,659,729</u></u>	<u><u>\$ 26,315,198</u></u>	<u><u>\$ 23,683,407</u></u>	<u><u>\$ 33,371,451</u></u>	<u><u>\$ 33,931,266</u></u>

See accompanying notes to required supplementary information

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
OPEB Trust Plan
Schedule of Employer's Contributions
Last 10 Years

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Actuarial determined contribution (1)	\$ 1,823,879	\$ 2,139,639	\$ 2,123,836	\$ 1,983,602	\$ 2,876,338
Contributions in relation to the actuarially determined contribution	876,583	827,853	808,889	945,461	842,034
Contribution deficiency (excess)	<u>\$ 947,296</u>	<u>\$ 1,311,786</u>	<u>\$ 1,314,947</u>	<u>\$ 1,038,141</u>	<u>\$ 2,034,304</u>
Covered-employee payroll	\$ 9,477,455	\$ 8,839,000	\$ 8,581,072	\$ 9,082,000	\$ 8,817,473
Contributions as a percentage of covered payroll	9.25%	9.37%	9.43%	10.41%	9.55%
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Actuarial determined contribution (1)	\$ 3,231,475	\$ 3,459,107	\$ 2,989,260	\$ 2,989,260	\$ 3,494,835
Contributions in relation to the actuarially determined contribution	1,163,708	1,159,496	2,357,254	688,884	859,359
Contribution deficiency (excess)	<u>\$ 2,067,767</u>	<u>\$ 2,299,611</u>	<u>\$ 632,006</u>	<u>\$ 2,300,376</u>	<u>\$ 2,635,476</u>
Covered-employee payroll	\$ 8,967,689	\$ 8,706,494	\$ 8,066,200	\$ 8,066,200	\$ 7,743,713
Contributions as a percentage of covered payroll	12.98%	13.32%	29.22%	8.54%	11.10%

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2016 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No 45

Notes to Schedule:

Valuation date: July 1, 2023
Measurement date: June 30, 2023

Methods and Assumptions Used to Determine Contributions Rates:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Discount Rate	3.88%
Payroll	Level Percentage of Payroll, Closed
Asset Valuation Method	Market Value of Assets
Salary Increases	3.00%
Investment Rate of Return	6.00%
Health Trend Rates	6.50% graded down by the getzen model to an ultimate rate of 4.04%, dental is a flat 4.0%
Disability /termination/Retirement Rates	Experience-based table of rates that are specific to the type of eligibility conditions.
Mortality	2010 Public sector Retirement Plans Mortality table for total Teacher, total Public Safety and total

See independent auditor's report

Town of East Greenwich, Rhode Island
 Required Supplementary Information
 OPEB Trust Fund
 Schedule of Investment Returns
*Last 10 Years**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.26%	13.49%	27.68%	4.56%	6.84%	7.75%	13.17%

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

See independent auditor's report

Town of East Greenwich, Rhode Island
 Required Supplementary Information
 School Department Postretirement Health Insurance Program
 Schedule of Changes in the Town's Total OPEB Liability and Related Ratios
*Last 10 Years**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Total OPEB liability							
Service cost	\$ 382,593	\$ 486,123	\$ 443,025	\$ 405,177	\$ 395,440	\$ 336,306	\$ 374,253
Interest on net OPEB liability and service cost	252,534	140,804	170,348	197,909	195,826	183,389	149,147
Change of benefit terms	-	-	(191,055)	-	-	-	-
Differences between actual and expected experience	531,640	(277,683)	(81,630)	(205,994)	267,298	(157,436)	(139,963)
Changes of assumptions	(182,131)	(617,454)	263,914	341,886	255,264	(1,838)	(256,079)
Benefit payments, including refunds	(175,590)	(156,721)	(136,428)	(157,343)	(147,234)	(97,002)	(35,416)
Net change in total OPEB liability	809,046	(424,931)	468,174	581,635	966,594	263,419	91,942
Total OPEB liability - beginning	7,141,870	7,566,801	7,098,627	6,516,992	5,550,398	5,286,979	5,195,037
Total OPEB liability - ending	<u>\$ 7,950,916</u>	<u>\$ 7,141,870</u>	<u>\$ 7,566,801</u>	<u>\$ 7,098,627</u>	<u>\$ 6,516,992</u>	<u>\$ 5,550,398</u>	<u>\$ 5,286,979</u>
Covered-Employee Payroll	<u>\$ 22,833,133</u>	<u>\$ 18,621,000</u>	<u>\$ 18,078,338</u>	<u>\$ 19,741,000</u>	<u>\$ 19,166,260</u>	<u>\$ 17,232,811</u>	<u>\$ 16,730,884</u>
Total OPEB Liability as a percentage of covered-employee payroll	34.82%	38.35%	41.86%	35.96%	34.00%	32.21%	31.60%

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

See independent auditor's report

Town of East Greenwich, Rhode Island
Required Supplementary Information
School Department Postretirement Health Insurance Program
Schedule of Employer Contributions
*Last 10 Years**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Actuarial determined contribution	\$ 780,205	\$ 820,275	\$ 779,924	\$ 743,281	\$ 701,777	\$ 625,931	\$ 636,566
Contributions in relation to the actuarially determined contribution	175,590	156,721	136,428	157,343	147,234	97,002	35,416
Contribution deficiency (excess)	<u>\$ 604,615</u>	<u>\$ 663,554</u>	<u>\$ 643,496</u>	<u>\$ 585,938</u>	<u>\$ 554,543</u>	<u>\$ 528,929</u>	<u>\$ 601,150</u>
Covered-employee payroll	\$ 22,833,133	\$ 18,621,000	\$ 18,078,338	\$ 19,741,000	\$ 19,166,260	\$ 17,232,811	\$ 16,730,884
Contributions as a percentage of covered payroll	0.77%	0.84%	0.75%	0.80%	0.77%	0.56%	0.21%

Notes to Schedule:

Valuation date: July 1, 2023
Measurement date: June 30, 2023

Methods and Assumptions Used to Determine Contributions Rates:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Discount Rate	3.86%
Payroll	Level Percentage of Payroll, Closed
Asset Valuation Method	Market Value of Assets
Salary Increases	3.00%
Investment Rate of Return	6.00%
Health Trend Rates	6.50% graded down by the getzen model to an ultimate rate of 4.04%, dental is a flat 4.0%
Disability /termination/Retirement Rates	Experience-based table of rates that are specific to the type of eligibility conditions.
Mortality	2010 Public sector Retirement Plans Mortality table for total Teacher, total Public Safety and total General employee populations with MP-2021.

See independent auditor's report

Supplementary Information Section

Combining and Individual Fund Statements and Schedules

General Fund

The General Fund is the principal operating fund of the Town.
It is used to account for activities traditionally associated with government that are not required to be accounted for in another fund.

Town of East Greenwich, Rhode Island
Supplementary Information
General Fund
Combining Balance Sheet
June 30, 2023

	General Fund	School Unrestricted Fund	Elimination	Total General Funds
Assets				
Cash and cash equivalents	\$ 17,682,112	\$ -	\$ -	\$ 17,682,112
Receivables, net	2,821,013	30,467	-	2,851,480
Due from other funds	4,884,058	5,418,038	(5,418,038)	4,884,058
Prepaid items	96,791	5,943	-	102,734
Total assets	<u>25,483,974</u>	<u>5,454,448</u>	<u>(5,418,038)</u>	<u>25,520,384</u>
Liabilities				
Accounts payable	410,188	474,257	-	884,445
Accrued expenses	771,046	2,278,849	-	3,049,895
Due to other funds	12,215,806	42,673	(5,418,038)	6,840,441
Total liabilities	<u>13,397,040</u>	<u>2,795,779</u>	<u>(5,418,038)</u>	<u>10,774,781</u>
Deferred inflows of resources				
Deferred property tax revenue	1,500,980	-	-	1,500,980
Deferred revenue other receivables	657,254	-	-	657,254
Deferred leases	-	-	-	-
Total deferred inflows of resources	<u>2,158,234</u>	<u>-</u>	<u>-</u>	<u>2,158,234</u>
Fund balance				
Nonspendable	96,791	5,943	-	102,734
Restricted	-	-	-	-
Committed	-	2,652,726	-	2,652,726
Assigned	184,813	-	-	184,813
Unassigned	9,647,096	-	-	9,647,096
Total fund balance	<u>9,928,700</u>	<u>2,658,669</u>	<u>-</u>	<u>12,587,369</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 25,483,974</u>	<u>\$ 5,454,448</u>	<u>\$ (5,418,038)</u>	<u>\$ 25,520,384</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
General Fund
Combining Statement of Revenue, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2023

	General Fund	School Unrestricted Fund	Eliminations	Total General Fund
Revenues				
General property taxes, interest and lien fees	\$ 60,543,079	\$ -	\$ -	\$ 60,543,079
Intergovernmental	3,656,227	7,377,610	-	11,033,837
Fines, Penalties and charges for services	1,651,362	116,383	-	1,767,745
Licenses and permits	1,048,765	-	-	1,048,765
Investment income (loss)	338,971	50,644	-	389,615
Other revenues	87,625	91,271	-	178,896
Total revenues	67,326,029	7,635,908	-	74,961,937
Expenditures				
General government	4,140,096	-	-	4,140,096
Public safety	14,126,714	-	-	14,126,714
Public works	3,676,348	-	-	3,676,348
Culture and recreation	1,585,518	-	-	1,585,518
Education	-	47,342,760	-	47,342,760
Capital outlay	96,237	-	-	96,237
Debt service				
Lease Payments	38,432	60,932	-	99,364
Total expenditures	23,663,345	47,403,692	-	71,067,037
Excess (deficiency) of revenues over expenditures	43,662,684	(39,767,784)	-	3,894,900
Other financing sources (uses)				
Issuance of lease	96,237	-	-	96,237
Transfers in	-	38,769,576	(38,769,576)	-
Transfers out	(43,611,213)	-	38,769,576	(4,841,637)
Total other financing sources (uses)	(43,514,976)	38,769,576	-	(4,745,400)
Net change in fund balance	147,708	(998,208)	-	(850,500)
Fund balance, July 1, 2022	9,780,992	3,656,877	-	13,437,869
Fund balance, June 30, 2023	\$ 9,928,700	\$ 2,658,669	\$ -	\$ 12,587,369

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
General Fund
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues and Use of Fund Balance:				
Property taxes:				
Current taxes	\$ 58,575,325	\$ 58,575,325	\$ 58,636,787	\$ 61,462
Prior taxes	900,000	900,000	1,000,030	100,030
Total taxes current and prior	<u>59,475,325</u>	<u>59,475,325</u>	<u>59,636,817</u>	<u>161,492</u>
Interest on taxes	185,000	185,000	132,131	(52,869)
Payment in lieu of taxes (State Aid)	740,130	740,130	774,131	34,001
Total property taxes	<u>60,400,455</u>	<u>60,400,455</u>	<u>60,543,079</u>	<u>142,624</u>
State aid - Town:				
Telephone tax	155,790	155,790	162,262	6,472
Meals and beverage tax	750,000	750,000	1,067,751	317,751
State motor vehicle phase-out	2,417,332	2,417,332	2,417,332	-
Hotel tax	2,468	2,468	2,882	414
Total state aid - Town	<u>3,325,590</u>	<u>3,325,590</u>	<u>3,650,227</u>	<u>324,637</u>
Licenses, fees and rents:				
Business licenses and fees	472,400	472,400	948,942	476,542
Nonbusiness licenses and fees	54,150	54,150	55,763	1,613
Real Estate conveyance fees	485,000	485,000	489,820	4,820
Total licenses, fees and rents	<u>1,011,550</u>	<u>1,011,550</u>	<u>1,494,525</u>	<u>482,975</u>
Investment income - short term	<u>25,000</u>	<u>25,000</u>	<u>338,971</u>	<u>313,971</u>
Revenues and Use of Fund Balance:				
Departmental revenues:				
Police department revenue	202,300	202,300	251,224	48,924
Fire Rescue Revenue	775,000	775,000	720,317	(54,683)
Community services revenue	45,000	45,000	35,166	(9,834)
Senior Programs	10,000	10,000	18,745	8,745
Planning department	16,500	16,500	15,004	(1,496)
Cell Tower Revenue	145,000	145,000	148,454	3,454
Copy charges	2,500	2,500	1,763	(737)
Miscellaneous - Town	43,300	43,300	108,554	65,254
Total departmental revenues	<u>1,239,600</u>	<u>1,239,600</u>	<u>1,299,227</u>	<u>59,627</u>
Use of fund balance	550,000	550,000	550,000	-
Cancelled Prior Year Encumbrances				
Total revenues and use of fund balance	<u>66,552,195</u>	<u>66,552,195</u>	<u>67,876,029</u>	<u>1,323,834</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
General Fund
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Expenditures:				
General government:				
Town council	\$ 9,300	\$ 9,300	\$ 9,300	\$ -
Town manager's office	400,509	400,509	405,757	(5,248)
Town clerk	413,468	413,468	413,781	(313)
Legal	304,000	304,000	360,692	(56,692)
Probate	10,000	10,000	10,000	-
Board of canvassers	30,050	30,050	27,827	2,223
Finance department	851,013	851,013	836,909	14,104
Information technology	730,027	730,027	760,095	(30,068)
Town bldg. outside services	65,600	65,600	58,304	7,296
Planning department	354,073	354,073	294,964	59,109
Total general government	<u>3,168,040</u>	<u>3,168,040</u>	<u>3,177,630</u>	<u>(9,590)</u>
Public safety:				
Police department	6,187,487	6,187,487	6,417,891	(230,404)
Fire department	7,681,188	7,681,188	7,807,946	(126,758)
Total public safety	<u>13,868,675</u>	<u>13,868,675</u>	<u>14,225,836</u>	<u>(357,161)</u>
Public works	<u>3,851,656</u>	<u>3,851,656</u>	<u>3,688,232</u>	<u>163,424</u>
Community parks & recreation	<u>1,232,852</u>	<u>1,230,337</u>	<u>1,176,239</u>	<u>54,098</u>
Senior & Human Services	<u>398,114</u>	<u>400,629</u>	<u>411,992</u>	<u>(11,363)</u>
Capital improvements/projects	<u>850,000</u>	<u>850,000</u>	<u>850,000</u>	<u>-</u>
Miscellaneous:				
Property Insurance	390,000	390,000	401,310	(11,310)
Unemployment insurance	20,000	20,000	7,692	12,308
Workers' compensation	70,000	70,000	76,769	(6,769)
Contingency	100,000	100,000	8,915	91,085
Outside services	25,000	25,000	25,000	-
Total miscellaneous	<u>605,000</u>	<u>605,000</u>	<u>519,686</u>	<u>85,314</u>
Total expenditures	<u>23,974,337</u>	<u>23,974,337</u>	<u>24,049,616</u>	<u>(75,279)</u>
Excess of Revenues over Expenditures	42,577,858	42,577,858	43,826,413	1,248,555
Other Financing Sources (Uses):				
Tax Transfer to School	(38,769,576)	(38,769,576)	(38,769,576)	-
Tax Transfer EG Free Library	(546,645)	(546,645)	(546,645)	-
Tax Transfer to Debt Service	(3,261,637)	(3,261,637)	(3,261,637)	-
Misc. Tax Dollar Transfers	-	-	(100,000)	(100,000)
Transfers to Other Funds	-	-	(630,000)	(630,000)
Total other financing sources (uses)	<u>(42,577,858)</u>	<u>(42,577,858)</u>	<u>(43,307,858)</u>	<u>(730,000)</u>
Excess of Revenues, Other Sources and Uses of Fund Balance over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,555</u>	<u>\$ 518,555</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
General Fund
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)
Budget and Actual (*Non-GAAP Budgetary Basis*)
For the Year Ended June 30, 2023

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>	<u>Net Changes in Fund Balance</u>
Balance, to GAAP Reconciliation	\$ 67,876,029	\$ 67,357,474	\$ 518,555
Use of Fund Balance	(550,000)	-	(550,000)
Effects of Gasb Statement No 96, not budgeted Encumbrances are Reported in the Year the Order is Placed for Budgetary Purposes	96,237	96,237	-
	<u>-</u>	<u>(179,153)</u>	<u>179,153</u>
Balance, GAAP Basis	<u>\$ 67,422,266</u>	<u>67,274,558</u>	<u>\$ 147,708</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Unrestricted Fund
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)
Budget and Actual (*Non-GAAP Budgetary Basis*)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues and Designated Fund Balance:				
State aid	\$ 4,702,395	\$ 4,702,395	\$ 4,702,396	\$ 1
Tuition	163,340	20,000	116,383	(46,957)
Medicaid funds	385,000	385,000	328,248	(56,752)
Miscellaneous	215,200	358,540	145,416	(69,784)
Total revenues	<u>5,465,935</u>	<u>5,465,935</u>	<u>5,292,443</u>	<u>(173,492)</u>
Use of fund balance	<u>974,965</u>	<u>1,023,832</u>	<u>1,023,832</u>	<u>-</u>
Total Revenues and Use of Fund Balance	<u>6,440,900</u>	<u>6,489,767</u>	<u>6,316,275</u>	<u>(173,492)</u>
Expenditures:				
Salaries	26,403,045	26,412,014	26,086,691	325,323
Employee benefits	9,249,843	9,240,874	9,055,457	185,417
Purchased services	7,680,912	7,542,054	7,367,155	174,899
Supplies and materials	1,570,095	1,587,223	1,696,912	(109,720)
Capital outlay	306,581	477,178	493,143	(15,965)
Total expenditures	<u>45,210,476</u>	<u>45,259,343</u>	<u>44,699,358</u>	<u>559,954</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(38,769,576)</u>	<u>(38,769,576)</u>	<u>(38,383,083)</u>	<u>386,462</u>
Other Financing Sources:				
Transfers in	<u>38,769,576</u>	<u>38,769,576</u>	<u>38,769,576</u>	<u>-</u>
Total other financing sources	<u>38,769,576</u>	<u>38,769,576</u>	<u>38,769,576</u>	<u>-</u>
Excess of Revenues, Other Sources and Uses of Fund Balance over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 386,493</u>	<u>\$ 386,462</u>
Budgetary excess of revenues over expenditures is different than GAAP net change in fund balance because of the following reconciling items:				
Use of fund balance is not a GAAP revenue			(1,023,832)	
Change in encumbrances			<u>(360,870)</u>	
Total Net Change in Fund Balance - GAAP basis			<u>\$ (998,208)</u>	

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Unrestricted Fund
Schedule of Detailed Revenues, Expenditures and Other Financing (Uses)
Budget and Actual (*Non-GAAP Budgetary Basis*)
For the Year Ended June 30, 2023

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>	<u>Net Changes in Fund Balance</u>
Balance, to GAAP Reconciliation	45,085,851	44,699,358	386,493
State Teachers' Retirement on-Behalf Contributions for Pension	2,252,538	2,252,538	-
State on-Behalf Contribution for Transportation	90,926	90,926	-
Use of Fund Balance	(1,023,832)	-	(1,023,832)
Encumbrances are Reported in the Year the Order is Placed for Budgetary Purposes	-	360,870	(360,870)
Balance, GAAP Basis	<u>\$ 46,405,483</u>	<u>\$ 47,403,692</u>	<u>\$ (998,208)</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Combining Non-Major Governmental Funds Balance Sheet
 June 30, 2023

	Town Special Revenue	School Special Revenue	Town Capital Projects	Debt Service	Permanent Trust Funds	Total Nonmajor Funds
Assets						
Cash and cash equivalent	\$ 184,582	\$ 299,242	\$ 168,176	\$ -	\$ 24,139	\$ 676,139
Receivables, net	1,069,299	715,946		-	-	1,785,245
Due from other funds	2,718,736	117,372	3,911,170	356,185	330,894	7,434,357
Total assets	<u>3,972,617</u>	<u>1,132,560</u>	<u>4,079,346</u>	<u>356,185</u>	<u>355,033</u>	<u>9,895,741</u>
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>3,972,617</u>	<u>1,132,560</u>	<u>4,079,346</u>	<u>356,185</u>	<u>355,033</u>	<u>9,895,741</u>
Liabilities						
Accounts payable	22,552	78,465	957,235	-	-	1,058,252
Accrued expenses	13,632	109,026	-	-	-	122,658
Unearned Revenue	-	137				137
Due to other funds	406,364	506,700	-	-	-	913,064
Total liabilities	<u>442,548</u>	<u>694,328</u>	<u>957,235</u>	<u>-</u>	<u>-</u>	<u>2,094,111</u>
Deferred inflows of resources						
Unavailable Revenue - Other Receivables	281,950	-	-	-	-	281,950
Deferred amounts related Leases	340,624		-	-	-	340,624
Total deferred inflows of resources	<u>622,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>622,574</u>
Fund balance						
Nonspendable	-			-	355,033	355,033
Restricted	185,328	438,253		-	-	623,581
Committed	2,722,167		3,122,111	356,185	-	6,200,463
Unassigned	-	(21)		-	-	(21)
Total fund balance	<u>2,907,495</u>	<u>438,232</u>	<u>3,122,111</u>	<u>356,185</u>	<u>355,033</u>	<u>7,179,056</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,972,617</u>	<u>\$ 1,132,560</u>	<u>\$ 4,079,346</u>	<u>\$ 356,185</u>	<u>\$ 355,033</u>	<u>\$ 9,895,741</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Combining Non-Major Governmental Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2023

	Town Special Revenue	School Special Revenue	Town Capital Projects	Debt Service	Permanent Trust Funds	Total Nonmajor Funds
Revenues						
Intergovernmental Revenues	\$ 689,354	\$ 2,155,105	\$ 306,884	\$ 1,893,606	\$ -	\$ 5,044,949
Fines, Penalties, and Charges for Services	822,688			-	-	822,688
Investment Income (Loss)	17,339			1,069	4,784	23,192
Other Revenues	9,640		17,589	-	-	27,229
Total revenue	1,539,021	2,155,105	324,473	1,894,675	4,784	5,918,058
Expenditures						
General government	676,814	-	-	-	-	676,814
Public safety	117,061	-	-	-	-	117,061
Public works	7,110	-	-	-	-	7,110
Cultural and Recreation	882,909	-	-	-	-	882,909
Education	200,000	2,037,847	-	-	-	2,237,847
Debt Service:						
Principal Retirement	35,000	-	-	3,628,833	-	3,663,833
Interest and Other Charges	1,723	-	-	1,390,251	-	1,391,974
Capital Outlay	919,437	-	1,377,326	-	-	2,296,763
Total Expenditures	2,840,054	2,037,847	1,377,326	5,019,084	-	11,274,311
Excess (deficiency) of revenues over expenditures	(1,301,033)	117,258	(1,052,853)	(3,124,409)	4,784	(5,356,253)
Other financing sources (uses)						
Bond proceeds	450,000	-	2,205,521	39,479	-	2,695,000
Transfers in	55,000	-	1,525,446	3,261,637	-	4,842,083
Transfers out	-	-	(446)	-	-	(446)
Total other financing sources (uses)	505,000	-	3,730,521	3,301,116	-	7,536,637
Net change in fund balance	(796,033)	117,258	2,677,668	176,707	4,784	2,180,384
Fund balance, July 1, 2022	3,703,528	320,974	444,443	179,478	350,249	4,998,672
Fund balance, June 30, 2023	<u>\$ 2,907,495</u>	<u>\$ 438,232</u>	<u>\$ 3,122,111</u>	<u>\$ 356,185</u>	<u>\$ 355,033</u>	<u>\$ 7,179,056</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
Town Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	Recreation Development	Impact Fees	Planning Reserve Fund	EMA Funds	Opioid Litigation	Fire Plan Review
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ 184,582	\$ -
Receivables, Net	-	-	-	17,361	281,950	-
Due from other funds	308,916	659,707	166,480	124,207	-	234,481
Total Assets	<u>308,916</u>	<u>659,707</u>	<u>166,480</u>	<u>141,568</u>	<u>466,532</u>	<u>234,481</u>
Deferred Outflows of Resources						
Deferred Outflows	-	-	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>308,916</u>	<u>659,707</u>	<u>166,480</u>	<u>141,568</u>	<u>466,532</u>	<u>234,481</u>
Liabilities						
Accounts Payable	-	-	-	319	-	-
Accrued Liabilities	-	-	-	-	-	1,820
Due to Other funds	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>319</u>	<u>-</u>	<u>1,820</u>
Deferred Inflows of Resources						
Unavailable Revenue - Other Receivables	-	-	-	-	281,950	-
Deferred amounts related Leases	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>281,950</u>	<u>-</u>
Fund balance						
Restricted	-	-	-	-	184,582	-
Committed	308,916	659,707	166,480	141,249	-	232,661
Unassigned	-	-	-	-	-	-
Total Fund Balance	<u>308,916</u>	<u>659,707</u>	<u>166,480</u>	<u>141,249</u>	<u>184,582</u>	<u>232,661</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 308,916</u>	<u>\$ 659,707</u>	<u>\$ 166,480</u>	<u>\$ 141,568</u>	<u>\$ 466,532</u>	<u>\$ 234,481</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
Town Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	Recreation Activities	Smoke Detector	Municipal Recycling Program	Project Accounts Fund	Land Trust Fund	Revaluation Fund	Open Space	Total Town Special Revenue
Assets								
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184,582
Receivables, Net	-	-	7,110	-	362,878	-	400,000	1,069,299
Due from other funds	600,434	38,959	-	395,446	38,530	151,576	-	2,718,736
Total Assets	600,434	38,959	7,110	395,446	401,408	151,576	400,000	3,972,617
Deferred Outflows of Resources								
Deferred Outflows	-	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	600,434	38,959	7,110	395,446	401,408	151,576	400,000	3,972,617
Liabilities								
Accounts Payable	6,914	-	-	310	-	15,009	-	22,552
Accrued Liabilities	10,930	-	-	382	500	-	-	13,632
Due to Other funds	-	-	6,364	-	-	-	400,000	406,364
Total Liabilities	17,844	-	6,364	692	500	15,009	400,000	442,548
Deferred Inflows of Resources								
Unavailable Revenue - Other Receivables	-	-	-	-	-	-	-	281,950
Deferred amounts related Leases	-	-	-	-	340,624	-	-	340,624
Total Deferred Inflows of Resources	-	-	-	-	340,624	-	-	622,574
Fund balance								
Restricted	-	-	746	-	-	-	-	185,328
Committed	582,590	38,959	-	394,754	60,284	136,567	-	2,722,167
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balance	582,590	38,959	746	394,754	60,284	136,567	-	2,907,495
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 600,434	\$ 38,959	\$ 7,110	\$ 395,446	\$ 401,408	\$ 151,576	\$ 400,000	\$ 3,972,617

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2023

	Recreation Development	Impact Fees	Planning Reserve Fund	EMA Funds	Opioid Litigation	Fire Plan Review
Revenues						
Intergovernmental Revenues	\$ -	\$ -	\$ 8,250	\$ 152,012	\$ 71,460	\$ -
Fines, Penalties, and Charges for Services	3,723	125,903	-	-	-	98,383
Investment Income (Loss)	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
Total Revenues	3,723	125,903	8,250	152,012	71,460	98,383
Expenditures						
General government	-	631,886	15,546	-	-	-
Public Safety	-	-	-	47,038	-	57,548
Public Works	-	-	-	-	-	-
Cultural and Recreation	-	431,888	-	-	-	-
Education	-	200,000	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Capital Outlay	-	50,000	-	-	-	-
Total Expenditures	-	1,313,774	15,546	47,038	-	57,548
Excess (Deficiency) of Revenues Over Expenditures	3,723	(1,187,871)	(7,296)	104,974	71,460	40,835
Other Financing Sources (Uses)						
Bond Proceeds	-	-	-	-	-	-
Transfers in	-	-	30,000	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	30,000	-	-	-
Net Change in Fund Balance	3,723	(1,187,871)	22,704	104,974	71,460	40,835
Fund balance, July 1, 2022	305,193	1,847,578	143,776	36,275	113,122	191,826
Fund balance, June 30, 2023	<u>\$ 308,916</u>	<u>\$ 659,707</u>	<u>\$ 166,480</u>	<u>\$ 141,249</u>	<u>\$ 184,582</u>	<u>\$ 232,661</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
Town Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2023

	Recreation Activities	Smoke Detector	Municipal Recycling Program	Project Accounts Fund	Land Trust Fund	Revaluation Fund	Open Space	Total Town Special Revenue
Revenues								
Intergovernmental Revenues	\$ 9,806	\$ -	\$ 7,856	\$ 39,970	\$ -	\$ -	\$ 400,000	\$ 689,354
Fines, Penalties, and Charges for Services	531,719	6,060	-	1,572	55,328	-	-	822,688
Investment Income (Loss)	-	-	-	-	17,339	-	-	17,339
Other Revenues	8,148	-	-	200	1,292	-	-	9,640
Total Revenues	549,673	6,060	7,856	41,742	73,959	-	400,000	1,539,021
Expenditures								
General government	-	-	-	-	4,563	24,819	-	676,814
Public Safety	-	-	-	12,475	-	-	-	117,061
Public Works	-	-	7,110	-	-	-	-	7,110
Cultural and Recreation	444,339	-	-	6,682	-	-	-	882,909
Education	-	-	-	-	-	-	-	200,000
Debt Service:								
Principal Retirement	-	-	-	-	35,000	-	-	35,000
Interest and Other Charges	-	-	-	-	1,723	-	-	1,723
Capital Outlay	-	-	-	-	19,437	-	850,000	919,437
Total Expenditures	444,339	-	7,110	19,157	60,723	24,819	850,000	2,840,054
Excess (Deficiency) of Revenues Over Expenditures	105,334	6,060	746	22,585	13,236	(24,819)	(450,000)	(1,301,033)
Other Financing Sources (Uses)								
Bond Proceeds	-	-	-	-	-	-	450,000	450,000
Transfers in	-	-	-	-	-	25,000	-	55,000
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	25,000	450,000	505,000
Net Change in Fund Balance	105,334	6,060	746	22,585	13,236	181	-	(796,033)
Fund balance, July 1, 2022	477,256	32,899	-	372,169	47,048	136,386	-	3,703,528
Fund balance, June 30, 2023	\$ 582,590	\$ 38,959	\$ 746	\$ 394,754	\$ 60,284	\$ 136,567	\$ -	\$ 2,907,495

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	Title I	Title II	Title III	Title IV	American Rescue Plan ELC	ARP-IDEA Preschool	Perkins
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net	23,670	25,652	-	10,000	19,359	-	44,883
Due from other funds	-	65,475	3	-	-	-	-
Total Assets	<u>23,670</u>	<u>91,127</u>	<u>3</u>	<u>10,000</u>	<u>19,359</u>	<u>-</u>	<u>44,883</u>
Deferred Outflows of Resources							
Deferred outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>23,670</u>	<u>91,127</u>	<u>3</u>	<u>10,000</u>	<u>19,359</u>	<u>-</u>	<u>44,883</u>
Liabilities							
Accounts payable	1,110	-	-	-	-	-	-
Accrued expenses	7,696	-	-	-	925	-	-
Due to other funds	14,846	91,127	-	10,000	18,434	-	44,883
Total liabilities	<u>23,652</u>	<u>91,127</u>	<u>-</u>	<u>10,000</u>	<u>19,359</u>	<u>-</u>	<u>44,883</u>
Deferred inflows of resources							
Unearned Revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance							
Restricted	18	-	3	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	<u>18</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 23,670</u>	<u>\$ 91,127</u>	<u>\$ 3</u>	<u>\$ 10,000</u>	<u>\$ 19,359</u>	<u>\$ -</u>	<u>\$ 44,883</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	ARP- IDEA	Pandemic EBT Admin	ESSER III	RTTT Instructional	EDC	NEA Foundation	CARES ACT
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net	46,202	-	71,830	-	-	-	22,222
Due from other funds	-	3,684	-	1,226	137	644	-
Total Assets	<u>46,202</u>	<u>3,684</u>	<u>71,830</u>	<u>1,226</u>	<u>137</u>	<u>644</u>	<u>22,222</u>
Deferred Outflows of Resources							
Deferred outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>46,202</u>	<u>3,684</u>	<u>71,830</u>	<u>1,226</u>	<u>137</u>	<u>644</u>	<u>22,222</u>
Liabilities							
Accounts payable	-	-	-	-	-	103	-
Accrued expenses	10,654	-	18,754	-	-	-	6,239
Due to other funds	35,548	-	53,076	-	-	-	15,983
Total liabilities	<u>46,202</u>	<u>-</u>	<u>71,830</u>	<u>-</u>	<u>-</u>	<u>103</u>	<u>22,222</u>
Deferred inflows of resources							
Unearned Revenue	-	-	-	-	137	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137</u>	<u>-</u>	<u>-</u>
Fund balance							
Restricted	-	3,684	-	1,226	-	541	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	<u>-</u>	<u>3,684</u>	<u>-</u>	<u>1,226</u>	<u>-</u>	<u>541</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 46,202</u>	<u>\$ 3,684</u>	<u>\$ 71,830</u>	<u>\$ 1,226</u>	<u>\$ 137</u>	<u>\$ 644</u>	<u>\$ 22,222</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 School Special Revenue Funds
 Combining Balance Sheet
June 30, 2023

	<u>CARES ACT Guidance</u>	<u>IDEA Preschool</u>	<u>IDEA Part B</u>	<u>RI Full Day Kindergarten</u>	<u>Gen Youth Foundation</u>	<u>Strategic Support</u>	<u>RI State Council on Arts</u>
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net	13,894	6,630	240,516	-	-	-	-
Due from other funds	-	-	-	2	123	41,977	800
Total Assets	<u>13,894</u>	<u>6,630</u>	<u>240,516</u>	<u>2</u>	<u>123</u>	<u>41,977</u>	<u>800</u>
Deferred Outflows of Resources							
Deferred outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>13,894</u>	<u>6,630</u>	<u>240,516</u>	<u>2</u>	<u>123</u>	<u>41,977</u>	<u>800</u>
Liabilities							
Accounts payable	-	-	270	-	-	-	-
Accrued expenses	4,175	-	60,583	-	-	-	-
Due to other funds	3,173	6,630	179,684	-	-	-	-
Total liabilities	<u>7,348</u>	<u>6,630</u>	<u>240,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Unearned Revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	6,546	-	-	2	123	41,977	800
Unassigned	-	-	(21)	-	-	-	-
Total Fund Balance	<u>6,546</u>	<u>-</u>	<u>(21)</u>	<u>2</u>	<u>123</u>	<u>41,977</u>	<u>800</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,894</u>	<u>\$ 6,630</u>	<u>\$ 240,516</u>	<u>\$ 2</u>	<u>\$ 123</u>	<u>\$ 41,977</u>	<u>\$ 800</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	RI Foundation	English Language Learners	Champlin Grant	Integrated STEM/STEAM Mini Grant	Education Foundation	Wendy's Corporation	Healthier U.S Schools Challenge
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, Net	-	-	-	-	-	-	-
Due from other funds	166	2	8	-	56	2,015	1,000
Total Assets	<u>166</u>	<u>2</u>	<u>8</u>	<u>-</u>	<u>56</u>	<u>2,015</u>	<u>1,000</u>
Deferred Outflows of Resources							
Deferred outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>166</u>	<u>2</u>	<u>8</u>	<u>-</u>	<u>56</u>	<u>2,015</u>	<u>1,000</u>
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources							
Unearned Revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance							
Restricted	166	2	8	-	56	2,015	1,000
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	<u>166</u>	<u>2</u>	<u>8</u>	<u>-</u>	<u>56</u>	<u>2,015</u>	<u>1,000</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 166</u>	<u>\$ 2</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ 2,015</u>	<u>\$ 1,000</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Balance Sheet
June 30, 2023

	New England Dairy & Food Council	School Climate Transformation	RI Office of Library Services	Passaretti Donations	Wireless Classroom	Pupil Activities	High Quality Curriculum Grant
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	299,242	\$ -
Receivables, Net	-	-	540	-	-	11,618	-
Due from other funds	6	-	48	-	-	0	-
Total Assets	6	-	588	-	-	310,860	-
Deferred Outflows of Resources							
Deferred outflows	-	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	6	-	588	-	-	310,860	-
Liabilities							
Accounts payable	-	(36)	-	-	-	5,371	-
Accrued expenses	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	(36)	-	-	-	5,371	-
Deferred inflows of resources							
Unearned Revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	6	36	588	-	-	305,489	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	6	36	588	-	-	305,489	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6	\$ -	\$ 588	\$ -	\$ -	\$ 310,860	\$ -

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 School Special Revenue Funds
 Combining Balance Sheet
June 30, 2023

	<u>SBA Capital Fund</u>	<u>ACT Foundation</u>	<u>Total School Special Revenue Funds</u>
Assets			
Cash and cash equivalent	\$ -	\$ -	\$ 299,242
Receivables, Net	178,930	-	715,946
Due from other funds	-	-	117,372
Total Assets	<u>178,930</u>	<u>-</u>	<u>1,132,560</u>
Deferred Outflows of Resources			
Deferred outflows	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>178,930</u>	<u>-</u>	<u>1,132,560</u>
Liabilities			
Accounts payable	71,647	-	78,465
Accrued expenses	-	-	109,026
Due to other funds	33,316	-	506,700
Total liabilities	<u>104,963</u>	<u>-</u>	<u>694,191</u>
Deferred inflows of resources			
Unearned Revenue	-	-	137
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>137</u>
Fund balance			
Restricted	73,967	-	438,253
Unassigned	-	-	(21)
Total Fund Balance	<u>73,967</u>	<u>-</u>	<u>438,232</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 178,930</u>	<u>\$ -</u>	<u>\$ 1,132,560</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 School Special Revenue Funds
 Combining Statement of Revenues Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2023

	Title I	Title II	Title III	Title IV	American Rescue Plan ELC	ARP-IDEA Preschool	Perkins
Revenues							
Intergovernmental Revenues	\$ 81,129	\$ 63,521	\$ 2,343	\$ 10,000	\$ 83,169	\$ 7,317	\$ 59,306
Other Revenues	-	-	-	-	-	-	-
Total Revenues	<u>81,129</u>	<u>63,521</u>	<u>2,343</u>	<u>10,000</u>	<u>83,169</u>	<u>7,317</u>	<u>59,306</u>
Expenditures							
Education	81,129	63,521	2,343	10,000	83,169	7,317	59,306
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>81,129</u>	<u>63,521</u>	<u>2,343</u>	<u>10,000</u>	<u>83,169</u>	<u>7,317</u>	<u>59,306</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	-
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-	-	-	-
Fund balance, July 1, 2022	<u>18</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2023	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 School Special Revenue Funds
 Combining Statement of Revenues Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2023

	ARP- IDEA	Pandemic EBT Admin	ESSER III	RTTT Instructional	EDC	NEA Foundation	CARES ACT
Revenues							
Intergovernmental Revenues	\$ 102,823	\$ -	\$ 204,654	\$ -	\$ 171	\$ 500	\$ 79,407
Other Revenues	-	-	-	-	-	-	-
Total Revenues	<u>102,823</u>	<u>-</u>	<u>204,654</u>	<u>-</u>	<u>171</u>	<u>500</u>	<u>79,407</u>
Expenditures							
Education	102,823	-	204,654			734	79,407
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>102,823</u>	<u>-</u>	<u>204,654</u>	<u>-</u>	<u>-</u>	<u>734</u>	<u>79,407</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	171	(234)	-
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-	171	(234)	-
Fund balance, July 1, 2022	-	3,684	-	1,226	(171)	775	-
Fund balance, June 30, 2023	<u>\$ -</u>	<u>\$ 3,684</u>	<u>\$ -</u>	<u>\$ 1,226</u>	<u>\$ -</u>	<u>\$ 541</u>	<u>\$ -</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Statement of Revenues Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2023

	CARES ACT Guidance	IDEA Preschool	IDEA Part B	RI Full Day Kindergarten	Gen Youth Foundation	Strategic Support	RI State Council on Arts
Revenues							
Intergovernmental Revenues	\$ 42,456	\$ 13,538	\$ 590,050	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	-	-	-	-	-
Total Revenues	<u>42,456</u>	<u>13,538</u>	<u>590,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures							
Education	40,147	13,538	590,050				
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>40,147</u>	<u>13,538</u>	<u>590,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	2,309	-	-	-	-	-	-
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	2,309	-	-	-	-	-	-
Fund balance, July 1, 2022	4,237	-	(21)	2	123	41,977	800
Fund balance, June 30, 2023	<u>\$ 6,546</u>	<u>\$ -</u>	<u>\$ (21)</u>	<u>\$ 2</u>	<u>\$ 123</u>	<u>\$ 41,977</u>	<u>\$ 800</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Statement of Revenues Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2023

	RI Foundation	English Language Learners	Champlin Grant	Integrated STEM/STEAM Mini Grant	Education Foundation	Wendy's Corporation	Healthier U.S Schools Challenge
Revenues							
Intergovernmental Revenues	\$ -	\$ 1,813	\$ -	\$ 1,316	\$ -	\$ -	\$ -
Other Revenues	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>1,813</u>	<u>-</u>	<u>1,316</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures							
Education		1,813		1,316			
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,813</u>	<u>-</u>	<u>1,316</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	-
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-	-	-	-
Fund balance, July 1, 2022	166	2	8	-	56	2,015	1,000
Fund balance, June 30, 2023	<u>\$ 166</u>	<u>\$ 2</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ 2,015</u>	<u>\$ 1,000</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
School Special Revenue Funds
Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2023

	New England Dairy & Food Council	School Climate Transformation	RI Office of Library Services	Passaretti Donations	Wireless Classroom	Pupil Activities	High Quality Curriculum Grant
Revenues							
Intergovernmental Revenues	\$ -	\$ 1,850	\$ -	\$ -	\$ -	\$ 523,731	\$ 12,780
Other Revenues	-	-	-	-	-	-	-
Total Revenues	<u>-</u>	<u>1,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523,731</u>	<u>12,780</u>
Expenditures							
Education		1,850		16,650	68	465,968	12,780
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,850</u>	<u>-</u>	<u>16,650</u>	<u>68</u>	<u>465,968</u>	<u>12,780</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	(16,650)	(68)	57,763	-
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	(16,650)	(68)	57,763	-
Fund balance, July 1, 2022	6	36	588	16,650	68	247,726	-
Fund balance, June 30, 2023	<u>\$ 6</u>	<u>\$ 36</u>	<u>\$ 588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,489</u>	<u>\$ -</u>

Independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 School Special Revenue Funds
 Combining Non-Major Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2023

	SBA Capital Fund	ACT Foundation	Total School Special Revenue Funds
Revenues			
Intergovernmental Revenues	\$ 263,231	\$ 10,000	\$ 2,155,105
Other Revenues	-	-	-
Total Revenues	<u>263,231</u>	<u>10,000</u>	<u>2,155,105</u>
Expenditures			
Education	189,264	10,000	2,037,847
Capital Outlay	-	-	-
Total Expenditures	<u>189,264</u>	<u>10,000</u>	<u>2,037,847</u>
Excess (Deficiency) of Revenues Over Expenditures	73,967	-	117,258
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	73,967	-	117,258
Fund balance, July 1, 2022	-	-	320,974
Fund balance, June 30, 2023	<u>\$ 73,967</u>	<u>\$ -</u>	<u>\$ 438,232</u>

Independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Capital Projects Funds
 Combining Balance Sheet
June 30, 2023

	School Bond \$52m Capital Fund	School Capital Reserve Fund	Fire Station Capital Reserve Fund	Capital Equipment Replacement Fund	Public Works Improvement Fund	Technology Improvement Fund
Assets						
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other funds		278,944	7,213	1,151,922	493,398	109,272
Total assets	-	278,944	7,213	1,151,922	493,398	109,272
Deferred outflows of resources						
Deferred outflows	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	-	278,944	7,213	1,151,922	493,398	109,272
Liabilities						
Accounts payable		2,280	-	-	13,765	-
Total liabilities	-	2,280	-	-	13,765	-
Deferred inflows of resources						
Unearned revenues	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
Fund balance						
Committed	-	276,664	7,213	1,151,922	479,633	109,272
Unassigned	-	-	-	-	-	-
Total fund balance	-	276,664	7,213	1,151,922	479,633	109,272
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 278,944	\$ 7,213	\$ 1,151,922	\$ 493,398	\$ 109,272

See independent auditor's report

Town of East Greenwich, Rhode Island
Supplementary Information
Capital Projects Funds
Combining Balance Sheet
June 30, 2023

	Town Hall Improvement Fund	Park Improvements	Swift Community Center Improvements	Police Building Improvements	Performance Bond Fund	Bond Fund	Total Capital Project
Assets							
Cash and cash equivalent	\$ -	\$ -	\$ -	\$ -	\$ 168,176	\$ -	\$ 168,176
Due from other funds	432,660	152,424	-	62,000	704,120	519,217	3,911,170
Total assets	432,660	152,424	-	62,000	872,296	519,217	4,079,346
Deferred outflows of resources							
Deferred outflows	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	432,660	152,424	-	62,000	872,296	519,217	4,079,346
Liabilities							-
Accounts payable	-	-	-	-	872,296	68,894	957,235
Total liabilities	-	-	-	-	872,296	68,894	957,235
Deferred inflows of resources							
Unearned revenues	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balance							
Restricted	432,660	152,424	-	62,000	-	450,323	3,122,111
Unassigned	-	-	-	-	-	-	-
Total fund balance	432,660	152,424	-	62,000	-	450,323	3,122,111
Total liabilities, deferred inflows of resources, and fund balances	\$ 432,660	\$ 152,424	\$ -	\$ 62,000	\$ 872,296	\$ 519,217	\$ 4,079,346

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Capital Projects Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2023

	School Bond \$52 M Capital Fund	School Capital Reserve Fund	Fire Station Capital Reserve Fund	Capital Equipment Replacement Fund	Public Works Improvement Fund	Technology Improvement Fund
Revenues						
Intergovernmental Revenues	\$ -	\$ 306,884	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	-	-	17,589	-
Total Revenues	<u>-</u>	<u>306,884</u>	<u>-</u>	<u>-</u>	<u>17,589</u>	<u>-</u>
Expenditures						
Capital Outlay	-	134,965	-	251,165	20,805	129,763
Total Expenditures	<u>-</u>	<u>134,965</u>	<u>-</u>	<u>251,165</u>	<u>20,805</u>	<u>129,763</u>
Excess (Deficiency) of Revenues Over Expenditures	-	171,919	-	(251,165)	(3,216)	(129,763)
Other Financing Sources (Uses)						
Bond Proceeds	396,680	-	-	-	-	-
Transfers In	-	-	-	1,075,000	100,000	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>396,680</u>	<u>-</u>	<u>-</u>	<u>1,075,000</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balance	<u>396,680</u>	<u>171,919</u>	<u>-</u>	<u>823,835</u>	<u>96,784</u>	<u>(129,763)</u>
Fund balance, July 1, 2022	(396,680)	104,745	7,213	328,087	382,849	239,035
Fund balance, June 30, 2023	<u>\$ -</u>	<u>\$ 276,664</u>	<u>\$ 7,213</u>	<u>\$ 1,151,922</u>	<u>\$ 479,633</u>	<u>\$ 109,272</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Capital Projects Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended June 30, 2023

	Town Hall Improvement Fund	Park Improvements	Swift Community Center Improvements	Police Building Improvements	Performance Bond Fund	Bond Fund	Total Capital Projects
Revenues							
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 306,884
Other Revenues	-	-	-	-	-	-	17,589
Total Revenues	-	-	-	-	-	-	324,473
Expenditures							
Capital Outlay	47,340	387,915	-	-	-	405,373	1,377,326
Total Expenditures	47,340	387,915	-	-	-	405,373	1,377,326
Excess (Deficiency) of Revenues Over Expenditures	(47,340)	(387,915)	-	-	-	(405,373)	(1,052,853)
Other Financing Sources (Uses)							
Bond Proceeds	-	-	-	-	-	1,808,841	2,205,521
Transfers In	200,000	100,000	446	50,000	-	-	1,525,446
Transfers Out	-	(446)	-	-	-	-	(446)
Total Other Financing Sources (Uses)	200,000	99,554	446	50,000	-	1,808,841	3,730,521
Net Change in Fund Balance	152,660	(288,361)	446	50,000	-	1,403,468	2,677,668
Fund balance, July 1, 2022	280,000	440,785	(446)	12,000	-	(953,145)	444,443
Fund balance, June 30, 2023	\$ 432,660	\$ 152,424	\$ -	\$ 62,000	\$ -	\$ 450,323	\$ 3,122,111

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Permanent Funds
 Combining Non-Major Governmental Funds Balance Sheet
 June 30, 2023

	Nonexpendable Trust Fund	Rose Trust Fund	Total Permanent Funds
Assets			
Cash and cash equivalent	\$ 24,139	\$ -	\$ 24,139
Cash with fiscal agent	-	-	-
Investments	-	-	-
Receivables, Net	-	-	-
Due from other funds	158,751	172,143	330,894
Inventories	-	-	-
Prepays	-	-	-
Total assets	<u>182,890</u>	<u>172,143</u>	<u>355,033</u>
Deferred outflows of resources			
Deferred outflows	-	-	-
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	<u><u>182,890</u></u>	<u><u>172,143</u></u>	<u><u>355,033</u></u>
Liabilities			
Accounts payable	-	-	-
Accrued liabilities	-	-	-
Due to other funds	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources			
Unearned revenues	-	-	-
Total deferred inflows of resources	-	-	-
Fund balance			
Nonspendable	182,890	172,143	355,033
Unassigned	-	-	-
Total fund balance	<u>182,890</u>	<u>172,143</u>	<u>355,033</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 182,890</u></u>	<u><u>\$ 172,143</u></u>	<u><u>\$ 355,033</u></u>

See independent auditor's report

Town of East Greenwich, Rhode Island
 Supplementary Information
 Permanent Funds
 Combining Non-Major Governmental Funds Statement of Revenue, Expenditures and Changes in Fund
 Balance
 For the Year Ended June 30, 2023

	Nonexpendable Trust Fund	Rose Trust Fund	Total Permanent Funds
Revenues			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Fines, Penalties, and Charges for Services	-	-	-
Investment Income (Loss)	2	4,782	4,784
Other Revenues	-	-	-
Total Revenues	2	4,782	4,784
Expenditures			
General government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Cultural and Recreation	-	-	-
Health and Welfare	-	-	-
Education	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Other Charges	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	2	4,782	4,784
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	2	4,782	4,784
Fund balance, July 1, 2022	182,888	167,361	350,249
Fund balance, June 30, 2023	<u>\$ 182,890</u>	<u>\$ 172,143</u>	<u>\$ 355,033</u>

See independent auditor's report

Town of East Greenwich, Rhode Island

Supplementary Information

Schedule of Property Taxes Receivable

For the Year Ended June 30, 2023

FY 2023 Cash Collections Summary

Tax Roll Year	Balance July 1, 2022	Current Year Assessment	Refunds	Additions and Adjustments	Abatements and Adjustments	Amount to be collected	Collections Net of Refunds	Balance June 30, 2023	FY 2023 Cash Collections Summary			July - August 2023 (FY 23) Cash Collections Subject to 60-day FY 23 Accrual
									July - August 2022 Collections Subject to 60-day FY22 Accrual	September - June-23 Collections	Total FY 2023 Cash Collections	
2022	\$ -	\$59,885,192	\$ -	\$ 77,440	\$ 19,031	\$59,943,601	\$ 58,851,553	\$ 1,092,048	\$ -	\$58,851,553	\$ 58,851,553	\$ 442,315
2021	1,246,700	-	-	-	2,780	1,243,920	992,477	251,443	697,969	294,508	992,477	(6,087)
2020	126,229	-	-	-	1,033	125,196	45,512	79,684	13,971	31,541	45,512	(6,633)
2019	50,440	-	-	-	3,544	46,896	5,525	41,371	2,929	2,596	5,525	(8)
2018	99,697	-	-	-	2,106	97,591	8,285	89,306	1,556	6,729	8,285	1,408
2017	79,199	-	-	-	1,958	77,241	3,209	74,032	73	3,136	3,209	1,709
2016	91,068	-	-	-	905	90,163	2,886	87,277	38	2,848	2,886	-
2015	85,131	-	-	-	96	85,035	2,315	82,720	186	2,129	2,315	-
2014	77,633	-	-	-	105	77,528	3,663	73,865	3,691	(28)	3,663	-
2013	84,714	-	-	-	6,054	78,660	3,556	75,104	4,405	(849)	3,556	-
2012	72,694	-	-	-	36,225	36,469	8,879	27,590	-	-	-	-
2010 and Prior	31,731	-	-	-	1,081	30,650	1,100	29,550	-	-	-	-
	<u>\$ 2,045,236</u>	<u>\$ 59,885,192</u>	<u>\$ -</u>	<u>\$ 77,440</u>	<u>\$ 74,918</u>	<u>\$ 61,932,950</u>	<u>\$ 59,928,960</u>	<u>\$ 2,003,990</u>	<u>\$ 724,818</u>	<u>\$ 59,194,163</u>	<u>\$ 59,918,981</u>	<u>\$ 432,704</u>
Less: Allowance for Uncollectible accounts	<u>(58,853)</u>							<u>(70,265)</u>				
	<u>\$ 1,986,383</u>							<u>\$ 1,933,725</u>				

See independent auditor's report

Town of East Greenwich, Rhode Island

Supplementary Information

Schedule of Property Taxes Receivable

For the Year Ended June 30, 2023

Schedule of property valuation assessed as of December 31, 2021:

	<u>Valuation</u>	<u>Levy</u>
Real property	\$ 2,280,285,713	\$ 48,843,720
Commercial/Mixed use	415,567,300	\$ 10,040,106
Motor vehicles	171,557,644	3,925,239
Tangible personal property	<u>93,558,181</u>	<u>2,972,343</u>
Total	<u>2,960,968,838</u>	<u>65,781,408</u>
Exemption and adjustments	<u>149,410,656</u>	<u>5,896,216</u>
Total	<u>\$ 2,811,558,182</u>	<u>\$ 59,885,192</u>

Reconciliation of Current Year Property Tax Revenue

Current Year Collections	\$ 59,928,960
60-day FY23 Accrual	432,704
<i>July-August 2023 Collections</i>	
60-day FY22 Accrual	<u>(724,818)</u>
<i>July-August 2022 Collections</i>	
Current Year Property Tax Revenue	<u>\$ 59,636,846</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2023

OTHER SUPPLEMENTARY INFORMATION

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

Annual Supplemental Transparency Report (MTP2) - Revenue

Annual Supplemental Transparency Report (MTP2) – Expenditures

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Municipal

Combining Schedule of Reportable Government Services with Reconciliation to MTP2 – Education
Department

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

Town of East Greenwich, Rhode Island

Annual Supplemental Transparency Report (MTP2)

For the Year Ended June 30, 2023

<u>REVENUE</u>	<u>Municipal</u>	<u>Education Department</u>
Current Year Levy Tax Collection	\$ 58,740,711	\$ -
Last Year's Levy Tax Collection	814,154	-
Prior Years Property Tax Collection	81,966	-
Interest & Penalty	132,131	-
PILOT & Tax Treaty (excluded from levy) Collection	-	-
Other Local Property Taxes	-	-
Licenses and Permits	1,435,895	-
Fines and Forfeitures	-	-
Investment Income	340,040	-
Departmental	244,964	-
Rescue Run Revenue	720,317	-
Police & Fire Detail	147,444	-
Other Local Non-Property Tax Revenues	245,117	-
Tuition	-	116,383
Impact Aid	-	-
Medicaid	-	328,248
Federal Stabilization Funds	-	-
Federal Food Service Reimbursement	-	254,092
CDBG	-	-
COPS Grants	-	-
SAFER Grants	-	-
Other Federal Aid Funds	-	834,518
COVID - ESSER	-	284,061
COVID - CRF	-	-
COVID - CDBG	-	-
COVID - FEMA	-	-
COVID - Other	-	42,456
COVID - ARPA	296,666	193,309
MV Excise Tax Reimbursement	84,112	-
State PILOT Program	774,131	-
Distressed Community Relief Fund	-	-
Library Resource Aid	-	-
Library Construction Aid	-	-
Public Service Corporation Tax	162,262	-
Meals & Beverage Tax / Hotel Tax	1,070,633	-
LEA Aid	-	4,702,396
Group Home	-	-
Housing Aid Capital Projects	-	-
Housing Aid Bonded Debt	1,333,699	-
State Food Service Revenue	-	36,949
Incentive Aid	-	-
Property Revaluation Reimbursement	-	-
Other State Revenue	559,907	266,360
Motor Vehicle Phase Out	2,333,220	-
Other Revenue	-	1,153,901
Local Appropriation for Education	-	38,769,576
Regional Appropriation for Education	-	-
Supplemental Appropriation for Education	-	-
Regional Supplemental Appropriation for Education	-	-
Other Education Appropriation	-	-
Rounding	-	-
Total Revenue	<u>\$ 69,517,370</u>	<u>\$ 46,982,248</u>
Financing Sources: Transfer from Capital Funds	\$ -	\$ -
Financing Sources: Transfer from Other Funds	3,286,637	-
Financing Sources: Debt Proceeds	135,716	-
Financing Sources: Other	-	-
Rounding	-	-
Total Other Financing Sources	<u>\$ 3,422,353</u>	<u>\$ -</u>

See independent auditor's report

Town of East Greenwich, Rhode Island
Annual Supplemental Transparency Report (MTP2)
For the Year Ended June 30, 2023

<u>EXPENDITURES</u>	General Government	Finance	Social Services	Centralized IT	Planning	Libraries	Public Works	Parks and Rec	Police Department
Compensation- Group A	\$ 609,540	\$ 547,061	\$ 228,929	\$ 184,368	\$ 219,289	\$ -	\$ 1,381,421	\$ 663,584	\$ 2,722,713
Compensation - Group B	-	-	-	-	-	-	-	-	583,764
Compensation - Group C	-	-	-	-	-	-	-	-	-
Compensation - Volunteer	-	-	-	-	-	-	-	-	-
Overtime- Group A	-	82	-	-	-	-	69,322	5,744	344,980
Overtime - Group B	-	-	-	-	-	-	-	-	87,953
Overtime - Group C	-	-	-	-	-	-	-	-	-
Police & Fire Detail	-	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	108,402	109,477	57,232	28,838	17,441	-	311,428	174,185	449,210
Active Medical Insurance- Group B	-	-	-	-	-	-	-	-	124,636
Active Medical Insurance- Group C	-	-	-	-	-	-	-	-	-
Active Dental insurance- Group A	3,634	3,826	2,017	1,019	457	-	11,565	6,322	14,163
Active Dental Insurance- Group B	-	-	-	-	-	-	-	-	5,702
Active Dental Insurance- Group C	-	-	-	-	-	-	-	-	-
Payroll Taxes	41,174	40,856	17,005	13,678	16,558	-	111,242	50,260	285,239
Life Insurance	1,161	1,170	731	281	538	-	5,090	2,569	16,466
State Defined Contribution- Group A	5,977	5,513	2,787	1,786	2,355	-	10,916	6,318	-
State Defined Contribution - Group B	-	-	-	-	-	-	-	-	3,476
State Defined Contribution - Group C	-	-	-	-	-	-	-	-	-
Other Benefits- Group A	1,387	3,104	1,412	221	2,679	-	91,130	34,650	56,627
Other Benefits- Group B	-	-	-	-	-	-	-	-	453
Other Benefits- Group C	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension- Group A	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
State Defined Benefit Pension- Group A	33,915	31,370	13,483	10,788	12,667	-	76,970	39,245	837,948
State Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-	24,186
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-	-
Purchased Services	298,172	43,303	23,082	37,601	14,501	-	60,405	22,753	55,718
Materials/Supplies	19,350	5,292	5,259	245,676	2,858	-	35,176	71,500	46,825
Software Licenses	-	-	-	257,723	-	-	-	-	-
Capital Outlays	96,237	-	1,884	98,488	1,398	-	23,164	4,930	20,350
Insurance	409,002	-	-	-	-	-	-	-	-
Maintenance	24,766	-	14,052	-	-	-	63,217	5,991	14,213
Vehicle Operations	-	-	4,278	473	-	-	178,683	40,458	109,601
Utilities	29,299	-	25,425	98,114	-	-	52,818	39,235	88,085
Contingency	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	101,380	-	-
Revaluation	-	24,819	-	-	-	-	-	-	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	49,858	-	-
Trash Removal & Recycling	-	-	-	-	-	-	794,964	-	-
Claims & Settlements	-	-	-	-	-	-	-	-	-
Community Support	37,575	-	-	-	-	-	-	-	-
Other Operation Expenditures	40,686	30,875	10,370	275	1,657	546,645	12,647	16,056	47,366
Tipping Fees	-	-	-	-	-	-	240,714	-	-
Local Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	-	-	-	-	-
Municipal Debt- Interest	-	-	-	-	-	-	-	-	-
School Debt- Principal	-	-	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	-	-
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	-	-
OPEB Contribution- Total	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,760,278	\$ 846,748	\$ 407,945	\$ 979,329	\$ 292,398	\$ 546,645	\$ 3,682,111	\$ 1,183,798	\$ 5,939,674

See independent auditor's report

Town of East Greenwich, Rhode Island

Annual Supplemental Transparency Report (MTP2)

For the Year Ended June 30, 2023

<u>EXPENDITURES</u>	<u>Fire</u>	<u>Centralized</u>	<u>Public Safety</u>	<u>Education</u>	<u>Debt</u>	<u>OPEB</u>	<u>Total</u>	<u>Education</u>
	<u>Department</u>	<u>Dispatch</u>	<u>Other</u>	<u>Appropriation</u>			<u>Municipal</u>	<u>Department</u>
Compensation - Group A	\$ 3,559,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,116,120	\$ 21,018,549
Compensation - Group B	-	-	-	-	-	-	583,764	1,945,675
Compensation - Group C	-	-	-	-	-	-	-	3,826,984
Compensation - Volunteer	-	-	-	-	-	-	-	-
Overtime - Group A	865,412	-	-	-	-	-	1,285,541	-
Overtime - Group B	-	-	-	-	-	-	87,953	-
Overtime - Group C	-	-	-	-	-	-	-	133,020
Police & Fire Detail	-	-	-	-	-	-	-	-
Active Medical Insurance - Group A	707,987	-	-	-	-	-	1,964,201	2,538,475
Active Medical Insurance - Group B	-	-	-	-	-	-	124,636	209,261
Active Medical Insurance - Group C	-	-	-	-	-	-	-	1,107,774
Active Dental insurance - Group A	34,111	-	-	-	-	-	77,113	141,374
Active Dental Insurance - Group B	-	-	-	-	-	-	5,702	9,663
Active Dental Insurance - Group C	-	-	-	-	-	-	-	61,405
Payroll Taxes	305,420	-	-	-	-	-	881,432	686,516
Life Insurance	10,418	-	-	-	-	-	38,423	35,678
State Defined Contribution - Group A	444	-	-	-	-	-	36,095	551,958
State Defined Contribution - Group B	-	-	-	-	-	-	3,476	42,648
State Defined Contribution - Group C	-	-	-	-	-	-	-	34,253
Other Benefits - Group A	48,032	-	-	-	-	-	239,243	292,095
Other Benefits - Group B	-	-	-	-	-	-	453	621
Other Benefits - Group C	-	-	-	-	-	-	-	3,925
Local Defined Benefit Pension - Group A	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group B	-	-	-	-	-	-	-	-
Local Defined Benefit Pension - Group C	-	-	-	-	-	-	-	-
State Defined Benefit Pension - Group A	1,080,071	-	-	-	-	-	2,136,455	3,058,747
State Defined Benefit Pension - Group B	-	-	-	-	-	-	24,186	243,036
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-	201,398
Other Defined Benefit / Contribution	-	-	-	-	-	-	-	-
Purchased Services	104,834	-	-	-	-	-	660,367	7,025,603
Materials/Supplies	51,226	-	-	-	-	-	483,162	823,956
Software Licenses	-	-	-	-	-	-	257,723	104,615
Capital Outlays	59,926	-	-	-	-	-	306,377	684,012
Insurance	-	-	-	-	-	-	409,002	230,723
Maintenance	90,990	-	-	-	-	-	213,229	996,669
Vehicle Operations	130,749	-	-	-	-	-	464,242	6,477
Utilities	44,870	-	-	-	-	-	377,847	1,010,666
Contingency	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	101,380	-
Revaluation	-	-	-	-	-	-	24,819	-
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	49,858	-
Trash Removal & Recycling	-	-	-	-	-	-	794,964	-
Claims & Settlements	-	-	-	-	-	-	-	45,000
Community Support	-	-	-	-	-	-	37,575	-
Other Operation Expenditures	295,629	-	-	-	-	-	1,002,207	620,901
Tipping Fees	-	-	-	-	-	-	240,714	-
Local Appropriation for Education	-	-	-	38,769,576	-	-	38,769,576	-
Regional Appropriation for Education	-	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	848,000	-	848,000	-
Municipal Debt- Interest	-	-	-	-	181,645	-	181,645	-
School Debt- Principal	-	-	-	-	2,780,833	-	2,780,833	-
School Debt- Interest	-	-	-	-	1,208,605	-	1,208,605	-
Retiree Medical Insurance- Total	-	-	-	-	-	-	-	164,431
Retiree Dental Insurance- Total	-	-	-	-	-	-	-	11,159
OPEB Contribution- Total	-	-	-	-	-	965,571	965,571	-
Rounding	-	-	-	-	-	-	-	-
Total Expenditures	\$ 7,389,332	\$ -	\$ -	\$ 38,769,576	\$ 5,019,084	\$ 965,571	\$ 67,782,490	\$ 47,867,266

Financing Uses: Transfer to Capital Funds	\$ 1,480,000	\$ -
Financing Uses: Transfer to Other Funds	3,361,637	-
Financing Uses: Payment to Bond Escrow Agent	-	-
Financing Uses: Other	-	-
Total Other Financing Uses	\$ 4,841,637	\$ -

Net Change in Fund Balance¹	324,596	(885,018)
Fund Balance¹ - beginning of year	\$9,960,470	\$4,413,469
Funds removed from Reportable Government Services (RGS)	-	-
Funds added to Reportable Government Services (RGS)	136,386	-
Prior period adjustments	-	-
Misc. Adjustment	-	-
Fund Balance¹ - beginning of year adjusted	10,096,856	4,413,469
Rounding	-	-
Fund Balance¹ - end of year	\$ 10,421,452	\$ 3,528,451

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

See independent auditor's report

Town of East Greenwich, Rhode Island
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2023

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance1 - per MTP-2 at June 30, 2022 adjusted						\$ 9,960,470	-	\$ 9,960,470	
<i>No funds removed from RGS for fiscal 2022</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2022</i>						136,386	-	136,386	
<i>No misc. adjustments made for fiscal 2022</i>						-	-	-	
Fund Balance¹ - per MTP-2 at June 30, 2023 adjusted						<u>\$ 10,096,856</u>	<u>\$ -</u>	<u>\$ 10,096,856</u>	
General Fund	\$ 67,326,029	\$ 96,237	\$ 23,663,345	\$ 43,514,976	\$ 243,945	\$ 9,780,992	\$ -	\$ 9,780,992	\$ 10,024,937
Debt Service	1,894,675	3,301,116	5,019,084	-	176,707	179,478	-	179,478	356,185
American Rescue Plan	296,666	-	296,666	-	-	-	-	-	-
Revaluation Fund	-	25,000	24,819	-	181	136,386	-	136,386	136,567
Totals per audited financial statements	<u>\$ 69,517,370</u>	<u>\$ 3,422,353</u>	<u>\$ 29,003,914</u>	<u>\$ 43,514,976</u>	<u>\$ 420,833</u>	<u>\$ 10,096,856</u>	<u>\$ -</u>	<u>\$ 10,096,856</u>	<u>\$ 10,517,689</u>
			\$ -	-					
<u>Reconciliation from financial statements to MTP2</u>									
Reclassify transfer of municipal appropriation to Education Department as expenditure on MTP2	\$ -	\$ -	38,769,576	(38,769,576)	\$ -	-	\$ -	-	-
Totals Per MTP2	<u>\$ 69,517,370</u>	<u>\$ 3,422,353</u>	<u>\$ 67,773,490</u>	<u>\$ 4,841,637</u>	<u>\$ 324,596</u>	<u>\$ 10,096,856</u>	<u>\$ -</u>	<u>\$ 10,223,242</u>	<u>\$ 10,421,452</u>

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

See independent auditor's report

Town of East Greenwich, Rhode Island
Annual Supplemental Transparency Report (MTP2)
Fiscal Year Ended June 30, 2023

Per Audited Fund Financial Statements Fund Description	Total Revenue	Total Other Financing Sources	Total Expenditures	Total Other Financing Uses	Net Change in Fund Balance ¹	Beginning Fund Fund Balance ¹ (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance ¹ (Deficit)	Ending Fund Balance ¹ (Deficit)
Fund Balance¹ - per MTP-2 at June 30, 2022 adjusted <i>No misc. adjustments made for fiscal 2022</i>						\$ 4,413,469	-	\$ 4,413,469	
Fund Balance¹ - per MTP-2 at June 30, 2023 adjusted						\$ 4,413,469	-	\$ 4,413,469	
School Unrestricted Fund	\$ 7,635,908	\$ 38,769,576	\$ 47,403,693	\$ -	\$ (998,208)	\$ 3,656,877	\$ -	\$ 3,656,877	\$ 2,658,669
Special Revenue Funds	1,631,374	-	1,571,879	-	59,495	73,247	-	73,247	132,742
School Food Service	831,557	-	835,625	-	(4,068)	435,619	-	435,619	431,551
Student Activity Accounts	523,731	-	465,968	-	57,763	247,726	-	247,726	305,489
Totals per audited financial statements	\$ 10,622,570	\$ 38,769,576	\$ 50,277,165	\$ -	\$ (885,018)	\$ 4,413,469	\$ -	\$ 4,413,469	\$ 3,528,451
<u>Reconciliation from financial statements to MTP2</u>									
Municipal appropriation for Education reported as a transfer on financial statements but a revenue on MTP2	\$ 38,769,576	\$ (38,769,576)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State contributions on behalf of teacher pensions on financial Statements	(2,252,538)	-	(2,252,538)	-	-	-	-	-	-
State contribution on behalf of transportation	(90,926)	-	(90,926)	-	-	-	-	-	-
Commodities included in audit but not MTP or UCOA	(66,434)	-	(66,434)	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-	-	-
Totals Per MTP2	\$ 46,982,248	\$ -	\$ 47,867,266	\$ -	\$ (885,018)	\$ 4,413,469	\$ -	\$ 4,413,469	\$ 3,528,451
<u>Reconciliation from MTP2 to UCOA</u>									
Fund balance utilization not recognized in MTP2 but in UCOA	\$ 1,023,832	-	\$ -	-	-	-	-	-	-
Miscellaneous variance between MTP2 & UCOA	(1)	-	(38)	-	-	-	-	-	-
Totals per UCOA Validated Totals Report 1/17/24	\$ 48,006,079	-	\$ 47,867,228	-	-	-	-	-	-

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

See independent auditor's report

Town of East Greenwich, Rhode Island

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

For the Year Ended June 30, 2023

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

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

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

See independent auditors’ report

Town of East Greenwich, Rhode Island

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

For the Year Ended June 30, 2023

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/>.

See independent auditors' report

Statistical Section

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

Town of East Greenwich, Rhode Island

Statistical Section

For the Year Ended June 30, 2023

This part of Town's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosure, and required supplementary information says about the Town's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position by Component
- Fund Balances, Governmental Funds
- Changes in Fund Balances, Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess Town's most significant revenue sources.

- Assessed Values and Estimated Actual Values of Taxable Property
- Principal Taxpayers
- Property Tax Levies and Collections

Debt Capacity

These schedules contain information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

- Ratio of Outstanding Debt
- Legal Debt Margin Information

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

- Demographic and Economic Statistics

Town of East Greenwich, Rhode Island

Statistical Section

For the Year Ended June 30, 2023

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

- Full-Time Employees Equivalent by Town Department
- Operating Indicators by Function
- Capital Asset Statistics by Function

Town of East Greenwich, Rhode Island
Statistical Section
Net Position by Component
Last 10 Years
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 43,955,539	\$ 42,022,494	\$ 40,247,735	\$ 35,801,129	\$ 37,392,111	\$ 35,340,922	\$ 35,160,076	\$ 34,519,152	\$ 32,593,083	\$ 30,022,563
Restricted	9,336,318	13,830,226	5,948,116	5,376,028	4,603,808	2,041,699	1,349,714	1,989,921	2,171,870	3,423,277
Unrestricted	(53,996,551)	(64,233,944)	(64,090,390)	(67,548,597)	(62,668,263)	(68,626,000)	(63,472,667)	(33,241,321)	(30,331,477)	(814,090)
Total Governmental Activities Net Position	\$ (704,694)	\$ (8,381,224)	\$ (17,894,539)	\$ (26,371,440)	\$ (20,672,344)	\$ (31,243,379)	\$ (26,962,877)	\$ 3,267,752	\$ 4,433,476	\$ 32,631,750
Business-type Activities:										
Net Investment in Capital Assets	\$ 21,033,763	\$ 23,279,706	\$ 21,267,199	\$ 20,456,792	\$ 19,529,965	\$ 18,577,595	\$ 17,185,132	\$ 17,005,110	\$ 15,315,035	\$ 14,492,633
Restricted	2,779,763	3,619,832	3,955,511	-	-	-	-	-	-	-
Unrestricted	1,595,623	(1,490,541)	365,290	394,943	466,722	7,879,795	8,219,446	7,602,117	9,258,013	10,428,707
Total Business-type Activities Net Position	\$ 25,409,149	\$ 25,408,997	\$ 25,588,000	\$ 20,851,735	\$ 19,996,687	\$ 26,457,390	\$ 25,404,578	\$ 24,607,227	\$ 24,573,048	\$ 24,921,340
Primary Government:										
Net Investment in Capital Assets	\$ 64,989,302	\$ 65,302,200	\$ 61,514,934	\$ 56,257,921	\$ 56,922,076	\$ 53,918,517	\$ 52,345,208	\$ 51,524,262	\$ 47,908,118	\$ 44,515,196
Restricted	12,116,081	17,450,058	9,903,627	5,376,028	4,603,808	2,041,699	1,349,714	1,989,921	2,171,870	3,423,277
Unrestricted	(52,400,928)	(65,724,485)	(63,725,100)	(67,153,654)	(62,201,541)	(60,746,205)	(55,253,221)	(25,639,204)	(21,073,464)	9,614,617
Total Primary Government Net Position	\$ 24,704,455	\$ 17,027,773	\$ 7,693,461	\$ (5,519,705)	\$ (675,657)	\$ (4,785,989)	\$ (1,558,299)	\$ 27,874,979	\$ 29,006,524	\$ 57,553,090

Town of East Greenwich, Rhode Island
Statistical Section
Changes in Net Position by Component
Last 10 Years
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,622,970	\$ 1,740,014	\$ 1,833,547	\$ 1,226,895	\$ 711,553	\$ 663,369	\$ 719,852	\$ 728,482	\$ 516,808	\$ 637,795
Public Safety	1,140,058	1,149,762	1,273,440	981,353	183,351	193,811	189,259	162,802	174,093	188,623
Public Works	214,093	211,459	210,383	199,158	-	-	-	-	-	-
Cultural and Recreation	648,386	613,558	339,121	205,307	-	-	-	-	-	-
Health and Welfare	3,546	8,315	8,956	9,292	386,868	1,276,615	1,220,636	1,319,959	1,376,819	257,000
Education	211,881	136,466	102,150	95,353	464,446	426,208	423,511	411,451	507,125	451,902
Operating Grants and Contributions:										
General Government	2,241,421	2,194,518	2,472,766	2,110,470	237	1,187	4,950	-	393,555	549,711
Public Safety	376,620	276,952	2,296,947	15,025	125,143	168,019	190,621	164,414	220,069	154,635
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	161,155	92,613	5,325	78,462	-	-	-	-	-	-
Health and Welfare	-	185	900	1,295	603,697	308,929	809,069	385,624	251,285	257,735
Education	9,558,273	7,953,528	7,875,020	6,451,395	8,472,805	7,763,792	7,790,736	7,835,647	5,586,856	6,663,785
Capital Grants and Contributions:										
General Government	106,884	47,288	406,375	99,650	-	-	-	-	-	-
Public Safety	-	90,838	-	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Education	463,231	591,327	24,837	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	16,748,518	15,106,823	16,849,767	11,473,655	10,948,100	10,801,930	11,348,634	11,008,379	9,026,610	9,161,186
Business-type Activities:										
Charges for Services:										
Sewer	4,017,457	3,520,423	4,615,537	4,132,879	4,483,500	4,325,655	3,974,624	3,155,983	2,694,649	2,941,661
School Lunch Fund	474,082	-	2,211	332,434	-	-	-	-	-	-
Operating Grants and Contributions:										
Sewer	24,000	82,021	21,585	-	-	-	-	-	-	-
School Lunch Fund	357,475	1,173,705	611,237	182,586	-	-	-	-	-	-
Total Business-type Activities	4,873,014	4,776,149	5,250,570	4,647,899	4,483,500	4,325,655	3,974,624	3,155,983	2,694,649	2,941,661
Total Primary Government Program Revenues	21,621,532	19,882,972	22,100,337	16,121,554	15,431,600	15,127,585	15,323,258	14,164,362	11,721,259	12,102,847

Town of East Greenwich, Rhode Island
Statistical Section
Changes in Net Position by Component
Last 10 Years
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities:										
General Government	4,481,967	3,692,043	4,771,640	5,485,190	7,307,072	11,763,874	10,702,032	11,213,803	7,475,179	10,271,135
Public Safety	12,314,784	11,286,327	14,399,244	13,446,234	2,979,410	10,186,989	8,531,144	7,993,445	7,808,939	7,720,518
Public Works	4,322,464	4,356,174	4,336,085	4,780,707	3,224,593	5,026,382	5,430,220	5,159,473	5,104,794	4,922,694
Cultural and Recreation	2,566,690	1,602,754	1,154,583	1,475,284	1,473,433	1,209,398	1,191,525	1,193,977	1,181,525	1,131,540
Health and Welfare	7,575	-	-	79	182,302	415,403	608,099	2,151,048	840,519	850,902
Education	48,971,518	45,978,505	47,563,659	47,119,090	45,036,690	43,186,223	43,256,485	40,190,736	34,118,786	37,299,099
Interest and Fiscal Charges	1,398,928	1,207,904	1,466,160	1,821,026	2,174,319	2,205,020	2,085,391	2,438,141	2,386,485	2,817,502
Total Governmental Activities Expenses	74,063,926	68,123,707	73,691,371	74,127,610	62,377,819	73,993,289	71,804,896	70,340,623	58,916,227	65,013,390
Business-type Activities:										
Sewer	4,037,237	4,104,270	3,889,339	3,306,350	3,497,211	3,272,843	3,177,273	3,121,804	3,042,941	2,924,541
School Lunch	835,625	850,881	572,174	543,560	-	-	-	-	-	-
Total Business-type Activities	4,872,862	4,955,151	4,461,513	3,849,910	3,497,211	3,272,843	3,177,273	3,121,804	3,042,941	2,924,541
Total Primary Government Program Expenses	78,936,788	73,078,858	78,152,884	77,977,520	65,875,030	77,266,132	74,982,169	73,462,427	61,959,168	67,937,931
Net (Expenses)/Revenue:										
Governmental Activities	(57,315,408)	(53,016,884)	(56,841,604)	(62,653,955)	(51,429,719)	(63,191,359)	(60,456,262)	(59,332,244)	(49,889,617)	(55,852,204)
Business-type Activities	152	(179,002)	789,057	797,989	986,289	1,052,812	797,351	34,179	(348,292)	17,120
Total Primary Government Net Expenses	(57,315,256)	(53,195,886)	(56,052,547)	(61,855,966)	(50,443,430)	(62,138,547)	(59,658,911)	(59,298,065)	(50,237,909)	(55,835,084)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes	60,782,535	60,780,118	58,424,152	57,092,878	55,946,990	56,046,626	57,076,518	55,387,746	53,092,082	52,039,380
Unrestricted Investment Earnings	412,807	75,055	77,307	113,753	53,363	65,908	34,795	9,489	9,719	27,917
Grants and Contributions not Restricted to Specific Program	3,650,227	1,561,741	1,006,437	1,385,837	-	-	-	-	-	-
Miscellaneous	146,369	113,285	370,032	282,070	4,126,097	2,798,323	2,751,118	2,457,607	2,786,915	3,611,275
Transfers	-	-	-	43,000	(100,059)	-	1,762	62,395	62,403	62,403
Total Governmental Activities	64,991,938	62,530,199	59,877,928	58,917,538	60,026,391	58,910,857	59,864,193	57,917,237	55,951,119	55,740,975
Business-type Activities:										
Unrestricted Investment Earnings	-	-	-	-	-	-	-	-	-	-
Grants and Contributions not Restricted to Specific Program	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	(43,000)	100,059	-	-	-	-	-
Total Business-type Activities	-	-	-	(43,000)	100,059	-	-	-	-	-
Total Primary Government General Revenues and Other Changes in Net Position	-	62,530,199	29,877,928	28,874,538	60,126,450	58,910,857	59,864,193	57,917,237	55,951,119	55,740,975
Change in Net Position:										
Governmental Activities	7,676,530	9,513,315	3,036,324	(3,736,417)	8,596,672	(4,280,502)	(592,069)	(1,415,007)	6,061,502	(111,229)
Business-type Activities	152	(179,002)	789,057	754,989	1,086,348	1,052,812	797,351	34,179	(348,292)	17,120
Total Change in Net Position of Primary Government	\$ 7,676,682	\$ 9,334,313	\$ 3,825,381	\$ (2,981,428)	\$ 9,683,020	\$ (3,227,690)	\$ 205,282	\$ (1,380,828)	\$ 5,713,210	\$ (94,109)

Town of East Greenwich, Rhode Island
Statistical Section
Changes in Fund Balances, Governmental Funds
Last 10 Years
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Property Taxes, Interest and Lien Fees	\$ 60,543,079	\$ 60,991,746	\$ 58,318,528	\$ 57,956,263	\$ 55,783,356	\$ 56,012,926	\$ 57,038,288	\$ 55,468,067	\$ 52,855,272	\$ 51,893,705
Intergovernmental Revenues	16,375,452	13,879,539	13,683,412	9,356,393	8,521,140	6,905,614	7,767,445	6,888,695	5,729,112	7,328,248
Fines, Penalties, and Charges for Services	2,590,433	2,892,582	2,590,161	2,019,989	1,306,004	2,136,509	2,113,333	2,074,701	2,027,141	1,529,948
Licenses and Permits	1,048,765	856,504	1,018,860	816,268	-	-	-	-	-	-
Investment Income	412,807	75,055	77,307	113,753	66,400	76,285	98,110	131,276	142,000	27,917
Other revenue	206,125	116,917	370,942	283,146	5,000,779	4,301,970	3,886,519	4,246,536	3,800,160	3,644,372
Total Revenues	81,176,661	78,812,343	76,059,210	70,545,812	70,677,679	69,433,304	70,903,695	68,809,275	64,553,685	64,424,190
Expenditures										
Current:										
General government	4,821,910	4,409,700	4,385,714	4,536,183	8,357,313	10,957,406	8,597,472	9,650,248	7,750,894	7,199,628
Public safety	14,243,775	13,325,504	13,063,522	12,125,586	8,347,296	9,539,281	7,989,933	7,450,535	7,231,582	7,169,986
Public works	3,683,458	3,740,694	3,592,004	4,225,030	3,787,079	3,789,028	3,692,554	3,548,831	3,474,684	3,340,690
Cultural and Recreation	2,468,427	1,527,731	1,103,569	1,313,716	1,416,814	1,320,444	1,131,951	1,135,224	1,123,735	1,128,003
Health and Welfare	7,575	-	-	79	182,302	248,257	608,099	590,583	677,986	850,902
Education	49,580,607	47,970,816	44,442,557	42,539,805	42,344,620	40,849,881	41,187,480	39,003,994	36,495,426	36,808,755
Debt Service:										
Principal Retirement	3,666,960	3,596,833	3,373,833	2,607,833	3,596,833	3,332,833	4,295,833	4,221,833	4,190,833	4,160,833
Lease payments	96,237	94,016	-	-	-	-	-	-	-	-
Interest and other Charges	1,391,974	1,376,567	1,509,917	2,114,678	2,172,887	2,214,440	2,289,912	2,453,325	2,547,470	2,679,075
Capital Outlay	2,677,091	2,885,765	3,955,657	2,297,157	3,194,617	2,152,130	1,674,115	2,085,678	1,445,369	229,924
Other Expenditures	-	-	-	-	-	-	6,768	1,560,465	-	1,815,421
Total Expenditures	82,638,014	78,927,626	75,426,773	71,760,067	73,399,761	74,403,700	71,474,117	71,700,716	64,937,979	65,383,217
Excess (deficit) of revenues over (under) expenditures before other financing sources (uses)	(1,461,353)	(115,283)	632,437	(1,214,255)	(2,722,082)	(4,970,396)	(570,422)	(2,891,441)	(384,294)	(959,027)
Other financing sources (uses)										
Issuance of General Obligation Bonds	-	-	3,485,000	-	-	-	-	-	-	-
Issuance of Direct Placement Debt	2,695,000	-	620,359	606,444	-	-	-	-	-	-
Issuance of Refunding Bonds	-	-	29,655,000	-	2,079,386	1,636,311	562,112	1,475,388	20,000	-
Payment to Refunding Debt Escrow	-	-	(29,369,339)	-	-	-	-	-	-	-
Issuance of Leases	96,237	235,430	-	-	-	-	-	-	-	-
Transfers In	4,842,083	4,440,261	3,486,927	593,270	-	605,804	154,075	33,276,182	32,485,772	-
Transfers Out	(4,842,083)	(4,440,261)	(3,486,927)	(550,270)	-	(605,804)	(154,075)	(33,276,182)	(32,485,772)	(48,599)
Total Other Financing Sources (uses)	2,791,237	235,430	4,391,020	649,444	2,079,386	1,636,311	562,112	1,475,388	20,000	(48,599)
Net Change in Fund Balance	1,329,884	120,147	5,023,457	(564,811)	(642,696)	(3,334,085)	(8,310)	(1,416,053)	(364,294)	(1,007,626)
Ratio of total debt service expenditures to total noncapital expenditures	3.58%	3.75%	5.47%	3.30%	8.22%	7.68%	9.41%	9.58%	10.61%	10.48%

Town of East Greenwich, Rhode Island
 Statistical Section
 Property Tax Levies and Collections
Last 10 Years
(Unaudited)

Fiscal Year Ended June 30	Amount to be Collected	Current Year Tax Collections	Percentage of Levy Collected	Collections in Subsequent Years	Total Collections to Date as of 6/30/2023	
					Amount	Percentage of Levy
2023	\$ 59,885,192	\$ 58,851,553	98.27%	\$ -	\$ 58,851,553	98.27%
2022	59,878,933	58,632,233	97.92%	992,477	59,624,710	99.58%
2021	57,968,891	56,368,508	97.24%	1,464,669	57,833,177	99.77%
2020	56,836,566	55,631,105	97.88%	1,152,183	56,783,288	99.91%
2019	55,940,328	54,557,775	97.53%	1,280,606	55,838,381	99.82%
2018	56,128,625	54,865,975	97.75%	1,181,417	56,047,392	99.86%
2017	57,063,288	55,903,738	97.97%	1,066,634	56,970,372	99.84%
2016	55,464,423	54,254,999	97.82%	1,124,016	55,379,015	99.85%
2015	53,345,988	51,904,778	97.30%	1,363,577	53,268,355	99.85%
2014	51,851,944	50,684,913	97.75%	1,079,439	51,764,352	99.83%

Source: Town of East Greenwich Tax Collector

Town of East Greenwich, Rhode Island
 Statistical Section
 Legal Debt Margin Information
Current Year and 10 Years Ago
 (Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 84,346,745	\$ 82,927,294	\$ 73,425,366	\$ 73,430,663	\$ 73,035,072	\$ 71,313,503	\$ 73,515,232	\$ 70,339,512	\$ 68,850,237	\$ 67,923,165
Total Net Debt Applicable to the Limit	16,797,593	13,012,778	14,597,624	12,191,609	16,401,674	18,592,395	21,069,742	22,581,019	18,622,629	20,485,131
Legal Debt Margin	67,549,152	69,914,516	58,827,742	61,239,054	56,633,398	52,721,108	52,445,490	47,758,493	50,227,608	47,438,034
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.91%	15.69%	19.88%	16.60%	22.46%	26.07%	28.66%	32.10%	27.05%	30.16%

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

To the Honorable Members of the Town Council
Town of East Greenwich, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Town of East Greenwich, Rhode Island (Town), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated January 26, 2024.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Hague, Sahady & CO., P.C.

Hague, Sahady, & Co., P.C.
Fall River, Massachusetts
January 26, 2024

Single Audit

CERTIFIED PUBLIC ACCOUNTANTS

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Fall River, MA 02720

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

To the Honorable President and Members of the Town Council

Town of East Greenwich, Rhode Island

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island (the "Town"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated January 26, 2024.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Hague, Sahady & CO., P.C.

Hague, Sahady, & Co., P.C.
Fall River, Massachusetts
January 26, 2024

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*Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control Over Compliance Required by the Uniform Guidance*

To the Honorable President and Members of the Town Council
Town of East Greenwich, Rhode Island

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of East Greenwich, Rhode Island's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Town of East Greenwich, Rhode Island's major federal programs for the year ended June 30, 2023. The Town of East Greenwich, Rhode Island's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of East Greenwich, Rhode Island complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of East Greenwich, Rhode Island and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of East Greenwich, Rhode Island's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Town of East Greenwich, Rhode Island's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of East Greenwich, Rhode Island's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of East Greenwich, Rhode Island's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of East Greenwich, Rhode Island's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Town of East Greenwich, Rhode Island's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of East Greenwich, Rhode Island's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of East Greenwich, Rhode Island (Town), as of and for the year ended June 30, 2023, and have issued our report thereon dated January 26, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hague, Sahady & Co., P.C.

Hague, Sahady, & Co., P.C.
Fall River, Massachusetts
January 26, 2024

TOWN OF EAST GREENWICH, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Distributed to Subrecipients
U.S. Department of Agriculture				
<i>Passed through the State of Rhode Island Department of Education:</i>				
Child Nutrition Cluster				
School Breakfast Program	10.553	N/A	\$ 25,031	\$ -
School Lunch Program	10.555	N/A	320,526	-
Total Child Nutrition Cluster			<u>345,557</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>345,557</u>	<u>-</u>
U.S. Department of Justice				
<i>Passed through State of Rhode Island Public Safety:</i>				
Bulletproof Vest Partnership Program	16.607	N/A	10,293	-
Total U.S. Department of Justice			<u>10,293</u>	<u>-</u>
U.S. Department of Transportation				
<i>Direct Program:</i>				
National Highway Safety Cluster				
Distracted Drivers Enforcement	20.600	Distracted Drivers Enforcement,NHTSA M8DDLE 23 01	4,004	-
Seat Belt Law Enforcement	20.616	NHTSA M2 HVE 23 03	3,196	-
Total Highway Safety Cluster			<u>7,200</u>	<u>-</u>
Total U.S. Department of Transportation			<u>7,200</u>	<u>-</u>
U.S. Department of the Treasury				
<i>Direct Program:</i>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	* 296,666	-
Total U.S. Department of the Treasury			<u>296,666</u>	<u>-</u>
U.S. Environmental Protection Agency				
<i>Direct Program:</i>				
ARRA - Capitalization Grant for Clean Water State Revolving Fund	66.458	N/A	22,783	-
Total U.S. Environmental Protection Agency			<u>\$ 22,783</u>	<u>\$ -</u>

* indicates major program

See notes to schedule of expenditures of federal awards

TOWN OF EAST GREENWICH, RHODE ISLAND
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures	Distributed to Subrecipients
U.S. Department of Education				
<i>Passed through the State of Rhode Island Department of Education:</i>				
Special Education Cluster (IDEA)				
IDEA Part B	84.027A	2725-13202-901	* 590,050	-
ARP - IDEA Part B	84.027	4872-50702-201	* 102,823	-
SPED Part B-Early Childhood	84.173A	2725-13502-901	* 13,538	-
ARP SPED Part B-Early Childhood	84.173	4872-50702-201	* 7,317	-
Total Special Education Cluster (IDEA)			<u>713,728</u>	<u>-</u>
Title I, Part A Grant	84.010A	2725-11702-101	81,129	-
Career and Technical Education	84.048A	2725-15302-301	59,306	-
Evidence-Based School Climate Transformation	84.184F	10-072-2725213-02	1,850	-
Title III, Part A Grant	84.365A	2725165-02-02	2,343	-
Title II Part A - Supporting Effective Instruction	84.367A	2725-16402-101	63,521	-
Title IV Grants to Local Education Agencies	84.424A	2725-2080-202	10,000	-
Elementary and Secondary School Emergency Relief (ESSER II) Fund	84.425D	4672-60602-101	79,407	-
Elementary and Secondary School Emergency Relief (ESSER III) Fund	84.425D	4872-50502-201	204,654	-
Rethink Grant PrepareRI School Counseling	84.425B		37,500	-
Lexia Learning Grant	84.425B		4,956	-
Total U.S. Department of Education			<u>1,258,394</u>	<u>-</u>
US Department of Health and Human Services				
<i>Passed through the State of Rhode Island Department of Health</i>				
ELC Reopening Schools Supplemental Funding Grant	93.323	N/A	83,169	-
Total U.S. Department of Health and Human Services			<u>83,169</u>	<u>-</u>
US Department of Homeland Security				
<i>Direct Program:</i>				
Emergency Management Performance Program	97.042	EMB-2020-EP-00001-S01	10,418	-
Assistance to Firefighters Grant	97.044	EMW-2019-FG-00686	2,496	-
Assistance to Firefighters Grant	97.044	EMW-2021-FG-00408	28,796	-
Total U.S. Department of Homeland Security			<u>41,710</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,065,772</u>	<u>\$ -</u>

* indicates major program

See notes to schedule of expenditures of federal awards

TOWN OF EAST GREENWICH, RHODE ISLAND

Schedule of Findings and Questioned Costs

For the Year Ended *June 30, 2023*

1. Definition of Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards presents activity of all Federal financial assistance programs of the Town of East Greenwich, Rhode Island (the “Town”). Federal financial assistance received includes funds received directly from Federal agencies as well as Federal financial assistance passed through other governmental agencies and received by the Town.

2. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Town and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Uniform Guidance*.

The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Subpart F, Section 510(b).

3. Major Programs

The Town’s independent auditors have used a risk-based approach to determine which federal programs are “major programs” in accordance with 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Subpart F, Section 518. This risk-based approach includes consideration of current and prior audit experience, oversight by Federal Agencies and pass-through entities, the inherent risk of the Federal program, as well as other considerations. The process in paragraphs (b) through (i) of Section 518 govern auditor major program determination.

The Town has no responsibility to determine major programs. The independent auditor’s responsibilities are summarized within 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Subpart F, Sections 508 to 512.

4. 10 % De Minimis Indirect Cost Rate

The Town elected not to use the 10% De Minimis indirect cost rate as covered in 2 CFR Part 200 Sections 414 “Indirect (F&A) Costs.”

5. Program Income

Of the federal expenditures and award amounts presented in the Schedule of Expenditures of Federal Awards, the Town included program income as follows:

Program Title	Federal ALN Number	Amount Recorded as Program Income
Child Nutrition Cluster	10.553, 10.555	\$474,084

TOWN OF EAST GREENWICH, RHODE ISLAND

Schedule of Findings and Questioned Costs

For the Year Ended *June 30, 2023*

Program Cluster

In accordance with Uniform Guidance, certain programs have been clustered in determining major programs. The following represent the clustered programs:

Child Nutrition Cluster

National School Breakfast Program	10.553
National School Lunch Program	10.555

Special Education Cluster

IDEA Part B	84.027A
SPED Part B-Early Education	84.173A
ARP IDEA Part B	84.027
ARP SPED Part B – Early Childhood	84.173

National Highway Traffic Safety Administration Cluster

Distracted Drivers Enforcement	20.600
Seat Belt Law Enforcement	20.616

TOWN OF EAST GREENWICH, RHODE ISLAND

Summary of Audit Results
For the Year Ended June 30, 2023

Section I - Summary of Audit Results

Financial Statements

We have audited the financial statements of the Town of East Greenwich, Rhode Island, as of and for the Year Ended June 30, 2023 and have issued our reports thereon dated January 26, 2024. 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 and with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The results of our audit are as follows:

Type of Report issued on the Financial Statements	
Internal Control over Financial Reporting:	Unmodified
Material Weakness(es) Identified?	No
Significant Deficiencies Identified that are not considered to be Material Weakness(es)?	No
Noncompliance Material to the Financial Statements Noted?	No

Federal Awards (Uniform Guidance):

We have audited the compliance of the Town of East Greenwich, Rhode Island with the type of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2023 and have issued our reports thereon dated January 26, 2024. We performed the audit under the requirements of 2CFR Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance.)

The results of our audit are as follows:

Internal Control over Major Programs:	
Material Weakness(es) Identified?	No
Significant Deficiencies Identified that are not considered to be Material Weakness(es)?	No
Type of Report on Compliance for Major Programs:	
Coronavirus State and Local Fiscal Recovery Fund (ALN 21.027)	Unmodified
Special Education Cluster (ALN 84.027, 84.173, 84.027A, 84.173A)	
Disclosure of Audit Findings required to be reported under 2 CFR Part 200 Section 200.516(a):	No

TOWN OF EAST GREENWICH, RHODE ISLAND

Summary of Audit Results
For the Year Ended *June 30, 2023*

Identification of Major Programs:

<u>Name of Federal Program or Cluster</u>	<u>ALN #</u>
Coronavirus State and Local Fiscal Recovery Funds	21.027
Special Education Cluster	84.027, 84.173, 84.027A, 84.173A

Threshold for distinguishing Type A and Type B Programs (2 CFR 200 Section 518(b)(1)) was \$750,000.

The Town of East Greenwich, Rhode Island does not qualify as a low risk auditee.

TOWN OF EAST GREENWICH, RHODE ISLAND

Current Year Findings
For the Year Ended *June 30, 2023*

***Section II - Findings on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on our Audit of the Financial Statements (Government Auditing Standards)***

None Reported

***Section III - Findings and Questioned Costs Which Are Required to be Reported Over Major Federal Programs
and Internal Control Over Compliance Required by Uniform Guidance***

None Reported

TOWN OF EAST GREENWICH, RHODE ISLAND

Status of Prior Year Findings
For the Year Ended *June 30, 2023*

Section IV - Status of Prior Year Findings on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on our Audit of the Financial Statements (Government Auditing Standards)

Prior Year Finding:	2022-001
Type of Finding:	Material Weakness in Internal Control Over Reporting
Criteria or Specific Requirement	Internal Controls should be in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.
Condition:	<p>The East Greenwich School Department does not have adequate controls in place to ensure that all incurred invoices are being captured in the correct period.</p> <p>Invoices that were received after year end were not recorded in the proper period. This resulted in the understatement of retainage payables and understatement to capital outlay at June 30, 2022 totaling \$410,494.</p>
Recommendation:	The East Greenwich School Department's management evaluate the current financial reporting processes and controls to ensure that controls are in place to present the external financial statements in accordance with U.S. GAAP.
Current Status:	The East Greenwich School Department has updated policies, procedures, and internal controls to ensure invoices are being captured to the proper periods and the external financial statements are in accordance with U.S. GAAP. Therefore, finding has been cleared in current fiscal year.

Section V - Status of Prior Year Findings Over Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance

None Reported