

# **TOWN OF WARREN, RHODE ISLAND**

## **ANNUAL FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2023**



**Roy Borges**  
**Acting Town Manager**

**David Burlingame**  
**Finance Director**

# TOWN OF WARREN, RHODE ISLAND

## Table of Contents

*For the Year Ended June 30, 2023*

Introductory Section.....	1
List of Town Officials.....	1
Financial Section.....	3
<i>Independent Auditor’s Report</i> .....	4
Management’s Discussion and Analysis (MD&A) (Unaudited) .....	7
Basic Financial Statements .....	15
Government-Wide Financial Statements: .....	15
Statement of Net Position .....	15
Statement of Activities.....	17
Governmental Funds .....	19
Balance Sheet.....	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	20
Statement of Revenues, Expenditures and Changes in Fund Balance .....	21
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances of to the Statement of Activities.....	22
Proprietary Funds.....	23
Statement of Net Position .....	23
Statement of Revenue, Expenses and Changes in Net Position.....	24
Statement of Cash Flows.....	25
Fiduciary Funds .....	26
Statement of Fiduciary Net Position .....	26
Statement of Changes in Fiduciary Net Position .....	27
Notes to the Financial Statements.....	28
Required Supplementary Information (Unaudited) .....	69
Budgetary Comparison Schedule-General Fund.....	69
Detail Budgetary Comparison Schedule – General Fund .....	70
Notes to Budget and Actual Comparison.....	76
Municipal Employees’ Retirement System of Rhode Island - MERS.....	77
Schedule of Changes in Net Pension Liability and Related Ratios MERS – General Employees .....	77
Schedule of Changes in Net Pension Liability and Related Ratios MERS- Police and Fire .....	78
Schedule of Contributions MERS – General Employee Plan.....	79
Schedule of Contributions MERS – Police and Fire.....	80

**TOWN OF WARREN, RHODE ISLAND**

**Table of Contents**

*For the Year Ended June 30, 2023*

Notes to the Pension Schedule .....	81
Other Post-Employment Benefits .....	83
Schedule of Changes in Net OPEB Liability and Related Ratios .....	83
Schedule of Contributions and Investment Returns .....	84
Notes to Other-Post Employment Benefits .....	85
Supplementary Information .....	86
Non-Major Governmental Funds Combining Balance Sheet .....	89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	90
Special Revenue Funds .....	91
Combining Balance Sheet.....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	98
Capital Projects Funds .....	105
Combining Balance Sheet.....	105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	106
Permanent Funds.....	107
Combining Balance Sheet Balance .....	107
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	108
Private Purpose Trust Funds .....	111
Combining Statement of Net Position .....	111
Combining Statement of Changes in Net Position.....	112
Tax Collector’s Annual Report.....	113
Other Information .....	115
Annual Supplemental Transparency Portal (MTP2).....	116
Notes to Annual Supplemental Transparency Portal (MTP2) .....	121
Independent Auditor’s Report on Internal Control Over Reporting and On Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	123

Introductory Section

List of Town Officials

**TOWN COUNCIL**

John W. Hanley, President  
Steven P. Calenda, Vice President  
Joseph A. DePasquale  
P. Brandt Heckert  
Keri M. Cronin

Acting Town Manager	Roy Borges
Town Solicitor	Anthony DeSisto
Town Clerk	Sandrea Speroni
Tax Assessor	Kristopher Leadem
Finance Director	David Burlingame
Public Works Director	Brian Wheeler
Police Chief	Roy Borges
Fire Chief	James A. Sousa
Building/Zone Official	Matthew Cabral
Harbor Master	Edward Cabral

## Financial Section

Independent Auditor's Report

Management Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Supplementary Information

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CERTIFIED PUBLIC ACCOUNTANTS

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## *Independent Auditor's Report*

To the Honorable Town Council  
Town of Warren, Rhode Island

### **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 Warren, 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 of Warren, Rhode Island, 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.

### **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 of Warren'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 Statement**

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 and budgetary comparison information 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, the tax collector's annual report and annual supplemental transparency portal (MTP2) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated April 17, 2024 on our consideration of the Town of Warren’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 of Warren’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 Town of Warren’s internal control over financial reporting and compliance.

*Hague, Sahady & Co., CPAs, P.C.*

Fall River, Massachusetts  
April 17, 2024

TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
*For the Year Ended June 30, 2023*

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As management of the Town of Warren (“the Town”), we offer readers of the Town’s financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. We encourage readers to consider this information in addition to the statements and notes.

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

***Financial Highlights***

**Government-wide:**

- The Town liabilities and deferred inflow of resources exceeded its assets plus deferred outflow of resources as of June 30, 2023, by \$8,272,017 (net position).
- The Town of Warren’s total net position decreased by \$8,867,533 for the current fiscal year.
- The governmental net position decreased by \$8,950,544 and the business-type net position increased by \$83,011.
- The Town of Warren’s total debt for its governmental activities is \$29,455,910 a 7% decrease during 2023. The Town paid down principal of \$2,196,217 on existing bond issues.

**Governmental:**

- As of June 30, 2023, the Town of Warren’s governmental funds reported combined ending fund balances of \$9,280,301, a decrease of \$821,660 from fiscal year 2022 fund balance of \$10,101,961.
- As of June 30, 2023, the total fund balance for the General Fund was \$8,944,615 or approximately 29% of total general fund expenditures.
- As of June 30, 2023, the unassigned fund balance for the General Fund was \$7,430,788, a decrease of \$483,215 over the prior year unassigned fund balance of \$7,914,003.
- For the purpose of this audit, the Transfer Station Fund has been included with the General Fund and is not considered a proprietary fund.
- As of June 30, 2023, the fund balance for the sewer fund was \$467,670 or approximately 29% of total sewer fund expenditures.

TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
*For the Year Ended June 30, 2023*

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***Overview of the Financial Statements***

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

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Basic Financial Statements

This report also contains other supplementary information in addition to the basic financial statements themselves.

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Town's assets and liabilities, 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 government'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 the cash flows*. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions and activities of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions and activities that are intended to recover all or a significant portion of their costs through user fees or charges (*business-type activities*). The governmental activities include general government, public safety, public works, parks and recreation. The business-type activities include the Town's sewer system.

The Statement of Net Position and Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. They take into account all revenues recognized and expenses incurred even if cash has not been received or paid.

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

***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town 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 funds financial statements focus on the *near-term inflows and outflow of spendable resources*, as well as on *balances*

TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
*For the Year Ended June 30, 2023*

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***Overview of the Financial Statements (continued)***

***Governmental Funds (continued)***

*of spendable resources* available at the end of the fiscal year. Such information may be useful in the evaluation of a government's near-term financing requirements.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental funds balance sheet and the governmental funds 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. The General Fund and RIDOT Top Water St. Project, ARPA and \$504k RIIB bond are considered major funds. Data from the remaining special revenue funds, capital project funds and permanent trust funds are combined into a single, aggregate presentation. Individual fund data for each of the non-major governmental funds combining statements is provided as supplementary information.

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

The Town of Warren adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for to demonstrate compliance with budgets and are presented on pages listed 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 one enterprise fund, the sewer fund. The Town has no internal service fund.

The proprietary fund financial statements can be found on pages listed 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 included in the government-wide financial statements because the resources of the funds are not available to support the Town's own functions and activities. The accounting used for fiduciary funds is much like that used for proprietary funds.

- Private purpose trust funds, post-employment benefits trust funds and custodial funds are reported and combined into a single, aggregate presentation in the fiduciary funds' financial statements under the captions;
  - *Private Purpose Trust Funds*
  - *Other Post-Employment Benefits Trust Funds*
  - *Custodial Funds*
- The *Other Post-Employment Benefits Trust Funds* was established to hold the assets that will fund the long-term liability associated with town retirees' health benefits.

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

TOWN OF WARREN, 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 pages listed on the table of contents of this report.

**Other Information**

In addition to the basic financial statements and the accompanying notes, *required supplementary information*, which presents schedules relating to the Town’s pension and other postemployment benefits plan, as well as budgetary comparison schedules for the General Fund to demonstrate compliance with its respective budget. Required supplementary information can be found on pages listed on the table of contents of this report.

**Supplementary Information**

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

**Government-Wide Financial Analysis**

As noted earlier, the net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Warren, liabilities and deferred inflows exceeded assets and deferred outflows by \$8,272,017 as of June 30, 2023.

**Statement of Net Position  
June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets</b>						
Current and other assets	\$ 13,924,429	\$ 13,713,766	\$ 576,518	\$ 712,524	\$ 14,500,947	\$ 14,426,290
Capital assets	31,556,170	33,199,947	-	-	31,556,170	33,199,947
Total assets	<u>45,480,600</u>	<u>46,913,713</u>	<u>576,518</u>	<u>712,524</u>	<u>46,057,117</u>	<u>47,626,237</u>
<b>Deferred outflows of resources</b>	1,016,347	1,081,013	-	-	1,016,347	1,081,013
<b>Liabilities</b>						
Long-term debt	45,533,911	40,436,572	-	-	45,533,911	40,436,572
Other liabilities	8,756,420	3,956,752	108,848	327,865	8,865,268	4,284,617
Total liabilities	<u>54,290,331</u>	<u>44,393,324</u>	<u>108,848</u>	<u>327,865</u>	<u>54,399,179</u>	<u>44,721,189</u>
<b>Deferred inflows of resources</b>	946,303	3,390,545	-	-	946,303	3,390,545
<b>Net position</b>						
Net investment in capital assets	1,481,865	857,444	-	-	1,481,865	857,444
Restricted	1,879,297	3,288,859	-	-	1,879,297	3,288,859
Unrestricted	(12,100,849)	(3,935,445)	467,670	384,659	(11,633,179)	(3,550,786)
Total net position	<u>\$ (8,739,687)</u>	<u>\$ 210,857</u>	<u>\$ 467,670</u>	<u>\$ 384,659</u>	<u>\$ (8,272,017)</u>	<u>\$ 595,517</u>

TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
For the Year Ended June 30, 2023

The general capital assets (e.g., land, building, machinery and equipment) of the governmental activities of the Town less outstanding debt equal \$1,481,865. A portion of the outstanding debt of the governmental activities was incurred for the installation of infrastructure.

Included within the total net position are net investment in capital assets of \$1,481,865 and restricted net position of \$1,879,297 as of June 30, 2023, leaving an unrestricted balance of \$(12,100,849). In comparison, governmental activities net position as of June 30, 2022, as stated in the fiscal year 2022 financial statement totaled \$210,857.

Even though net position is available for future spending, the net investment in capital assets is reported net of related debt. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Additional portions of the Town of Warren's net position are also subject to external restrictions on how they may be used.

***Analysis of the Town's Net Position:***

Governmental activities decrease the Town's net position by \$8,950,544.

Business-type activities increased the Town's net position by \$83,011.

**Changes in Net Position for the period ending June 30, 2023 and June 30, 2022**

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for service	\$ 32,010	\$ 73,405	\$ 1,706,839	\$ 1,743,622	\$ 1,738,849	\$ 1,817,027
Grants	357,898	610,504	-	-	357,898	610,504
General Revenues						
Property taxes	25,475,480	25,547,131	-	-	25,475,480	25,547,131
Intergovernmental	1,883,271	2,012,443	-	-	1,883,271	2,012,443
Licenses, fees, permits and fines	1,961,998	1,881,193	-	-	1,961,998	1,881,193
Investment earnings	189,268	252,235	-	-	189,268	252,235
Miscellaneous	624,720	1,456,790	-	-	624,720	1,456,790
Total revenues	<u>\$ 30,524,645</u>	<u>\$ 31,833,701</u>	<u>\$ 1,706,839</u>	<u>\$ 1,743,622</u>	<u>\$ 32,231,484</u>	<u>\$ 33,577,323</u>
Expenses						
General government	11,999,915	4,612,735	-	-	11,999,915	4,612,735
Town offices	1,779,293	1,523,805	-	-	1,779,293	1,523,805
Financial Administration	376,720	340,643	-	-	376,720	340,643
Public safety	3,616,542	2,917,760	-	-	3,616,542	2,917,760
Fire safety	1,329,106	1,126,858	-	-	1,329,106	1,126,858
Waste water treatment	474,253	458,631	1,623,828	1,661,164	2,098,081	2,119,795
Highway department	3,809,527	3,103,562	-	-	3,809,527	3,103,562
Grants and contribution	372,710	357,928	-	-	372,710	357,928
Capital and other appropriation	1,104,737	2,960,984	-	-	1,104,737	2,960,984
Education	13,780,322	13,270,075	-	-	13,780,322	13,270,075
Interest on debt	832,064	945,749	-	-	832,064	945,749
Total expenses	<u>39,475,189</u>	<u>31,618,731</u>	<u>1,623,828</u>	<u>1,661,164</u>	<u>41,099,017</u>	<u>33,279,895</u>
<b>Increase(decrease) in net position</b>	(8,950,544)	214,972	83,011	82,458	(8,867,533)	297,428
Net position-beginning restated	<u>210,858</u>	<u>(4,114)</u>	<u>384,659</u>	<u>302,201</u>	<u>595,517</u>	<u>298,087</u>
Net position-ending	<u>\$ (8,739,687)</u>	<u>\$ 210,857</u>	<u>\$ 467,670</u>	<u>\$ 384,659</u>	<u>\$ (8,272,017)</u>	<u>\$ 595,516</u>

TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
*For the Year Ended June 30, 2023*

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***Financial Analysis of Governmental Funds***

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

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

As of June 30, 2023, the Town of Warren's total governmental funds reported a combined ending fund balance of \$9,280,301 a decrease of \$821,660 in comparison with the prior year. The unassigned fund balance of \$8,935,466 is available for spending at the government's discretion. The remainder of the fund balance is non-spendable to indicate that it is not available for new spending because it represents unexpendable inventory items, those governmental funds with a deficit fund balance and the permanent funds. The committed fund balance has been designated to fund appropriations of the subsequent fiscal year. The restricted fund balance has been assigned all non-major governmental funds fund balances as it is restricted for the legal use of each fund.

***General Fund Budgetary Highlights***

The Town of Warren's tax rate changed from \$17.72 per thousand in fiscal year 2022 to \$18.01 per thousand dollars of assessed value in fiscal year 2023.

***Capital Asset and Debt Administration***

***Capital Assets***

The Town of Warren's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$31,556,170 net of accumulated depreciation and amortization. This investment in capital assets includes land, construction in progress ,buildings, improvement other than buildings, machinery and equipment, and infrastructure. Additional information on the Town of Warren's capital assets can be found in Note 6 to the financial statements, which accompany this report.

Several major additions to the Town's capital assets related to its governmental fund activities were made during the year, including, infrastructure repairs and improvements, equipment, and construction in progress related to RIIB grants.



TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
For the Year Ended June 30, 2023

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*Capital Asset and Debt Administration (continued)*

*Capital Asset (continued)*

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Land	\$ 3,073,867	\$ 3,073,867
Construction in progress	656,639	-
Infrastructure	39,290,837	39,031,938
Building and improvements	21,208,430	21,138,030
Equipment	6,847,557	6,699,132
Vehicles	9,333,948	9,056,571
Leased equipment	292,571	292,571
Total capital assets	80,703,849	79,292,109
Less: accumulated depreciation and amortization	49,147,679	46,092,162
Net capital assets	\$ 31,556,170	\$ 33,199,947

Additional information about the Town's capital assets can be found in Note 6 to the basic financial statements.

***Long-Term Debt***

At the end of the current fiscal year, the Town of Warren has total general obligation debt outstanding of \$8,564,145 entirely backed by the full faith and credit of the government.

State statutes limit the amount of general obligation debt a governmental entity may issue to 3% of its total equalized valuation. As of June 30, 2023, the Town of Warren's ratio of Town Debt to net taxable valuation is 2.1%. The current debt limitation for the Town is \$43,933,707 which significantly exceeds the Town of Warren's current outstanding general obligation debt.

Additional information of the Town of Warren's long-term debt can be found in Note 7 to the financial statements and also in the statistical section of this report.

Total debt consists of the following:

	<b>Debt Administration</b>	
	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
General obligation bonds	\$ 8,564,145	\$ 9,354,145
RIIB Loan	20,891,765	22,297,982
Leases - Right to use	200,524	247,200
Total	\$ 29,656,434	\$ 31,899,327

TOWN OF WARREN, RHODE ISLAND  
Management Discussion & Analysis (MD&A)  
*For the Year Ended June 30, 2023*

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***Economic Factors and Next Year's Budget and Rates***

In fiscal year 2023 operating revenues finished over budget and expenditures finished the year over budget. The Town was funding the capital expenditures of \$1.0M from its fund balance reserve ending the fiscal year with a deficit of \$1.0M.

The operating revenue surplus was due to the following categories coming in over budgetary projections. Transfers came in over budget by \$1.7M due to RIIB drawdown requested from the State for the \$504k project fund. Expenditures had been paid by the general fund in previous years. Intergovernmental revenue also came in over budget by \$1.1 M due to excise and State tax. Total general property taxes came in under budget by \$1.2M.

The operating expenditures came in over budget. The major variance occurred in capital expenditures coming in over budget by \$1M primarily due to the use of fund balance used by the Town for capital expenditures. There were also overspends in Dispatch (\$11k), grants and contributions (\$7K), and town planner (\$1K). The general government expenditures came in under budget during the current year due to general savings.

For fiscal year 2024 the Town will continue to fund the capital expenditures of \$500K with its fund balance reserve. The school appropriation increased by 3.78%. The fiscal year 2024 budget came to \$31,671,489 representing an increase of \$769,237 over the fiscal year 2023 budget. The tax rate for fiscal year 2023 was \$18.01 an increase from the fiscal year 2022.

***Request for Information***

This financial report is designed to provide a general overview of the Town of Warren's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed in writing to the Treasurer's Office, Town Hall, 514 Main Street, Warren, RI 02885.

TOWN OF WARREN, RHODE ISLAND  
Statement of Net Position  
June 30, 2023

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalent	\$ 11,644,135	\$ 562,408	\$ 12,206,543
Investments	10,414	-	10,414
Cash escrow	271,679	-	271,679
Receivables, net	364,472	14,110	378,582
Other receivables	382,563	-	382,563
Inventories	9,149	-	9,149
Intergovernmental	1,242,017	-	1,242,017
<b>Non-current assets</b>			
Capital assets (non-depreciable)	3,730,506	-	3,730,506
Depreciable assets, net	<u>27,825,664</u>	<u>-</u>	<u>27,825,664</u>
Total capital assets	<u>31,556,170</u>	<u>-</u>	<u>31,556,170</u>
Total assets	<u>45,480,600</u>	<u>576,518</u>	<u>46,057,118</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related outflows	<u>1,016,347</u>	<u>-</u>	<u>1,016,347</u>
Total assets and deferred outflows of resources	<u>\$ 46,496,947</u>	<u>\$ 576,518</u>	<u>\$ 47,073,465</u>

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Statement of Net Position  
June 30, 2023

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	\$ 930,362	\$ 108,848	\$ 1,039,210
Accrued liabilities	166,400	-	166,400
Accrued interest	268,639	-	268,639
Current portion of long-term liabilities	7,391,019	-	7,391,019
<b>Non-current liabilities</b>			
Lease right to use	152,505	-	152,505
Bonds payable	27,309,727	-	27,309,727
Bond premium, net	149,232	-	149,232
Unearned Revenue	2,454,364	-	2,454,364
Compensated absences	1,771,355	-	1,771,355
Claims and Judgements	3,000,000	-	3,000,000
Net pension liability (NPL)	5,313,126	-	5,313,126
Net OPEB liability (NOL)	5,383,602	-	5,383,602
Total liabilities	<u>54,290,331</u>	<u>108,848</u>	<u>54,399,179</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB related inflows	67,907	-	67,907
Pension related inflows	878,396	-	878,396
Total deferred inflows of resources	<u>946,303</u>	<u>-</u>	<u>946,303</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,481,865	-	1,481,865
Restricted	1,879,297	-	1,879,297
Unrestricted	<u>(12,100,849)</u>	<u>467,670</u>	<u>(11,633,179)</u>
Total Net Position	<u>(8,739,687)</u>	<u>467,670</u>	<u>(8,272,017)</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 46,496,947</u>	<u>\$ 576,518</u>	<u>\$ 47,073,465</u>

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Statement of Activities  
For the Year Ended June 30, 2023

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business - Type Activities	Total
<b>Governmental Activities</b>							
General government	\$ 11,999,915	\$ 11,741	\$ 123,891	\$ -	\$ (11,864,283)	\$ -	\$ (11,864,283)
Town offices	1,779,293	-	-	-	(1,779,293)	-	(1,779,293)
Financial administration	376,720	-	-	-	(376,720)	-	(376,720)
Public safety	3,616,542	-	210,677	-	(3,405,865)	-	(3,405,865)
Fire safety	1,329,106	20,269	350	-	(1,308,487)	-	(1,308,487)
Waste water treatment	474,253	-	-	-	(474,253)	-	(474,253)
Highway department	3,809,527	-	22,980	-	(3,786,547)	-	(3,786,547)
Grants and contributions	372,710	-	-	-	(372,710)	-	(372,710)
Capital and special appropriation	1,104,737	-	-	-	(1,104,737)	-	(1,104,737)
Education	13,780,322	-	-	-	(13,780,322)	-	(13,780,322)
Interest on debt	832,064	-	-	-	(832,064)	-	(832,064)
Total governmental activities	<u>39,475,189</u>	<u>32,010</u>	<u>357,898</u>	<u>-</u>	<u>(39,085,281)</u>	<u>-</u>	<u>(39,085,281)</u>
<b>Business-Type Activities</b>							
Sewer Fund	<u>1,623,828</u>	<u>1,706,839</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,011</u>	<u>83,011</u>
Total business-type activities	<u>1,623,828</u>	<u>1,706,839</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,011</u>	<u>83,011</u>
Total Town of Warren	<u>\$ 41,099,017</u>	<u>\$ 1,738,849</u>	<u>\$ 357,898</u>	<u>\$ -</u>	<u>\$ (39,085,281)</u>	<u>\$ 83,011</u>	<u>\$ (39,002,270)</u>

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Statement of Activities  
For the Year Ended June 30, 2023

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	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business - Type Activities</b>	<b>Total</b>
Total Town of Warren	\$ (39,085,281)	\$ 83,011	\$ (39,002,270)
<b>General Revenues</b>			
Property taxes	25,475,480	-	25,475,480
Intergovernmental	1,883,271	-	1,883,271
Licenses, fees, permits and fines	1,961,998	-	1,961,998
Investment income	189,268	-	189,268
Other Revenue	624,720	-	624,720
Total general revenues	30,134,737	-	30,134,737
Changes in net position	(8,950,544)	83,011	(8,867,533)
Net position-July 1, 2022	210,858	384,659	595,517
Net position-June 30, 2023	\$ (8,739,687)	\$ 467,670	\$ (8,272,017)

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Governmental Funds  
Balance Sheet  
June 30, 2023

	Major Funds				Non-Major	Total
	General Fund	RIDOT TIP Water St Project	ARPA	504K RIB Bond	Other Governmental Funds	Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 8,150,810	\$ -	\$ 2,457,924	\$ -	\$ 1,035,401	\$ 11,644,135
Investments	-	-	-	-	10,414	10,414
Cash escrow	-	-	-	271,679	-	271,679
Prepays	404	-	-	-	-	404
Receivables:						
Property taxes, net	364,472	-	-	-	-	364,472
Intergovernmental	-	-	-	-	1,242,017	1,242,017
Other	224,072	158,347	-	-	144	382,563
Due from other funds	1,388,330	-	-	-	-	1,388,330
Inventory	8,745	-	-	-	-	8,745
Total assets	<u>10,136,833</u>	<u>158,347</u>	<u>2,457,924</u>	<u>271,679</u>	<u>2,287,976</u>	<u>15,312,759</u>
<b>Deferred outflows of resources</b>						
Deferred outflows	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>10,136,833</u>	<u>158,347</u>	<u>2,457,924</u>	<u>271,679</u>	<u>2,287,976</u>	<u>15,312,759</u>
<b>Liabilities</b>						
Accounts payable and accrued expenses	876,037	-	-	-	54,323	930,360
Unearned revenue	-	-	2,454,364	-	-	2,454,364
Due to other funds	-	765,568	-	-	622,762	1,388,330
Other liabilities	-	-	-	-	166,400	166,400
Total liabilities	<u>876,037</u>	<u>765,568</u>	<u>2,454,364</u>	<u>-</u>	<u>843,485</u>	<u>4,939,454</u>
<b>Deferred inflows of resources</b>						
Deferred property taxes	316,181	-	-	-	-	316,181
Other deferred revenue	-	158,347	-	-	618,476	776,823
Total deferred inflows of resources	<u>316,181</u>	<u>158,347</u>	<u>-</u>	<u>-</u>	<u>618,476</u>	<u>1,093,004</u>
<b>Fund balance</b>						
Nonspendable	9,149	-	-	-	-	9,149
Restricted	-	-	3,560	271,679	1,594,909	1,870,148
Committed	1,504,678	-	-	-	-	1,504,678
Unassigned	7,430,788	(765,568)	-	-	(768,894)	5,896,326
Total fund balance	<u>8,944,615</u>	<u>(765,568)</u>	<u>3,560</u>	<u>271,679</u>	<u>826,015</u>	<u>9,280,301</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 10,136,833</u>	<u>\$ 158,347</u>	<u>\$ 2,457,924</u>	<u>\$ 271,679</u>	<u>\$ 2,287,976</u>	<u>\$ 15,312,759</u>

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
 Reconciliation of the Governmental Funds Balance Sheet  
 to the Statement of Net Position  
*June 30, 2023*

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Total governmental fund balances	\$ 9,280,301
Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	
Capital assets, net	31,556,170
Unavailable property tax revenues (net of an allowance for uncollectibles) and unearned grant revenues are recorded in the funds, but are not deferred under the measurement focus employed in the Statement of Net Position	1,093,004
Other long-term assets related to net pension activity and other postemployment benefits and therefore, are deferred inflows of resources in the funds	(946,303)
Other long-term assets related to net pension activity and therefore, are deferred outflows of resources in the funds	1,016,347
In the statement of activities, interest is accrued on outstanding long-term debt whereas in governmental funds interest is not reported until due	(268,639)
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	(29,455,910)
Bond premium	(149,232)
Leases	(200,524)
Compensated absences	(1,968,172)
Claims and Judgements	(8,000,000)
Other postemployment benefits	(5,383,602)
MERS net pension liability	<u>(5,313,126)</u>
Net position of governmental activities	<u>\$ (8,739,687)</u>



TOWN OF WARREN, RHODE ISLAND  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Year Ended June 30, 2023

	Major Funds				Non-Major	Total
	General Fund	RIDOT		504K RIIB Bond	Other	Governmental Funds
		TIP Water St Project	ARPA		Governmental Funds	
<b>Revenues</b>						
General property taxes	\$ 25,270,987	\$ -	\$ -	\$ -	\$ -	\$ 25,270,987
Investment income	191,464	-	-	-	-	191,464
Licenses, fees, permits and fines	1,950,236	-	-	-	11,762	1,961,998
Intergovernmental	2,548,085	-	633,954	-	837,121	4,019,160
Other revenue	24,180	-	2,393	-	367,383	393,956
<b>Total revenues</b>	<b>29,984,952</b>	<b>-</b>	<b>636,347</b>	<b>-</b>	<b>1,216,266</b>	<b>31,837,565</b>
<b>Expenditures</b>						
General government	4,591,583	-	408,954	-	726,797	5,727,334
Town offices	1,620,979	-	-	-	-	1,620,979
Financial administration	340,192	-	-	-	-	340,192
Public safety	2,976,908	-	-	-	240,511	3,217,419
Fire safety	1,089,149	-	-	-	3,966	1,093,115
DPW department	2,357,797	-	-	-	-	2,357,797
Grants and contributions	372,710	-	-	-	-	372,710
Education	13,780,322	-	-	-	-	13,780,322
Capital and special appropriations	1,050,766	-	-	-	53,971	1,104,737
Debt service						
Principal	2,196,217	-	-	-	-	2,196,217
Interest	848,403	-	-	-	-	848,403
<b>Total expenditures</b>	<b>31,225,026</b>	<b>-</b>	<b>408,954</b>	<b>-</b>	<b>1,025,245</b>	<b>32,659,225</b>
Excess (deficiency) of revenues over expenditures	(1,240,074)	-	227,393	-	191,021	(821,660)
<b>Other financing sources (uses)</b>						
Transfers In	2,225,000	-	-	-	-	2,225,000
Transfers Out	-	-	(225,000)	(2,000,000)	-	(2,225,000)
<b>Total other financing sources (uses)</b>	<b>2,225,000</b>	<b>-</b>	<b>(225,000)</b>	<b>(2,000,000)</b>	<b>-</b>	<b>-</b>
<b>Excess of revenue and other sources over expenditures and other uses</b>	<b>984,926</b>	<b>-</b>	<b>2,393</b>	<b>(2,000,000)</b>	<b>191,021</b>	<b>(821,660)</b>
Fund Balance, July 1, 2022, Restated	7,959,689	(765,568)	1,167	2,271,679	634,994	10,101,961
Fund Balance, June 30, 2023	<u>\$ 8,944,615</u>	<u>\$ (765,568)</u>	<u>\$ 3,560</u>	<u>\$ 271,679</u>	<u>\$ 826,014</u>	<u>\$ 9,280,301</u>

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, 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

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Net change in fund balance-total governmental funds	\$ (821,660)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(1,643,777)
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.	(1,312,920)
This issuance of long-term (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.	2,251,859
In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	16,339
Some expenses reported in the Statement of Activities, such as compensated absences, do not require in the current financial resources, and therefore, are not reported as expenditures in the governmental funds.	7,964
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.	(84,268)
The net pension liability expense reported in the Statement of Activities requires the use of current financial resources and is not reported as an expenditure in the governmental funds.	(1,743,657)
To record the change in deferred outflows of resources related to pension and OPEB as required by GASB Statement No. 68 and GASB No. 75	(53,341)
To record changes in claims and judgements	(8,000,000)
To record the change in deferred inflows of resources related to pension and OPEB as required by GASB Statement No. 68 and GASB No. 75	<u>2,432,917</u>
Change in net position of governmental activities	<u>\$ (8,950,544)</u>

TOWN OF WARREN, RHODE ISLAND  
 Proprietary Fund  
 Statement of Net Position  
*June 30, 2023*

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	<b>Sewer Fund</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 562,408
Receivables, net:	
User fees, net	14,110
Total assets	576,518
 <b>Deferred outflows of resources</b>	
Deferred outflows	-
Total assets and deferred outflows of resources	\$ 576,518
 <b>Liabilities</b>	
Accounts payable	108,848
Total liabilities	108,848
 <b>Deferred inflows of resources</b>	
Deferred inflows	-
<b>Total deferred inflows of resources</b>	-
 <b>Net position</b>	
Net investment in capital assets	-
Restricted	-
Unrestricted	467,670
Total net position	\$ 467,670

TOWN OF WARREN, RHODE ISLAND  
Proprietary Fund  
Statement of Revenue, Expenses and Changes in Net Position  
*For the Year Ended June 30, 2023*

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	<u>Sewer Fund</u>
<b>Operating revenues</b>	
User fees and charges	<u>\$ 1,706,839</u>
Total operating revenues	<u>1,706,839</u>
<b>Operating expenses</b>	
Maintenance and servicing	<u>1,623,828</u>
Total operating expenses	<u>1,623,828</u>
Operating income (loss)	<u>83,011</u>
Income (loss) before transfers	<u>83,011</u>
Change in net position	83,011
Net position, July 1, 2022	<u>384,659</u>
Net position, June 30, 2023	<u><u>\$ 467,670</u></u>

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Proprietary Fund  
Statement of Cash Flows  
For the Year Ended June 30, 2023

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	<b>Sewer</b>
<b>Cash flows from operating activities:</b>	
Cash received from customers	1,707,121
Payments to suppliers and employees	(1,842,845)
Net cash provided (used) by operating activities	(135,724)
Net increase in cash and cash equivalents	(135,724)
Balances-beginning of the year	\$ 698,132
Balances-end of the year	562,408
Displayed as:	
Cash and short-term investments	\$ 562,408
Total cash and short-term investments	\$ 562,408
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income (loss)	83,011
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>	
Change in assets and liabilities:	
(Increase) decrease in user charges receivables, net	282
Increase (decrease) in accounts payable and accrued expenses	(219,017)
Net cash provided (used) by operating activities	(135,724)

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
*June 30, 2023*

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	<b>OPEB Trust Funds</b>	<b>Private Purpose Trust Funds</b>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ -
Investments, at fair value	994,540	197,859
Total assets	994,540	197,859
<b>Deferred outflows of resources</b>		
None	-	-
Total assets and deferred outflows of resources	994,540	197,859
<b>Liabilities</b>		
Deposits held	-	-
Total liabilities	-	-
<b>Deferred inflows of resources</b>		
Deferred inflows	-	-
<b>Net position</b>		
Restricted	994,540	197,859
Total net position	994,540	197,859
Total liabilities and net position	\$ 994,540	\$ 197,859

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Fiduciary Funds  
Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2023

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	<b>OPEB Trust Funds</b>	<b>Private Purpose Trust Funds</b>
<b>Additions</b>		
Employer contributions	\$ 198,547	\$ -
Investment income (net of related fees)	58,123	-
Other	-	368
Total additions	256,670	368
<b>Deductions</b>		
Administrative expenses	3,117	-
Benefits paid	198,547	-
Social services	-	1,983
Total deductions	201,664	1,983
Changes in fund equity held in trust for individuals, organizational, and other governments	55,006	(1,615)
Net position, July 1, 2022	939,534	199,475
Net position, June 30, 2023	\$ 994,540	\$ 197,859

*The accompanying notes are an integral part of this statement*

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
*For the Year Ended June 30, 2023*

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of the Town of Warren, Rhode Island (“the Town”) have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental entities (U.S. GAAP). The *Governmental Accounting Standards Board* (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant Town acquiring policies.

**Reporting Entity**

*Primary Government*

The Town was founded in 1746 and incorporated in 1747. The Town covers 8.7 square miles and is located in southeastern New England. The Town operates under a “Council-Manager” form of government, with a five member Town Council headed by a Council President and a Town Manager. The Town Manager exercises the executive power of the Town government and is responsible to the Town Council for day to day operation of the Town’s affairs. All legislative powers of the Town are vested in the Town Council except such powers that are reserved by Charter to the Financial Town Meeting, including the ordering of any tax making appropriations.

With the Town’s Charter Amendment adopted on November 4, 2008, elected officials serve two-year terms, elected at large at the regular biennial elections during even number years. The Town Council is granted all powers to enact, amend, or repeal ordinances relating to the Town’s property, affairs and government. The Council has the power to create offices, department or agencies of the Town, to preserve public peace, health and safety, to establish personnel policies, giving effect to any vote of the Financial Town Meeting authorizing the issuance of bonds and providing for an annual audit of the Town’s accounts.

An Act was passed at the January 1991 session of the General Assembly which authorized the Towns of Warren and Bristol to form a regional school district of all public schools in the Towns of Warren and Bristol. The regional school district includes all grades and programs currently provided and any other grades and programs specified by the regional school committee.

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

The effect of inter-fund activity has been eliminated from the government-wide statements.

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



TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Reporting Entity (continued)**

*Primary Government (continued)*

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

**Basis of Presentation**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major and other funds). Both the government-wide and fund financial statements required to categorize primary activities.

**Government-Wide and Fund Financial Statements**

*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.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis and is reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions (public safety, public works, etc.). The functions are also supported by general government revenues (property, certain intergovernmental revenues, fines, permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

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

*Fund Financial Statements*

Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows or resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. Nonmajor funds are aggregated and displayed in a single column.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Major Fund Criteria*

A fund is considered major if it is the primary operating fund of the Town or it meets the following criteria:

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

Additionally, any other governmental or enterprise fund that management believes is particularly significant to the basic financial statements may be reported as a major fund. Fiduciary funds are reported by fund type.

**Measurement focus, Basis of Accounting and Financial Statement Presentation**

*Government-Wide Financial Statements*

The governmental-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- (a) *Charges to customers* or applicants who purchase, use, or directly benefits from goods, services, or privileges provided by a given function or segment.
- (b) *Grants and contributions* that are restricted to meeting the operational requirements of a particular function or segment.
- (c) *Grants and contributions* that are restricted to meeting the capital requirements of a particular function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

For the most part, the effect of interfund activity has been removed from the government-wide financial statements.

*Fund Financial Statements*

**Governmental Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Measurement focus, Basis of Accounting and Financial Statement Presentation** (continued)

*Fund Financial Statements (continued)*

Expenditures are recorded when the related fund liability is incurred, except for interest on general long-term debt which is recognized when due, and the non-current portion of compensated absences, capital leases, landfill post closure care costs, net pension liability, and post-employment benefits which are recognized when the obligations are expected to be liquidated with current expendable available resources.

In applying the susceptible to accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures incurred. In the other, monies are virtually unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. Those resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The Town considers property taxes as available if they are due and collected within 60 days after fiscal year-end. Licenses and permits, user charges, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received. Investment earnings are recorded as earned.

The Town reports the following major governmental funds:

- The **General Fund** is the primary operating fund of the Town. It is used to account for all financial resources, except those that are legally or administratively required to be accounted for in another fund.
- The **RIDOT TIP Water St. Project Fund** is a capital project fund used to account for the construction costs of the Water Street project.
- The **ARPA Fund** is a special revenue fund used to account for the ARPA expenditures
- The **\$504k Bond Fund** is a capital projects fund used to account for construction costs related to a RIIB borrowing
- The **Nonmajor Governmental Funds** consist of other special revenue, capital projects and permanent funds that are aggregated and presented in the nonmajor governmental funds column on the governmental fund financial statements. The following describes the general use of these fund types:
  - The **Special Revenue Fund** is used to account for the proceeds of specific revenue sources (other than permanent funds or capital projects funds) that are restricted by law or administrative action to expenditures for specified purposes.
  - The **Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by enterprise and trust funds).
  - The **Permanent Fund** is used to account for financial resources that are legally restricted to the extent that only earning, not principal, may be used for purposes that support the governmental programs.

Proprietary Fund Financial Statement

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 one enterprise fund, the sewer fund. The Town has no internal service funds.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Fund Financial Statements (continued)*

Fiduciary Fund Financial Statement

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held by the Town in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported as follows:

- The **Private-Purpose Trust Fund** is used to account for trust arrangements, other than those properly reported in the permanent fund (nonmajor governmental funds), under which principal and investment income exclusively benefit individuals, private organizations, or other governments.
- The **Other Post-Employment Benefits Trust Fund (OPEB)** is used to account for assets held that will fund the long-term liability associated with the Town's retiree's health benefits.
- The **Custodial Fund** is used to account for assets held in purely custodial capacity. Currently the Town of Warren has no custodial funds.

**Cash and Investments**

*Government-Wide and Fund Financial Statements*

Cash and Cash Equivalents

Cash and cash equivalents are carried at cost. Cash equivalents include amounts invested in certificate of deposits as management believes that these certificates can be accessed at any point in time. Substantially, all of the 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 institutions are required to insure accounts which hold public funds in excess of the \$250,000 which is guaranteed by the FDIC. At times, the Town pools cash resources of its various funds to facilitate the management of cash and maximize investment returns. Cash applicable to a particular fund is readily identifiable. Cash in excess of current requirements is invested in short term treasury securities or as investments. State statutes authorize governments to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

Investments

The Town invests in various types of investments which are stated at fair value based on quoted market prices. There are no investments reported at amortized cost.

## TOWN OF WARREN, RHODE ISLAND

### Notes to the Financial Statements

For the Year Ended June 30, 2023

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#### NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

##### **Fair Value Measurement**

The Town reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds. Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1: Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.
- Level 2: Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.
- Level 3: Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgement or estimation. In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement. Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgement used in measuring fair value. It is reasonable possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the Town's financial instruments, see Note 3- Fair Market Value of Investments.

##### **Accounts Receivable**

###### *Government-Wide and Fund Financial Statements*

In the government-wide statement, receivables of all revenues earned at year end and not received yet. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. In the fund financial statements, material receivables such as property taxes, grants and other similar intergovernmental revenues since that are usually both measurable and available. Non-exchange transactions collectible but not yet available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Amounts due from federal and state sources represent receivables on grant awards and state aid not received as of the balance sheet date include: *Real Estate, Personal Property Tax and Tax Liens*.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Intergovernmental Receivables**

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants receivables are recognized as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recognized when the qualifying expenditures are incurred, and all other grant requirements are met.

These receivables are considered 100% collectible and therefore do not report an allowance for uncollectible.

**Accounts Payable**

Payable balances consist primarily of amounts due to vendors. Accrued expenses consist primarily of accrued salaries and benefits to employees.

**Property Taxes**

Real and personal property taxes are based on values assessed as of December 31 (lien date) and an enforceable lien is attached on the property as of July 1 (levy date). Taxes may be paid in full or in equal installments on August 1, November 1, February 1, and May 1 following the levy date. Taxes due and unpaid after the respective due dates are subject to interest and penalties. The Town has the ultimate right to foreclose on property for which taxes have not been paid by the following July 1 when the next year's tax is levied. Property taxes levied are recorded as receivables in the fiscal year of the levy. Property tax revenues are recorded in accordance with the modified accrual basis of accounting.

**Inventories**

*Government-Wide and Fund Financial Statements*

Inventories of the governmental funds and the sanitation enterprise fund are recorded as expenditures at the time of purchase. Such inventories are not material in total to the basic financial statements, and therefore are not reported.

**Prepaid Items**

The cost of prepaid items is recorded under the consumption method whereby the expenditures/expense is recorded when consumed rather than purchased. Prepaid expenditures recorded in governmental type funds do not reflect current appropriate resources and, thus, an equivalent portion of the fund balance is non-spendable.

**Capital Assets and Depreciation**

Capital assets, which include land, vehicles, buildings and improvements, leased assets, capital improvements, machinery and equipment, infrastructure (roadways and similar items), and construction in progress are reported in the applicable governmental or business-type activities column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation. Except for the capital assets of the governmental activities' column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets if material.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Capital Assets and Depreciation (continued)**

All purchases and construction costs in excess of \$10,000 are capitalized at the date of the acquisition or construction, respectively, with expected useful lives of five years or greater.

Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Asset Class</u>	<u>Estimated Useful Life (in years)</u>
Buildings and land improvements	25-40
Infrastructure	25-40
Equipment and heavy machinery	10-20
Motor vehicles	5-10
Office equipment	5-10
Other assets	5-10

Capital assets costs are recorded as expenditures in the fiscal year of purchase for the various funds.

**Interfund Receivables and Payables**

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

*Government-Wide Financial Statements*

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as “internal balances.”

*Fund Financial Statements*

Transactions of a buyer/seller nature between and within funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as “Due from other funds” or “Due to other funds” on the balance sheet.

**Interfund Transfers**

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as operating transfers in and operating transfers out.

*Government-Wide Financial Statements*

Operating transfers between and within governmental funds are eliminated from the governmental activities in statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as “Transfers, net.”

*Fund Financial Statements*

Operating transfers between and within funds are not eliminated from the individual fund statements and are reported as operating transfers in and operating transfers out.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Interfund Transfers (continued)**

*Government-Wide Financial Statements*

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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The Town reported deferred outflows of resources related to pensions in this category.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reported deferred inflows of resource related to pensions in this category.

*Governmental Funds Financial Statements*

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents assets that have not been recorded in the governmental fund financial statements, but the revenue is not available and so will not be recognized as an inflow of resources (revenue) until it becomes available. The Town has recorded unavailable revenue as deferred inflows of resources in the governmental funds balance sheet. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

**Unearned Revenue**

Unearned revenue is recorded for governmental fund receivables that are measurable and available, but have not met the criteria for revenue recognition, such as grant awards. These are recorded as unearned revenue in the government-wide and the fund financial statements. These amounts are not considered deferred inflows since qualifying expenditures for reimbursement have not been incurred as of year-end.

**Net Position and Fund Equity**

*Government-Wide Financial Statements (Net Position)*

Net position is classified into three components:

- (a) *Net Investment in Capital Assets*: consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (b) *Restricted Net Position*: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.

Net Position has been “restricted” for the following:

- (1) *Permanent funds-expendable*: represents amounts held in trust for which the expenditures are restricted by various trust agreements.
  - (2) *Permanent funds-non-expendable*: represents amounts held in trust for which only investment earning may be expended.
  - (3) *Other specific purposes*: represent restrictions placed on assets from outside parties.
- (c) *Unrestricted net position*: All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”



TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Net Position and Fund Equity (continued)**

*Fund Financial Statements (Fund Balance)*

The Town uses the following criteria for fund balance classification:

- For *non-spendable* fund balance: includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- For *restricted* fund balance: when constraints places on the use of the resources are either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
- For *committed* fund balance: (1) the government's highest level of decision-making authority and (2) the formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment.
- For *assigned* fund balance: (1) the body or official authorized to assign amounts to a specific purpose and (2) the policy established by the governing body pursuant to which the authorization is given.
- For *unassigned* fund balance: it is the residual classification for the general fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes it may be necessary to report a negative unassigned fund balance.

The Town uses the following criteria for fund balance policies and procedures:

- When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the unrestricted amount will be considered to have been spent.
- When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance is available, the least restricted amount will be considered to have been spent.

**Long-Term Debt**

*Government-Wide and Proprietary Fund Financial Statements*

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

**Leases**

A lease is a contract that conveys the control of the right to use another entity's nonfinancial asset (the Underlying asset) for a period of time in an exchange or exchange like transaction. The Town has contracts in which it is a lessee. Lessors recognize a lease receivable and a deferred inflow of resources (not applicable to the Town). Lessees recognize an intangible right to use asset and a lease liability. These transactions are measured at the present value of payments expected to be made during the lease term using the discount rate in the lease. If the lease discount rate cannot be readily determined from the lease, the Town uses its incremental borrowing rate.

A right to use lease asset with a lease term greater than 1 year and an initial present value over \$50,000 are recorded as intangible assets. Right to use lease assets are amortized over the contract term of the lease. Leases that do not meet these criteria are recognized as current period revenues and expenses.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 discounted using the interest rate the Software vendor charges or the government's incremental.

**Investment Income**

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Rhode Island General Laws (RIGL).

**Compensated Absences**

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

*Town Employees*

Under the terms of various contracts and agreements, Town employees are entitled to varying amounts of vacation based on length of service. Town employees may also carry forward up to two weeks of vacation days succeeding years.

Town employees earn 1.5 days of sick leave per month worked and may be accumulated to a maximum of 180 days. Upon retirement or termination of employment, employees will be paid 75% of their accumulated sick time at the employee's current rate of pay.

Full time Town employees retiring between the ages of 62 and 64 will continue to receive medical insurance coverage until the age of 65. Full time Town employees retired at the age of 65 will have applicable medical coverage paid for by the Town for a period of three years.

*Police*

Police are entitled to varying amounts of vacation based on length of service. Police can accumulate vacation days up to 120 days and carry them forward to the next year. Any vacation time in excess of 120 days not used or redeemed will be forfeited.

Police earn 1.5 days of sick leave for each month in which they work a minimum number of hours. Sick leave may be accumulated to a maximum of 180 days. Each year, on June 30, the police are paid 75% of the days in excess of 180 days in the form of a lump sum cash payment. Upon retirement or termination, police have a vested interest in their accumulated sick time based on prorated schedule.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The amount of earned but not unpaid vacation and sick leave relating to governmental fund employees is recorded as a long-term debt in the government-wide financial statements.

*Government-Wide Financial Statements*

The total amount to be paid in future years is presented in the governmental activity's column of the government-wide statement of net position. The liability for vacation leave is based on the amount earned but not used; for sick leave, it is based on the amount accumulated at the balance sheet date (vesting method).

*Governmental Fund Financial Statements*

The portion of the liability related to unused sick and vacation time that has matured or is due as of June 30, 2023 is recorded in the governmental fund financial statements.

**Pensions**

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

**Use of Estimates**

*Government-Wide and Fund Financial Statements*

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

**Total Column**

*Government-Wide Financial Statements*

The total column presented on the government-wide financial statements represents consolidated financial information.

*Fund Financial Statements*

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not comparable to the consolidated financial information.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*continued*)

**Recently Issued Accounting Standards** – For the year ending June 30, 2023, the Town implemented the following pronouncements issued by the GASB:

The GASB issued statement No. 94, Public-Private and Public-Public Partnerships and Availability payment arrangements is effective for fiscal year beginning after June 15, 2022. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying the control of the right to operate or use a nonfinancial transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange of an exchange-like transactions.

The GASB issued statement No. 96, Subscription- Based Information Technology Arrangements is effective for fiscal years beginning after June 15, 2022. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines an SBITA, (2) established that an SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability, (3) provides the capitalization criteria for outlays other than subscription payments, including the implementation costs of SBITA, and (4) requires note disclosures regarding a SBITA. The Town will be evaluating the future impact of this standard.

The GASB issued statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Defined Compensation Plans- an amendment of GASB Statements No. 18 and No.84 and a supersession of GASB Statement No. 32 is effective for fiscal years beginning after June 30, 2021. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have governing board and the primary government performs the duties that a governing board typically would perform (2) Mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Town will be evaluating the future impact of this standard.

GASB Statement No. 99, Omnibus 2022, the requirements of this Statement are effective as follows: The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pleading governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements relate to leases, PPS, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

None of the accounting standards had an impact on the financial Statements.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

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**NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Accounting standards that the Town is currently reviewing for applicability and potential impacts on future financial statements include:*

GASB Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB Statement No.62, This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

GASB Statement No. 101, Compensated Absences, This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

*For the Year Ended June 30, 2023*

NOTE 2-STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

**Budgetary Basis of Accounting**

The Town Council adopts an annual budget for the General Fund. The Town Council is authorized to transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by the taxpayers by a vote at the Financial Town Meeting. Management cannot make any transfers without prior Council approval. The governing Council made no supplemental budgetary appropriation during the year. The budget for the General Fund is presented in the Statement of Revenues, Expenditures, and Changes in Fund Balance – Budgeted and Actual. All annual appropriations lapse at year end unless specifically approved for carryover to the following year by the taxpayers by a vote at the Financial Town Meeting. The budget for the General Fund is appropriated at the individual account level, also known as the line item level.

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

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriation, is employed in the General Fund Budget. Encumbrances do not constitute expenditures or liabilities.

**Excess of Expenditures Over Appropriations**

For the year ended June 30, 2023, expenditures exceed budget at the department level as follows:

Building Inspector	\$ (8,105)
Town Planner	(1,107)
Grants and Contributions	(6,691)
Dispatch	(11,634)
Transfer Station	(35,839)

*Deficit Fund Balances*

Several individual fund deficits exist within the special revenue funds and the RI DOT TIP Water St Project. These individual deficits will be eliminated through subsequent activity during fiscal year 2024.

Fund Name	Fund Deficit
Road Duty	\$ (152,772)
Planning Challenge Grant	(1,827)
Stop Grant	(15,630)
Election Grant	(12,640)
Youth Mentoring Grant	(9,794)
Burr’s Hill Park Tennis Courts	(15,824)
Stormwater Permitting	(15,000)
Tourister Peer Review	(47,939)
Recreation Trails Grant	(342,794)
Drug Free Communitites	(33,321)
Water St Subsurface Infiltration	(13,908)
Jamie’s Park DEM Grant	(18,102)
Take It Outside	(68,536)
RI Commerce	(17,355)
Performance Bonds	(3,452)
RI DOT TIP Water St Project	(765,568)
	\$ (1,534,462)

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

*For the Year Ended June 30, 2023*

**NOTE 3-CASH AND INVESTMENTS**

The State of Rhode Island requires that certain uninsured deposits be collateralized. Section 35-10.1-7 of the General Laws of the State of Rhode Island, dealing with the collateralization of public deposits, requires that all time deposits with maturities of greater than 60 days and all deposits in institutions that do not meet the minimum capital requirements of federal regulations must be collateralized. The Town does not have a formally adopted investment policy.

**Cash and Cash Equivalents**

The Town’s deposits are in various financial institutions and are carried at cost, which approximates fair value. The carrying amount of deposits is separately displayed on the balance sheet as “Cash and cash equivalents” and includes \$840 of petty cash.

At June 30, 2023 the Town’s carrying amount of deposits was:

	<b>Carrying Amount</b>
Total Deposits	\$ 12,205,703
Cash in Escrow	271,679
Petty Cash	840
Total Cash and Cash Equivalent	\$ 12,478,222

Proceeds from revenue bonds of \$271,679 are classified as restricted assets on the *statement of net position* because they are maintained on a separate escrow account.

*Custodial and Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The collateralization of certificates of deposit or repurchase agreements must be in an amount of at least 102% of fair value to the amount of the deposit is the Town’s investment policy for custodial credit risk. At June 30, 2023 the bank balance subjected to custodial credit risk was:

	<b>Bank Balance</b>
Total Deposits	\$ 11,782,681
Insured by FDIC	750,000
Collateralized with securities held by pledging financial institution or its agent, but not in the Town's name	11,032,681
Total uninsured	\$ -

*Credit Risk*

As of June 30, 2023, the Town’s investments in money markets are not rated, as of the fund invests in short-term obligations.

*Concentration of Credit Risk*

The Town places the following limits on the maximum percent of portfolio it may invest in any one specific instrument. The portfolio must, at all times, be comprised of at a least three separate investment instruments; with no one instrument holding more than 50% of the total fund principal. Furthermore, at least 30% of the invested funds must be in instruments that can be redeemed by the Town on demand within one day.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

**NOTE 3-CASH AND INVESTMENTS (continued)**

**Investments**

The Town invests in various types of investments which are stated at fair value. The Finance Director has control over investment decisions. Neither the Town Charter nor any other legally contracted agreements limit the type of investments that may be made.

At June 30, 2023 the Town held the following Investments:

<b>Private Purpose Trusts</b>	
Corporate Bonds	\$ 23,537
US Treasury Bonds	28,746
Common Stock	127,971
Cash and other holdings	17,605
Total Private Purpose	197,859
 <b>Permanent Funds</b>	
Cash and other holdings	10,414
Total Permanent Funds	10,414
 <b>OPEB Trust Fund</b>	
Mutual Funds	994,540
<b>Total Investments</b>	<b>\$ 1,202,813</b>

*Credit Risk*

The Town does not have a formal policy which addresses the credit risks associated with its investments. The following investments are subject to credit risk:

Description	Standard & Poor's	Moody's Investor Service
Commercial Bonds	A+	A1

*Interest Credit Risk*

It is the policy of the Town to limit the length of its investment maturities in order to manage the exposure to fair value losses arising from increasing interest rates. The Town has investments in corporate bonds which have interest rates that are fixed for long periods and are subject to more variability in their fair value as a result of future changes in interest rates. The Town does not have a formal policy which addresses the interest rate risks associated with its investments. The following investments are subject to interest rate risk:

Description	Interest	Maturity	Fair Value
Corporate Bonds	3.45%	3/15/2029	\$ 23,537
US Treasury Bonds	1.250 - 3.875%	08/31/2024 - 03/31/2025	\$ 28,746



TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

**NOTE 3-CASH AND INVESTMENTS (continued)**

*Fair Value of Financial Instruments*

GASB 72 establishes a hierarchy of inputs for use in the measurement of fair value, maximizing the use of observable inputs and minimizing the use of unobservable inputs by requiring that the most observable inputs be used when available. The fair value hierarchy is categorized into three levels on the inputs as follows:

- Level 1: Inputs are quoted priced (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs are inputs other than quoted prices included within Level 1 and that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable inputs for the asset or liability and rely on management’s own assumptions about assumptions market participants would use in pricing the asset or liability. The unobservable inputs are developed based on the best information available in the circumstances and may include the Organization’s own data.

Description	Fair Value at June 30, 2023	Fair Value Measurement		
		Quote Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Bonds	\$ 23,537	\$ -	\$ 23,537	\$ -
US Treasury Bonds	28,746	28,746	-	-
Common Stock	127,971	127,971	-	-
Mutual Funds	994,540	994,540	-	-
Cash	17,605	-	-	17,605
Other Holdings	10,414	-	-	10,414
<b>Total Investment</b>	<b>\$ 1,202,813</b>	<b>\$ 1,151,257</b>	<b>\$ 23,537</b>	<b>\$ 28,019</b>

*Concentration of Credit Risk*

The Town does not have a formal policy that limits the amount that may be invested in any one issuer. All of the trust funds’ investments are held in an internal investment pool. Net investment income for the year is allocated to each trust fund based on the ratio of each fund’s fund balance to the total combined fund balance at the beginning of the year. Operating transfers out to trust beneficiaries are allocated to the trust funds for which the withdrawals are allowable. Each withdrawal is allocated to the applicable funds at the beginning of the year.

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
For the Year Ended June 30, 2023

**NOTE 4-RECEIVABLES**

In the government-wide statements, receivables consist of all revenues earned at year-end that are not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of the receivables.

The Town recognized property tax revenues in accordance with Section P70, "Property Taxes" of the Codification of Governmental Accounting and Financial Reporting Standards on the Fund Statements. Unpaid property taxes amounted to \$787,769 as of June 30, 2023 and are recorded as a receivable, net of allowance for uncollectible property taxes of \$423,297. Major receivable balances for the governmental activities include property taxes at 19%, and intergovernmental grants, aid and other receivables at 81% of the balance.

The portion of the property tax receivable, which is not collected within the 60 days immediately following June 30, 2023 are recorded as unavailable revenue and amounted to \$316,181. This unavailable revenue amount is deferred and will be recognized as an inflow of resources in the year(s) in which the amounts become available.

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.

At June 30, 2023 the Town of Warren had intergovernmental receivables of \$1,242,017. Intergovernmental revenues for the Town is made up of various grants due to the Town at year end.

*Intergovernmental Receivables*

A summary of the intergovernmental receivables as follows:

<b>Intergovernmental</b>	
Capital Projects	
RI Infrastructure Bank Bond	\$ 565,485
Total General Fund	<u>\$ 565,485</u>
Special Revenue	
Planning Challenge Grant	5,213
Marijuana Grant	5,082
Drug Free Communities Grant	3,000
Burr's Hill Park Tennis Court Grant	16,010
Stormwater Permitting	20,000
Recreational Trails Grant	16,874
Water St. Subsurface Infiltration	228,000
Picnic Shelter	67,755
Take It Outside Grant	9,980
DEM Grant	187,774
FEMA	38,730
CBDG	72,534
COVID Clinic Grant	5,580
Total Special Revenue	<u>\$ 676,532</u>
<b>Total Intergovernmental</b>	<u>\$ 1,242,017</u>

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

**NOTE 4-RECEIVABLES (continued)**

*Other Receivables*

A summary of other receivables as follows:

**Other Receivables**

General Fund	
Due from AGI	\$ 20,000
Parkers Clean up	9,939
Miscellenous Vendors	194,133
Total General Fund	<u>\$ 224,072</u>
RI DOT TIP Water St. Project	
RI DOT	\$ 158,347
Total RI DOT TIP Water St. Project	<u>\$ 158,347</u>
Special Revenue	
Jamiel's Park Substance Abuse	\$ 144
Total Special Revenue	<u>\$ 144</u>
<b>Total Other Receivables</b>	<u><u>\$ 382,563</u></u>

**NOTE 5- Interfund Transactions**

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have sufficient resources to cover all costs with revenue generated by the fund at the time the cost is uncured, or as a matter of administrative convenience in terms of where cash is deposited and drawn from Interfund receivables and payables at June 30, 2023 are as follows:

	<u>Due to Other Funds</u>	<u>Due From Other Funds</u>	<u>Other Financing Sources</u>	<u>Other Financing Uses</u>
General Fund	\$ -	\$ 1,388,330	\$ 2,225,000	\$ -
RI DOT TIP Water St. Project	765,568	-	-	-
Special Revenue Funds	622,762	-	-	-
ARPA Fund	-	-	-	225,000
504K RIIB Bond	-	-	-	2,000,000
Totals	<u>\$ 1,388,330</u>	<u>\$ 1,388,330</u>	<u>\$ 2,225,000</u>	<u>\$ 2,225,000</u>

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

For the Year Ended June 30, 2023

**NOTE 6-CAPITAL ASSETS**

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

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
<b>Governmental Activities</b>				
<i>Non-depreciable assets</i>				
Land	\$ 3,073,867	\$ -	\$ -	\$ 3,073,867
Construction in progress	-	656,639	-	656,639
<i>Total non-depreciable assets</i>	3,073,867	656,639	-	3,730,506
<i>Depreciable assets</i>				
Infrastructure	39,031,938	258,899	-	39,290,837
Buildings and improvements	21,138,030	70,400	-	21,208,430
Machinery and equipment	6,699,132	148,425	-	6,847,557
Vehicles	9,056,571	277,377	-	9,333,948
<i>Total depreciable assets</i>	75,925,671	755,101	-	76,680,772
<i>Amortized assets</i>				
<i>Intangible right of use</i>				
Leased Equipment	292,571	-	-	292,571
<i>Total amortized assets</i>	292,571	-	-	292,571
Total capital assets	79,292,109	1,411,740	-	80,703,849
Less accumulated depreciation	46,046,791	3,008,841	-	49,055,632
Less accumulated amortization	45,371	46,676	-	92,047
Governmental activities capital assets, net restated	\$ 33,199,947	\$ (1,643,777)	\$ -	\$ 31,556,170

Capital asset additions by department consisted of the following:

General government	491,401
Public safety	747,810
Fire safety	34,082
Highway department	138,447
Total additions	\$ 1,411,740

Depreciation expense was charged to the following functions:

General government	913,610
Public safety	317,248
Waste water	474,253
Fire safety	249,910
Highway department	1,100,496
Total depreciation expense	\$ 3,055,517

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

*For the Year Ended June 30, 2023*

**NOTE 7-LONG-TERM DEBT**

The ratio of Town debt to net taxable valuation at June 30, 2023 was as follows:

- Net taxable valuation: \$1,464,456,899
- Town debt outstanding: \$29,455,910
- Ratio of Town debt to net taxable valuation: 2.01%

Schedule of long-term bond requirements:

<b>Fiscal Year Ending June 30,</b>	<b>General Obligation Bonds</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	
2024	800,000	301,663	1,101,663
2025	805,000	275,097	1,080,097
2026	810,000	246,488	1,056,488
2027	825,000	217,516	1,042,516
2028	640,000	192,263	832,263
2029-2033	2,745,000	648,482	3,393,482
2034-2038	1,939,145	184,094	2,123,239
	\$ 8,564,145	\$ 2,065,603	\$ 10,629,748

<b>Fiscal Year Ending June 30,</b>	<b>RIB Loan</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	
2024	1,329,591	432,562	1,762,153
2025	1,352,956	411,719	1,764,675
2026	1,377,262	389,195	1,766,457
2027	1,350,493	365,391	1,715,884
2028	1,328,923	340,499	1,669,422
2029-2033	7,011,031	1,254,079	8,265,110
2034-2038	7,025,506	429,916	7,455,422
2039-2043	116,003	1,572	117,575
	\$ 20,891,765	\$ 3,624,933	\$ 24,516,698

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 7-LONG-TERM DEBT (continued)**

General Obligation Bond	Date Issued	Interest Rate	Maturity Date	Authorized and Issued	Outstanding June 30, 2022	New Issues	Retirements	Outstanding June 30, 2023	Current Portion
Public improvements	08/15/09	2.25-4.75%	8/15/10-29	\$ 1,985,000	\$ 200,000	\$ -	\$ 25,000	\$ 175,000	\$ 25,000
Public improvements	04/12/12	2.00-3.63%	1/15/13-32	2,220,000	650,000	-	55,000	595,000	55,000
Public improvements	04/12/12	2.00-3.00%	1/15/13-24	2,415,000	40,000	-	20,000	20,000	20,000
Public improvements	10/13/13	2.00-4.50%	8/15/14-23	3,195,000	2,130,000	-	145,000	1,985,000	150,000
Public improvements	06/02/16	3.00-4.00%	8/15/16-27	3,400,000	1,720,000	-	320,000	1,400,000	320,000
Public improvements	04/25/18	2.00%-4.00%	2/15/19-38	5,525,000	4,614,145	-	225,000	4,389,145	230,000
<b>Total General Obligation Bond</b>				<u>18,740,000</u>	<u>9,354,145</u>	<u>-</u>	<u>790,000</u>	<u>8,564,145</u>	<u>800,000</u>
<b>Rhode Island Infrastructure Bank Clean Water Loan (RIIB)</b>									
Public improvements	04/01/02	1.27%	9/1/03-22	1,800,000	117,978	-	117,978	-	-
Public improvements	12/15/05	1.11-1.56%	9/1/06-25	905,000	209,000	-	51,000	158,000	52,000
Public improvements	03/11/11	0.42-3.33%	9/1/20-39	2,000,000	1,026,169	-	61,614	964,555	93,314
Public improvements	06/02/16	0.48-2.24%	9/1/17-35	1,700,000	1,305,000	-	82,000	1,223,000	82,000
Public improvements	12/13/17	1.53-2.93%	12/13/17-33	504,000	416,000	-	30,000	386,000	31,000
Public improvements	06/12/18	1.11%-2.93%	9/1/18-33	20,000,000	16,985,835	-	886,825	16,099,010	921,069
Public improvements	11/01/18	0.93%-2.71%	11/1/18-38	2,000,000	1,989,000	-	127,000	1,862,000	117,000
Public improvements	05/12/22	0.00%	9/1/20227	249,000	249,000	-	49,800	199,200	49,800
<b>Total RIIB</b>				<u>29,158,000</u>	<u>22,297,983</u>	<u>-</u>	<u>1,406,217</u>	<u>20,891,765</u>	<u>1,346,183</u>
<b>Total Outstanding LTD</b>				<u>\$ 47,898,000</u>	<u>\$ 31,652,128</u>	<u>\$ -</u>	<u>\$ 2,196,217</u>	<u>\$ 29,455,910</u>	<u>\$ 2,146,183</u>
<b>Other Liabilities</b>									
Compensated absences					\$ 1,976,138	\$ -	\$ 7,966	\$ 1,968,172	\$ 196,817
Bond Premium					158,198	-	8,966	149,232	8,966
Lease right to use payable					247,200	-	46,676	200,524	48,019
Net OPEB obligation					5,299,334	84,268	-	5,383,602	-
Net pension liability					3,569,469	1,743,657	-	5,313,126	-
Claims and judgements					-	8,000,000	-	8,000,000	5,000,000
<b>Total long-term liabilities</b>					<u>\$ 42,902,467</u>	<u>\$ 9,827,925</u>	<u>\$ 2,259,825</u>	<u>\$ 50,470,566</u>	<u>\$ 7,399,985</u>

Schedule of long-term liabilities by purpose is as follows:

	Amount	Percent
General Obligation Bond	\$ 8,564,145	17.0%
RIIB Debt	20,891,765	41.4%
Compensated absences	1,968,172	3.9%
Lease right to use payable	200,524	0.4%
Net OPEB obligation	5,383,602	10.7%
Net pension liability	5,313,126	10.5%

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

**NOTE 8-CAPITAL LEASES RIGHT TO USE**

In October 18, 2017, the Town entered into a capital lease agreement between Municipal Leasing Consulting and the Town of Warren for the use of LED Streetlights. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum payments as of the inception date.

Schedule of payments for capital leases at June 30, 2023 were as follows:

<b>Fiscal Year</b> <b>Ending June 30,</b>	<b>Capital Leases</b>		<b>Amount</b>
	<b>Principal</b>	<b>Interest</b>	<b>Outstanding</b>
2024	48,019	5,769	53,788
2025	49,400	4,388	53,788
2026	50,822	2,966	53,788
2027	52,283	1,504	53,787
	<u>\$ 200,524</u>	<u>\$ 14,627</u>	<u>\$ 215,151</u>

**NOTE 9-FUND BALANCES**

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the Town has classified governmental fund balances at June 30, 2023 as follows:

<b>Non-spendable fund balance</b>	
Inventory and prepaid	\$ 9,149
Total non-spendable fund balance	<u>9,149</u>
<b>Restricted fund balance</b>	
Restricted for special revenue funds	803,809
Restricted for permanent funds	35,609
Restricted for capital project funds	755,491
Restricted for ARPA Fund	3,560
Restricted for 504K RIIB Bond	271,679
Total restricted fund balance	<u>1,870,148</u>
<b>Committed fund balance</b>	
Committed for capital expenditure	1,504,678
Total committed fund balance	<u>1,504,678</u>
<b>Unassigned fund balance</b>	
Unassigned for RI DOT TIP Water	(765,568)
Unassigned for Special Revenue	(768,894)
Unassigned	7,430,788
Total Unassigned fund balance	<u>5,896,326</u>
Total fund balance	<u>\$ 9,280,301</u>

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
*June 30, 2023*

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**NOTE 10-PENSION PLANS**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan**

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

MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the ERSRI website at [www.ersri.org](http://www.ersri.org)

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

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

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

**Final 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 WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

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**NOTE 10-PENSION PLANS** *(continued)*

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan** *(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 WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

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**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

***Police and Fire employees (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.

***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 WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

*Other benefit provisions (continued)*

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

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

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

c. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. For retirees and beneficiaries who retired on or before July 1, 2015, years in which a COLA is payable based on every fourth-year provision described in (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.

**Employees covered by benefit terms**

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

	<b>General Employees</b>	<b>Police and Fire</b>	<b>Total</b>
Retirees and Beneficiaries	27	27	54
Inactive, Non-retired Members	13	6	19
Active Members	46	27	73
Total	86	60	146

**Contributions** - The amount of employee and employer contributions have been established under Rhode Island General Law Chapter 45-21. General employees with less than 20 years of service as of June 30, 2012 are required to contribute 1% of their salaries. General employees with more than 20 years of service as of June 30, 2012 are required to contribute 8.25%. Public safety employees are required to contribute 9% of their salaries. The Town of Warren 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 \$288,582 general employees and \$531,674 for police and Fire in the year ended June 30, 2022 which was 10.70% and 27.14% of annual covered payroll.

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

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

<b>Summary of Actuarial Assumptions Used in the Valuations to determine the Net Pension Liability at the June 30, 2022 measurement date (June 30, 2021 valuation rolled forward to June 30, 2022)</b>	
Actuarial Cost Method	Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.
Amortization Method	Level Percent of Payroll – Closed
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	General Employees - 3.50% to 7.25%; Police & Fire Employees - 4.00% to 14.00%
Inflation	2.5 %
Mortality	Mortality – variants of the PUB (10) Tables for healthy and disabled retirees projected with scale ultimate MP 16.
Cost of Living Adjustments	All future COLAs were assumed to be 2.1% per annum for all MERS unites with COLA provisions

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 WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (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 Arithmetic Real Rate of Return
<b>Global Equity</b>		
U.S. equity	24.30%	5.52%
International Developed Equity	11.10%	6.04%
Emerging Market Equity	4.60%	7.83%
<b>Private Growth</b>		
Private Equity	12.50%	9.42%
Non-Core Real Estate	2.50%	4.80%
<b>Income</b>		
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%
<b>Crisis Protection Class</b>		
Treasury Duration	5.00%	-0.44%
Systematic Trend	5.00%	3.33%
<b>Inflation Protection</b>		
Core Real Estate	4.00%	4.80%
Private Infrastructure	4.00%	5.65%
<b>Volatility Protection</b>		
IG Corp Credit	3.25%	1.18%
Securitized Credit	3.25%	1.18%
Absolute Return	6.50%	3.33%
Cash	2.00%	-0.44%
<b>Total</b>	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.

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

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

	Changes in the Net Pension Liability (Asset)		
	<b>General Employees</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2021	\$8,726,749	\$ 8,033,574	\$ 693,175
Changes for the Year			
Service cost	194,691	-	194,691
Interest on the total pension liability	603,978	-	603,978
Changes in benefits	-	-	-
Difference between expected and actual experience	(36,611)	-	(36,611)
Changes in assumptions	-	-	-
Employer contributions	-	288,582	(288,582)
Employee contributions	-	73,107	(73,107)
Net investment income	-	(217,802)	217,802
Benefit payments, including employee refunds	(391,676)	(391,676)	-
Administrative expense	-	(7,425)	7,425
Other changes	-	-	-
Net changes	<u>370,382</u>	<u>(255,214)</u>	<u>625,596</u>
Balances as of June 30, 2022	<u><u>\$9,097,131</u></u>	<u><u>\$ 7,778,360</u></u>	<u><u>\$1,318,771</u></u>

	Changes in the Net Pension Liability (Asset)		
	<b>Police and Fire</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of June 30, 2021	\$ 18,397,796	\$ 15,521,502	\$2,876,294
Changes for the Year:			
Service cost	389,842	-	389,842
Interest on the total pension liability	1,270,109	-	1,270,109
Changes in benefits	-	-	-
Difference between expected and actual experience	(246,433)	-	(246,433)
Changes in assumptions	-	-	-
Employer contributions	-	531,674	(531,674)
Employee contributions	-	195,811	(195,811)
Net investment income	-	(417,786)	417,786
Benefit payments, including employee refunds	(896,599)	(896,599)	-
Administrative expense	-	(14,242)	14,242
Other changes	-	-	-
Net changes	<u>516,919</u>	<u>(601,142)</u>	<u>1,118,061</u>
Balances as of June 30, 2022	<u><u>\$ 18,914,715</u></u>	<u><u>\$ 14,920,360</u></u>	<u><u>\$3,994,355</u></u>

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

	Changes in the Net Pension Liability (Asset)		
	<u>Aggregate Data of All Plans</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances as of June 30, 2021	\$27,124,545	\$ 23,555,076	\$3,569,469
Changes for the Year:			
Service cost	584,533	-	584,533
Interest on the total pension liability	1,874,087	-	1,874,087
Changes in benefits	-	-	-
Difference between expected and actual experience	(283,044)	-	(283,044)
Changes in assumptions	-	-	-
Employer contributions	-	820,256	(820,256)
Employee contributions	-	268,918	(268,918)
Net investment income	-	(635,588)	635,588
Benefit payments, including employee refunds	(1,288,275)	(1,288,275)	-
Administrative expense	-	(21,667)	21,667
Other changes	-	-	-
Net changes	<u>887,301</u>	<u>(856,356)</u>	<u>1,743,657</u>
Balances as of June 30, 2022	<u>\$28,011,846</u>	<u>\$ 22,698,720</u>	<u>\$5,313,126</u>

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

**General Employees Plan:**

1% Decrease (6.00%)	Current Discount Rate Rate (7.00%)	1% Increase (8.00%)
\$ 2,174,292	\$ 1,318,771	\$ 541,574

**Police and Fire Plan:**

1% Decrease (6.00%)	Current Discount Rate Rate (7.00%)	1% Increase (8.00%)
\$ 5,781,122	\$ 3,994,355	\$ 2,371,127

**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 WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

**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 pension expense of \$235,925. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

**General Employees Plan**

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,384	\$ 248,514
Changes of assumptions	47,964	46,943
Net difference between projected and actual earnings on pension plan investments	-	69,454
Town contributions subsequent to measurement date	283,263	-
	<u>\$ 402,611</u>	<u>\$ 364,911</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ (245,563)

**Police and Fire Plan**

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 372,988
Changes of assumptions	33,594	-
Net difference between projected and actual earnings on pension plan investments	-	140,497
Town contributions subsequent to measurement date	580,142	-
	<u>\$ 613,736</u>	<u>\$ 513,485</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ (479,891)



TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

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

**Total Aggregate Data from All Plans**

Description of Outflows/Inflows	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,384	\$ 621,502
Changes of assumptions	81,558	46,943
Net difference between projected and actual earnings on pension plan investments	-	209,951
Town contributions subsequent to measurement date	863,405	-
	<u>\$ 1,016,347</u>	<u>\$ 878,396</u>
Net amount of deferred outflows and (inflows) excluding Town contributions subsequent to measurement date		\$ (725,454)

\$863,405 reported as deferred outflows of resources related to pensions resulting from the Town of Warren contributions 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 and inflows of resources related to pensions will be recognized in pension expense as follows:

**General Employees:**

<u>Year Ending June 30</u>	
2024	\$ (67,927)
2025	(112,288)
2026	(139,437)
2027	123,197
2028	(36,340)
Thereafter	<u>(12,768)</u>
	<u>\$ (245,563)</u>

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 10-PENSION PLANS (continued)**

**Municipal Employees Retirement System, (MERS) Agent Plan Employer Units Agent Multiple Employer Defined Benefit Pension Plan (continued)**

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

<u>Year Ending June 30</u>		
2024	\$	(222,722)
2025		(201,362)
2026		(279,849)
2027		241,620
2028		(17,578)
Thereafter		-
	<u>\$</u>	<u>(479,891)</u>

**Total Aggregate:**

<u>Year Ending June 30</u>		
2024	\$	(290,649)
2025		(313,650)
2026		(419,286)
2027		364,817
2028		(53,918)
Thereafter		(12,768)
	<u>\$</u>	<u>(725,454)</u>

***Defined Contribution Plan Description:***

Certain employees participating in the defined benefit plan, as described above, may also participate in a defined contribution plan authorized by General Law Chapter 36-10.3. The defined contribution plan is established under IRS section 401(a) and is administered by TIAA-CREF. Employees may choose among various investment options available to plan participants. Employees contribute 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 Town of Warren recognized pension expense of \$51,023, for the fiscal year ended June 30, 2023.

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

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

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**NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

In addition to the pension benefits described in Note 11, the Town provides post-employment benefits (health insurance) in accordance with union contract provisions.

For the year ended June 30, 2023 nine (9) municipal retirees met the eligibility requirements for Town provided coverage. The Town pays 100% of the cost of these benefits on a pay-as-you-go basis, which amounted to approximately \$211,456.

**Eligibility**

All employees are eligible for retiree health benefits once they meet the Rhode Island Municipal Employee Retirement System (MERS) retirement eligibility requirements as described below.

Employees eligible to retire as of 7/1/2012 are not impacted by the new eligibility requirements described below:

- a) Prior to 7/1/2012, employees are eligible to retire at the earlier of
  - i. Age 58 with 10 years of service or,
  - ii. 30 years of service (no age requirement)
  
- b) Employees who were not eligible to retire as of 7/1/2012
  - i. Members with less than five years of contributing service credit on 06/30/2012 may retire at their social security retirement age
  - ii. Members with at least five (5) years of contributing service credit on 06/30/2012 may retire at an individually determined age, which is the result of interpolating the member's prior Retirement Date (described in Note 11) and the retirement age applicable to membered hired after 06/30/2012 (described Note 11)
  - iii. Members with at least ten (10) years of contributing service credit on (06/30/2012) may retire at their prior retirement date (described in Note 11) if they continue to work and contribute until that date

All membered who are within five years of reaching their retirement eligibility date (described in Note 11) may retire at any time if they have at least 20 years of service.

**Benefits and Employee Contributions**

The medical benefits available to retirees are the same as active employees. The Town purchases its health insurance through Blue Cross Blue Shield (BCBS) of Rhode Island, and its health plans are operated on a fully-insured arrangement.

Surviving spouse is eligible for COBRA coverage upon death of retiree.

TOWN OF WARREN, RHODE ISLAND  
Notes to the Financial Statements  
June 30, 2023

**NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)**

**Benefit and Employee Contributions (continued)**

At June 30, 2023, plan membership consisted of the following:

<u>Description</u>	<u>Active Employees</u>	<u>Inactive or Beneficiaries Receiving Benefits</u>	<u>Total</u>
Number	75	9	84

**Contributions**

The Annual Required Contribution (ARC) for OPEB consists of two pieces;

- a) Normal Cost: the cost of benefits earned each year which should be accrued in that year, plus,
- b) Past Service: a catch-up accrual to amortize the unfunded accrued liability.

The actuarial valuation selected a 30-year amortization period for past service costs, which is the maximum period by GASB.

The annual OPEB expense for governmental activities for the fiscal year ended June 30, 2023 was \$307,409.

**Net OPEB Liability**

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.

**Actuarial Methods and Assumptions**

The projection of future benefits payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

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

<u>Description</u>	<u>Assumption</u>
Single Equivalent Discount Rate	4.41%, net of OPEB plan investment expense, including inflation.
Inflation	2.20% per year
Investment rate of return	6.0%, net of OPEB plan investment expense, including inflation.
Salary increases	3.50% annually as of June 30, 2023 and for future periods

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

**NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)**

**Actuarial Methods and Assumptions (continued)**

**Investments Policy**

OPEB Benefits Plan’s policy in regard to the allocation of invested assets is established and may be amended by the Town’s Board of Directors by a majority vote of its members. It is the policy of the Town to pursue an investment strategy that reduces 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 allocation over short time spans.

The long-term expected rate of return on OPEB plan investment is assumed to be 6.0%. This was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighing them based on the target asset allocation percentage and adding in expected inflation (2.20%). The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan’s target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S Equity	22.00%	6.20%
Non-U.S Equity	14.00%	8.30%
U.S. Aggregate Bonds	23.00%	4.40%
Intermediate-Term Credit	14.00%	4.90%
Short-Term Credit	8.00%	4.50%
Intermediate-Term TIPS	15.00%	4.20%
REITs	4.00%	6.60%
Total	<u>100.00%</u>	<u>6.00%</u>

**Discount Rate**

The discount rate used to measure the total OPEB liability was 4.41%. The projection of cash flows used to determine the discount rate assumed that the Town contributions will be made at rates equal to the actuarially determined contributions rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return to OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

**NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)**

**Changes in Net OPEB Liability**

	<b>Total OPEB Liability</b>	<b>Increase (Decrease) Plan Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Balance at June 30, 2022	\$ 6,238,868	\$ 939,534	\$ 5,299,334
Service cost	256,777	-	256,777
Interest on net OPEB liability and service cost	295,269	-	295,269
Change of benefit terms	-	-	-
Differences between actual and expected experience	(467,780)	-	(467,780)
Changes in assumptions	266,464	-	266,464
Benefit payments, including refunds	(211,456)	(211,456)	-
Trust administrative expenses	-	(3,117)	3,117
Contributions - employer	-	211,456	(211,456)
Contributions - active employees	-	4,184	(4,184)
Net investment income	-	53,939	(53,939)
Net changes	<u>139,274</u>	<u>55,006</u>	<u>84,268</u>
Balances at June 30, 2023	<u>\$ 6,378,142</u>	<u>\$ 994,540</u>	<u>\$ 5,383,602</u>

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

Total OPEB liability	\$ 6,378,142
Plans fiduciary net position	<u>994,540</u>
Town's net OPEB liability	<u>\$ 5,383,602</u>
Plan net position as a percentage of the total OPEB liability	15.6%

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

For the year ended June 30, 2023 the Town recognized OPEB expenses of \$307,049. At June 30, 2023 the Town's deferred outflow and inflows of resources related to OPEB were the following:

Deferred outflows of resources	
Net difference between projected and actual earnings on OPEB plan investments	\$ 67,907
Deferred inflows of resources	
Differences between actual and expected experience on OPEB plan investments	<u>-</u>
Total	<u>\$ 67,907</u>

Year ended June 30:

2024	\$ 14,244
2025	16,482
2026	37,159
2027	22
2028	-
Thereafter	-
Total	<u>\$ 67,907</u>

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

June 30, 2023

**NOTE 11-OTHER POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)(continued)**

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

The following presents the net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using a discount rate that are 1 percentage point lower (3.41%) or 1 percentage point higher (5.41%) than the current discount rate:

	<b>Impact of 1% Change in Discount Rate</b>		
	<b>1% Decrease (3.41)</b>	<b>Current discount rate (4.41%)</b>	<b>1% Increase (5.41%)</b>
Total OPEB liability	5,871,464	5,383,602	4,927,791

The following presents the net OPEB liability of the Town, as well as what the Town’s net OPEB liability would be if it were calculated using healthcare cost trends rates that are 1 percentage point lower (3.5%) or 1 percentage point higher (5.5%) than the current discount rate:

	<b>Impact of 1% Change in Healthcare Trend Rate</b>		
	<b>1% Decrease (3.50%)</b>	<b>Current trend rate (4.50%)</b>	<b>1% Increase (5.50%)</b>
Total OPEB liability	4,779,515	5,383,602	6,080,741

**Rate of Return**

For the year ended June 30, 2023, the annual money-weighted rate of return on investment, net of investment expense was %.

	<b>June 30, 2023</b>
Annual money-weighted rate of return, net of investment expense	5.72%

**NOTE 12- RISK MANAGEMENT**

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of Town assets; errors and omissions; injuries to employees; and natural disasters. These risks are insured through the Town’s participation in the RI Interlock Risk Management Trust (“the Trust”), a public entity risk pool operated for the benefit of the State’s various public entities. The Town pays an annual premium for Worker’s Compensation, Property and Liability, and Excess liability insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

The Town is also involved in several lawsuits which are not covered by the risk management insurance. Legal Counsel has expressed an opinion as to the ultimate outcome of all the cases, and as a result, an accrued contingency has been recorded in the accompanying financial statements.

TOWN OF WARREN, RHODE ISLAND

Notes to the Financial Statements

*June 30, 2023*

**NOTE 13- CONTINGENCIES AND COMMITMENTS**

The Town has a contract with a commercial management company for the operations and maintenance of the sewer treatment facility and pump stations. The contract is renewable annually every July 1, with the annual cost determined through the Town’s annual budget process.

During the ordinary course of its operations, the Town is a party to various claims, legal actions and complaints. In the opinion of the Town’s management and legal counsel, the ultimate resolution of any legal actions will not result in a material loss to the Town.

**NOTE 14- TAX ABATEMENTS**

The Town of Warren does not have any tax abatements to be disclosed according to GASB Statement No. 77.

**NOTE 15- SUBSEQUENT EVENTS**

Management has evaluated subsequent events through April 17, 2024 the date the financial statements were available to be issued.

The Pereira v. Warren case was settled in the amount of \$13 million. The Town’s insurer, the Rhode Island Interlocal Risk Management Trust, paid out the policy limit of \$5.0 million. The remaining amount is to be paid in four installments, a \$5 million lump sum to be paid in fiscal year 2024 with payments of \$1.0 million each year for the next three fiscal years. The settlement amount has been accrued in the government-wide financial statements as a liability.

**NOTE 16- RESTATEMENT**

The following restatement occurred in order to reclassify the ARPA fund to a major fund and the \$20M RIIB Bond to a nonmajor capital fund. The changes are outlined below:

	<b>Major Governmental Funds</b>	<b>ARPA Fund</b>	<b>Nonmajor Capital Projects</b>
Net position as previously reported at July 1, 2022	\$ 243,977	\$ 1,167	\$ -
To reclassify nonmajor ARPA fund as a major fund according to GASB 34	1,167	(1,167)	-
To reclassify Major 20 M RIIB Bond Fund as a nonmajor fund according to GASB 34	(243,977)	-	243,977
Net Position as restated as of July 1, 2023	\$ 1,167	\$ -	\$ 243,977



TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Budgetary Comparison Schedule – General Fund  
For the Year Ended June 30, 2023

	Budget Amounts		Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
	Original	Final			
<b>Revenues:</b>					
General property taxes and interest	\$26,498,309	\$26,498,309	\$26,498,309	\$ 25,270,987	\$ (1,227,322)
Intergovernmental	1,400,085	1,400,085	1,400,085	2,548,085	1,148,000
Licenses, fees, permits and fines	2,060,796	2,060,796	2,060,796	1,950,236	(110,560)
Interest and investment income (loss)	200,000	200,000	200,000	191,464	(8,536)
Other revenues	88,062	88,062	88,062	24,180	(63,882)
<b>Total revenues</b>	<b>30,247,252</b>	<b>30,247,252</b>	<b>30,247,252</b>	<b>29,984,952</b>	<b>(262,300)</b>
<b>Expenditures:</b>					
General government	4,890,226	4,890,226	4,890,226	4,591,583	298,643
Town offices	1,698,467	1,698,467	1,698,467	1,620,979	77,488
Financial administration	387,167	387,167	387,167	340,192	46,975
Public safety	3,168,909	3,168,909	3,168,909	2,976,908	192,001
Fire safety	1,090,751	1,090,751	1,090,751	1,089,149	1,602
Public works	2,417,186	2,417,186	2,417,186	2,357,797	59,389
Grants and contributions	373,019	373,019	373,019	372,710	309
Education	13,780,322	13,780,322	13,780,322	13,780,322	-
Debt services	3,096,205	3,096,205	3,096,205	3,044,620	51,585
Capital	-	-	-	1,050,766	(1,050,766)
<b>Total expenditures</b>	<b>30,902,252</b>	<b>30,902,252</b>	<b>30,902,252</b>	<b>31,225,026</b>	<b>(322,774)</b>
Excess (deficiency) of revenues over expenditures	(655,000)	(655,000)	(655,000)	(1,240,074)	(585,074)
Other financing sources and (uses):					
Transfer in	475,000	475,000	475,000	225,000	250,000
Budgeted use of Fund Balance	180,000	180,000	180,000	-	(180,000)
<b>Total other financing sources and uses</b>	<b>655,000</b>	<b>655,000</b>	<b>655,000</b>	<b>225,000</b>	<b>(430,000)</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses, budgetary basis	\$ -	\$ -	\$ -	\$ (1,015,074)	\$ (1,015,074)
Adjustment of budgetary basis to U.S. GAAP				2,000,000	
Excess of revenue and other financing sources over expenditures and other financing uses, U.S. GAAP basis				984,926	
Fund balance, beginning of year				7,959,689	
Fund balance, end of year				\$ 8,944,615	

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Detailed Budgetary Comparison Schedule – General Fund  
 For the Year Ended June 30, 2023

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>General property taxes:</b>					
Real estate, tangible and motor vehicle	\$ 26,498,309	\$26,498,309	\$26,498,309	\$25,270,987	\$ (1,227,322)
<b>Total general property taxes</b>	<u>26,498,309</u>	<u>26,498,309</u>	<u>26,498,309</u>	<u>25,270,987</u>	<u>(1,227,322)</u>
<b>Intergovernmental and departmental:</b>					
Excise tax/state	860,871	860,871	860,871	2,090,911	1,230,040
Restaurant (meals) tax	394,306	394,306	394,306	420,328	26,022
Telephone tax transfer	124,908	124,908	124,908	-	(124,908)
Reval reimbursement	20,000	20,000	20,000	32,068	12,068
Tax sale revenue	-	-	-	4,778	4,778
<b>Total intergovernmental and departmental</b>	<u>1,400,085</u>	<u>1,400,085</u>	<u>1,400,085</u>	<u>2,548,085</u>	<u>1,148,000</u>
<b>Licenses, fees, permits and fines:</b>					
Beach parking	11,576	11,576	11,575	10,165	(1,410)
Marriage, birth & death certificate	16,000	16,000	16,000	24,957	8,957
Municipal court revenue	35,000	35,000	35,000	65,550	30,550
Municipal lien certificates	11,000	11,000	11,000	5,375	(5,625)
MVQ - Head start rental	83,400	83,400	83,400	106,804	23,404
PILOT - Housing authority	52,000	52,000	52,000	-	(52,000)
Police fines and penalties	40,000	40,000	40,000	26,729	(13,271)
Police AFIS fingerprinting	1,000	1,000	1,000	115	(885)
Police reports	3,500	3,500	3,500	2,671	(829)
Police VIN checks	8,000	8,000	8,000	3,520	(4,480)
Building/plumbing permits & fees	240,000	240,000	240,000	239,035	(965)
Business taxes & licenses	65,350	65,350	65,350	66,771	1,421
Completion fees	5,000	5,000	5,000	5,450	450
Harbor	129,570	129,570	129,570	122,315	(7,255)
Pavilion rental	7,550	7,550	7,550	5,815	(1,735)
Photo copy	2,000	2,000	2,000	1,077	(923)
Probate court fees	20,000	20,000	20,000	12,340	(7,660)
Realty transfers	225,000	225,000	225,000	149,904	(75,096)
Recording fees	150,000	150,000	150,000	69,576	(80,424)
Road cut permits	1,000	1,000	1,000	-	(1,000)
Road duty revenue	83,600	83,600	83,600	111,556	27,956
Third party billing	677,250	677,250	677,250	791,238	113,988
Zoning, fire & planning fees	13,000	13,000	13,000	11,587	(1,413)
Transfer station	180,000	180,000	180,000	117,686	(62,314)
<b>Total licenses, fees, permits and fines</b>	<u>2,060,796</u>	<u>2,060,796</u>	<u>2,060,795</u>	<u>1,950,236</u>	<u>(110,559)</u>
<b>Interest:</b>					
Property tax interest	180,000	180,000	180,000	87,652	(92,348)
General fund investment earnings	20,000	20,000	20,000	103,812	83,812
<b>Total interest</b>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>191,464</u>	<u>(8,536)</u>
<b>Other:</b>					
Other miscellaneous receipts	4,200	4,200	4,200	24,180	19,980
Other sources/social services/senior center	83,862	83,862	83,862	-	83,862
<b>Total other</b>	<u>88,062</u>	<u>88,062</u>	<u>88,062</u>	<u>24,180</u>	<u>103,842</u>
<b>Total Operating Revenue</b>	<u>30,247,252</u>	<u>30,247,252</u>	<u>30,247,251</u>	<u>29,984,952</u>	<u>(94,575)</u>
<b>Other financing sources:</b>					
Transfer	475,000	475,000	475,000	225,000	(250,000)
Budgeted use of fund balance	180,000	180,000	180,000	-	180,000
<b>Total other financing sources</b>	<u>655,000</u>	<u>655,000</u>	<u>655,000</u>	<u>225,000</u>	<u>(70,000)</u>
<b>Total revenue and other financing sources</b>	<u>\$ 30,902,252</u>	<u>\$30,902,252</u>	<u>\$30,902,251</u>	<u>\$30,209,952</u>	<u>\$ (164,575)</u>

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

TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Detailed Budgetary Comparison Schedule – General Fund  
For the Year Ended June 30, 2023

	Budget Amounts		Total	Actual	Variance
	Original	Final	Available	Amounts (Budgetary Basis)	Favorable (Unfavorable)
<b>Expenditures:</b>					
<b>General Government</b>					
Soc Security/Medicare	\$ 531,830	\$ 531,830	\$ 531,830	\$ 498,976	\$ 32,854
Advertising	20,500	20,500	20,500	22,945	(2,445)
Copier Expense	7,500	7,500	7,500	5,488	2,012
Insurance	733,163	733,163	733,163	626,135	107,028
League of Cities & Towns	5,394	5,394	5,394	5,394	-
Postage	15,000	15,000	15,000	14,947	53
Telephone Expense	7,500	7,500	7,500	4,944	2,556
Town Audit	25,000	25,000	25,000	21,000	4,000
Attendance Premiums	315,016	315,016	315,016	243,215	71,801
Computer Service/Website	75,000	75,000	75,000	110,936	(35,936)
Electricity/Water Parks	8,200	8,200	8,200	3,190	5,010
Employee Benefits	1,658,190	1,658,190	1,658,190	1,641,024	17,166
Financing Expenses	5,000	5,000	5,000	1,064	3,936
GASB 45	5,600	5,600	5,600	1,150	4,450
Longevity	227,506	227,506	227,506	223,594	3,912
Mary V Quirk School	74,000	74,000	74,000	34,414	39,586
Retiree Benefit Adjustment	3,537	3,537	3,537	3,204	333
Street Lighting	120,000	120,000	120,000	190,950	(70,950)
Town Empl. Pension Costs	972,290	972,290	972,290	936,303	35,987
Contingency	10,000	10,000	10,000	-	10,000
Unemployment reserve account	10,000	10,000	10,000	-	10,000
Uncollectible Reserve	60,000	60,000	60,000	2,710	57,290
<b>Total General Government</b>	<b>4,890,226</b>	<b>4,890,226</b>	<b>4,890,226</b>	<b>4,591,583</b>	<b>298,643</b>
<b>Town Offices:</b>					
<b>Boards and Commissions</b>					
Administrative officer	12,548	12,548	12,548	6,747	5,801
Conservation board expense	1,500	1,500	1,500	1,470	30
Juvenile hearing board	2,000	2,000	2,000	1,800	200
Planning board expenses	3,250	3,250	3,250	2,500	750
Planning/Zoning stenographer	5,000	5,000	5,000	7,137	(2,137)
Tree commission	550	550	550	420	130
Historical commission	3,500	3,500	3,500	4,334	(834)
Arts & Cultural	1,000	1,000	1,000	295	705
Harbor Commission	1,375	1,375	1,375	1,125	250
Board/Commissions-Charter Comm.	-	-	-	-	-
<b>Total Boards and Commissions</b>	<b>30,723</b>	<b>30,723</b>	<b>30,723</b>	<b>25,828</b>	<b>4,895</b>
<b>Building Inspector</b>					
Building official salary	74,799	74,799	74,799	75,086	(287)
Building official clerk	44,601	44,601	44,601	44,780	(179)
Building office expense	7,700	7,700	7,700	7,691	9
Outside services	9,400	9,400	9,400	17,750	(8,350)
Plumbing/electrical inspector salary	12,855	12,855	12,855	13,835	(980)
Zoning/regulatory/econ devel liason	6,274	6,274	6,274	6,912	(638)
Code enforcement inspector	21,211	21,211	21,211	18,891	2,320
<b>Total Building Inspector</b>	<b>176,840</b>	<b>176,840</b>	<b>176,840</b>	<b>184,945</b>	<b>(8,105)</b>
<b>Town Clerk</b>					
Town clerk salary - non-union	72,069	72,069	72,069	72,347	(278)
Clerks salary - union	89,202	89,202	89,202	89,560	(358)
Town Clerks Wages-Non Union P/T	25,194	25,194	25,194	21,618	3,576
Deputy town clerk - non-union	59,253	59,253	59,253	59,481	(228)
Municipal court judge salary	9,583	9,583	9,583	9,583	-
Municipal court clerk salary	18,371	18,371	18,371	18,071	300
Board of canvassers salary	1,768	1,768	1,768	1,768	-
Election officials salary	20,000	20,000	20,000	20,000	-
Housing court judge	3,507	3,507	3,507	3,257	250
General and operating expense	15,000	15,000	15,000	14,989	11
Document management	20,000	20,000	20,000	19,972	28
Indexing/computer filling	20,000	20,000	20,000	19,978	22
Probate judge	3,507	3,507	3,507	-	3,507
Municipal court expenses	1,700	1,700	1,700	2,869	(1,169)
Canvasser's expense	17,500	17,500	17,500	17,491	9
Municipal court computer services	8,400	8,400	8,400	7,020	1,380
Historic indexing & imaging	5,000	5,000	5,000	5,000	-
Document preservation	5,000	5,000	5,000	5,000	-
Housing court expenses	3,500	3,500	3,500	3,032	468
<b>Total Town Clerk</b>	<b>\$ 398,554</b>	<b>\$ 398,554</b>	<b>\$ 398,554</b>	<b>\$ 391,036</b>	<b>\$ 7,518</b>

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Detailed Budgetary Comparison Schedule – General Fund  
 For the Year Ended June 30, 2023

	Budget Amounts		Total	Actual	Variance
	Original	Final	Available	Amounts (Budgetary Basis)	Favorable (Unfavorable)
<b>Harbor Master</b>					
Harbor master salary	\$ 22,795	\$ 22,795	\$ 22,795	\$ 22,886	\$ (91)
Asst. harbor master salary	12,000	12,000	12,000	8,760	3,240
Operating expenses	16,000	16,000	16,000	13,484	2,516
Habor Master-Op restroom	4,000	4,000	4,000	3,916	84
Dock maintenance expense	5,000	5,000	5,000	4,544	456
<b>Total Harbor Master</b>	<b>59,795</b>	<b>59,795</b>	<b>59,795</b>	<b>53,590</b>	<b>6,205</b>
<b>Town Manager</b>					
Town manager salary	99,527	99,527	99,527	101,999	(2,472)
Town manager clerk salary - union	44,601	44,601	44,601	44,780	(179)
Part time clerk salary - non - union	19,148	19,148	19,148	4,196	14,952
Full time floating clerk union	44,601	44,601	44,601	32,391	12,210
PT grant writer/coordinator	2,500	2,500	2,500	-	2,500
Town Manager-Clerks OT (USW)	4,000	4,000	4,000	7,161	(3,161)
Town manager expense	3,200	3,200	3,200	3,181	19
East Bay Chamber Membership	410	410	410	410	-
<b>Total Town Manager</b>	<b>217,987</b>	<b>217,987</b>	<b>217,987</b>	<b>194,118</b>	<b>23,869</b>
<b>Town Offices</b>					
Council - Wages & Salaries	6,461	6,461	6,461	6,461	-
Council - Contingency	16,000	16,000	16,000	6,325	9,675
Govt Ctr - Wages & Sal Custodian Union	56,908	56,908	56,908	56,908	-
Govt Center - Operation Exp	117,000	117,000	117,000	103,463	13,537
TwN Sgnt - Wages & Salaries Non Union	100	100	100	50	50
TwN Hall Custdn - Wages & Salaries-Union	56,908	56,908	56,908	55,156	1,752
Tree Warden	3,514	3,514	3,514	3,528	(14)
Planning/Zoning Solicitor	26,693	26,693	26,693	27,187	(494)
Town Hall - Expenses	73,750	73,750	73,750	67,531	6,219
Solctr - Wages & Salaries Non Union	110,468	110,468	110,468	110,893	(425)
Zoning - General & Office Expense	680	680	680	464	216
Zoning - Board Fees	3,000	3,000	3,000	2,250	750
<b>Total Town Offices</b>	<b>471,482</b>	<b>471,482</b>	<b>471,482</b>	<b>440,216</b>	<b>31,266</b>
<b>Town Planner</b>					
Town planner salary	72,511	72,511	72,511	78,300	(5,789)
General & office expense	3,000	3,000	3,000	3,408	(408)
GIS mapping software/equipment	7,000	7,000	7,000	9,700	(2,700)
Development	2,000	2,000	2,000	100	1,900
Grant - matching funds	15,000	15,000	15,000	9,110	5,890
<b>Total Town Planner</b>	<b>99,511</b>	<b>99,511</b>	<b>99,511</b>	<b>100,618</b>	<b>(1,107)</b>
<b>Recreation</b>					
Recreation director salary	22,239	22,239	22,239	28,009	(5,770)
Park supervisor salary	69,580	69,580	69,580	59,819	9,761
Life guards salary	19,230	19,230	19,230	13,992	5,238
Recreation assistant director salary	5,504	5,504	5,504	4,930	574
Recreation park maintenance salary	8,189	8,189	8,189	8,912	(723)
Rec - Beach Manager Salary	-	-	-	528	(528)
Band concerts	5,600	5,600	5,600	5,600	-
General and office expense	27,355	27,355	27,355	25,200	2,155
<b>Total Recreation</b>	<b>157,697</b>	<b>157,697</b>	<b>157,697</b>	<b>146,990</b>	<b>10,707</b>
<b>Senior Center</b>					
Senior center director salary	40,905	40,905	40,905	41,311	(406)
Senior center - meal site manager	1,889	1,889	1,889	1,872	17
Senior center - computer services	1,000	1,000	1,000	997	3
Senior center - maintenance	3,166	3,166	3,166	1,336	1,830
<b>Total Senior Center</b>	<b>46,960</b>	<b>46,960</b>	<b>46,960</b>	<b>45,516</b>	<b>1,444</b>
<b>Social Services</b>					
Social services director salary	17,018	17,018	17,018	17,124	(106)
Social service expense	16,000	16,000	16,000	15,998	2
Substance abuse - grant match	5,000	5,000	5,000	5,000	-
Computer services	900	900	900	-	900
<b>Total Social Services</b>	<b>38,918</b>	<b>38,918</b>	<b>38,918</b>	<b>38,122</b>	<b>796</b>
<b>Total Department Town Offices</b>	<b>\$ 1,698,467</b>	<b>\$ 1,698,467</b>	<b>\$ 1,698,467</b>	<b>\$ 1,620,979</b>	<b>\$ 77,488</b>

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Detailed Budgetary Comparison Schedule – General Fund  
 For the Year Ended June 30, 2023

	Budget Amounts		Total	Actual	Variance
	Original	Final	Available	Amounts (Budgetary Basis)	Favorable (Unfavorable)
<b>Financial Administration</b>					
<b>Treasury</b>					
Financial director salary	\$ 87,042	\$ 87,042	\$ 87,042	87,376	\$ (334)
Finance-Wages & Salaries Assit	46,920	46,920	46,920	13,581	33,339
Financial clerks salary - union	89,202	89,202	89,202	89,535	(333)
Office expense	5,400	5,400	5,400	5,480	(80)
Outside services	18,288	18,288	18,288	11,050	7,238
Payroll processing & services	25,878	25,878	25,878	21,317	4,561
Clearing	1,000	1,000	1,000	1,630	(630)
<b>Total Treasury</b>	<b>273,730</b>	<b>273,730</b>	<b>273,730</b>	<b>229,969</b>	<b>43,761</b>
<b>Assessor</b>					
Tax assessor salary	64,187	64,187	64,187	64,434	(247)
Office expense	5,750	5,750	5,750	2,289	3,461
Outside services	43,500	43,500	43,500	43,500	-
<b>Total Assessor</b>	<b>113,437</b>	<b>113,437</b>	<b>113,437</b>	<b>110,223</b>	<b>3,214</b>
<b>Total Financial Administration</b>	<b>387,167</b>	<b>387,167</b>	<b>387,167</b>	<b>340,192</b>	<b>46,975</b>
<b>Fire Safety</b>					
Wages & Salaries Non Union	79,908	79,908	79,908	80,215	(307)
Fire Prevention Marshall	58,000	58,000	58,000	58,223	(223)
Medical Director	3,600	3,600	3,600	3,600	-
EMS Coordinator	44,601	44,601	44,601	44,780	(179)
Assistant Chiefs/Deputy	8,000	8,000	8,000	8,000	-
EM A/EMS Director	5,485	5,485	5,485	5,587	(102)
General & Office Expense	65,000	65,000	65,000	64,491	509
Clothing Allowance	4,000	4,000	4,000	4,000	-
Fuel/Diesel	40,000	40,000	40,000	42,485	(2,485)
Computer Services	3,000	3,000	3,000	2,674	326
Outside Services	7,250	7,250	7,250	7,250	-
Equipment /Vehicles	54,000	54,000	54,000	54,000	-
Apparatus Repair	50,000	50,000	50,000	50,000	-
Baker Street Station	6,000	6,000	6,000	6,000	-
Communications	15,067	15,067	15,067	14,906	161
Fire Company Fees	24,500	24,500	24,500	24,500	-
Rescue Stipend	509,040	509,040	509,040	508,445	595
Training	18,000	18,000	18,000	18,000	-
Firefighter Gear	20,000	20,000	20,000	19,622	378
Medical Supplies	38,000	38,000	38,000	37,768	232
Company Stewards	15,300	15,300	15,300	15,088	212
Station Upkeep	12,000	12,000	12,000	12,000	-
Firefighter Details/Storm	10,000	10,000	10,000	7,515	2,485
Self-contained Breathing Appar.	-	-	-	-	-
<b>Total Fire Safety</b>	<b>1,090,751</b>	<b>1,090,751</b>	<b>1,090,751</b>	<b>1,089,149</b>	<b>1,602</b>
<b>Grants &amp; Contributions</b>					
East Bay Center	20,000	20,000	20,000	20,000	-
East Bay community action program	17,000	17,000	17,000	17,000	-
George Hail Library	299,019	299,019	299,019	299,019	-
Memorial day	3,000	3,000	3,000	2,891	109
Visiting nurses	1,000	1,000	1,000	1,000	-
Wildlife rehabilitators of RI	500	500	500	500	-
Discover Warren	3,000	3,000	3,000	3,000	-
Warren/Bristol arts night	2,000	2,000	2,000	2,000	-
Bristol County Bay siders	1,500	1,500	1,500	1,500	-
Eastern RI conservation district	1,500	1,500	1,500	1,500	-
Bristol Warren Education Foundation	2,500	2,500	2,500	2,500	-
Warren water quality testing	2,800	2,800	2,800	2,800	-
Neverland children's theater	500	500	500	500	-
Sense of pride	500	500	500	500	-
Warren Barrington Rotary club	3,000	3,000	3,000	3,000	-
The Collaborative	3,000	3,000	3,000	3,000	-
Warren armory	10,000	10,000	10,000	10,000	-
Warren beautification	200	200	200	200	-
American Indian study	2,000	2,000	2,000	1,800	200
<b>Total Grants &amp; Contributions</b>	<b>\$ 373,019</b>	<b>\$ 373,019</b>	<b>\$ 373,019</b>	<b>\$ 372,710</b>	<b>\$ 309</b>

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Detailed Budgetary Comparison Schedule – General Fund  
 For the Year Ended June 30, 2023

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>Public Safety</b>					
<b>Police</b>					
Wages & Salaries Non Union	\$ 98,804	\$ 98,804	\$ 98,804	99,184	\$ (380)
Wages & Salaries Union	1,722,962	1,722,962	1,722,962	1,657,393	65,569
Police - Wages & Salaries Union (Escrow)	57,470	57,470	57,470	57,470	-
SRO (Town Share)	50,000	50,000	50,000	-	50,000
Overtime	290,000	290,000	290,000	251,744	38,256
Part Time Clerk	19,832	19,832	19,832	18,917	915
Holiday Pay	115,606	115,606	115,606	108,521	7,085
Advanced Degree Incentive	13,000	13,000	13,000	10,050	2,950
Differential	23,230	23,230	23,230	12,772	10,458
General & Office Expense	68,400	68,400	68,400	68,626	(226)
Computer Services	28,000	28,000	28,000	28,060	(60)
Fuel/Diesel	71,500	71,500	71,500	50,987	20,513
AFIS Maint Contract	7,000	7,000	7,000	7,000	-
Clothing Allowance	49,625	49,625	49,625	51,475	(1,850)
Equipment /Vehicles	7,800	7,800	7,800	7,795	5
Communications/Serv/Maint Contract	36,456	36,456	36,456	35,540	916
Communications	14,640	14,640	14,640	14,640	-
Disability Expense	15,912	15,912	15,912	15,893	19
Incentive Education Act	11,050	11,050	11,050	10,825	225
Training	57,000	57,000	57,000	56,977	23
<b>Total Police</b>	<b>2,758,287</b>	<b>2,758,287</b>	<b>2,758,287</b>	<b>2,563,869</b>	<b>194,418</b>
<b>Dispatch</b>					
Wages & Salaries - Union	254,835	254,835	254,835	256,681	(1,846)
Overtime	36,355	36,355	36,355	48,040	(11,685)
Differential	3,607	3,607	3,607	3,261	346
Holiday Pay	16,821	16,821	16,821	15,270	1,551
Clothing Allowance	5,045	5,045	5,045	5,045	-
<b>Total Dispatch</b>	<b>316,663</b>	<b>316,663</b>	<b>316,663</b>	<b>328,297</b>	<b>(11,634)</b>
<b>Animal Control</b>					
Wages & Salaries - Union	49,489	49,489	49,489	46,196	3,293
Overtime	3,118	3,118	3,118	-	3,118
Asst Officer Part Time	18,239	18,239	18,239	15,018	3,221
General & Office Expens	19,604	19,604	19,604	19,754	(150)
Animal Shelter Repair	2,500	2,500	2,500	2,500	-
Clothing Allowance	1,009	1,009	1,009	1,274	(265)
<b>Total Animal Control</b>	<b>93,959</b>	<b>93,959</b>	<b>93,959</b>	<b>84,742</b>	<b>9,217</b>
<b>Total Public Safety</b>	<b>3,168,909</b>	<b>3,168,909</b>	<b>3,168,909</b>	<b>2,976,908</b>	<b>192,001</b>
<b>Public Works</b>					
Wages & Salaries Non Union	1,102,421	1,102,421	1,102,421	1,013,293	89,128
Wages & Salaries Union	81,516	81,516	81,516	81,830	(314)
Overtime	90,000	90,000	90,000	79,557	10,443
Part Time Wages & Salaries	-	-	-	-	-
General & Office Expense	151,500	151,500	151,500	161,656	(10,156)
Protective Equipment	3,500	3,500	3,500	3,294	206
Fuel/Diesel	58,000	58,000	58,000	56,287	1,713
Clothing Allowance	17,843	17,843	17,843	17,843	-
Equipment /Vehicles	101,000	101,000	101,000	92,532	8,468
Mosquito Control	2,000	2,000	2,000	-	2,000
Trash Collection	470,000	470,000	470,000	497,853	(27,853)
Engineering Service	4,000	4,000	4,000	1,660	2,340
Field Maintenance	5,125	5,125	5,125	4,799	326
Outside Services	20,000	20,000	20,000	20,000	-
Lamp Post Restoration	5,000	5,000	5,000	5,000	-
Market Street Parking Lot Least	10,000	10,000	10,000	-	10,000
Tree Management Plan	4,225	4,225	4,225	4,217	8
Turnpike and Bridges	10,400	10,400	10,400	1,350	9,050
Foreman salary	65,876	65,876	65,876	66,007	(131)
<b>Total Public Works</b>	<b>2,202,406</b>	<b>2,202,406</b>	<b>2,202,406</b>	<b>2,107,178</b>	<b>95,228</b>
<b>Transfer Station</b>					
Transfer Station overtime	12,000	12,000	12,000	-	12,000
General & Office	13,280	13,280	13,280	13,192	88
Overtime	14,500	14,500	14,500	13,675	825
Tipping Fees	175,000	175,000	175,000	223,752	(48,752)
<b>Total Transfer Station</b>	<b>214,780</b>	<b>214,780</b>	<b>214,780</b>	<b>250,619</b>	<b>(35,839)</b>
<b>Total Department of Public Works</b>	<b>\$ 2,417,186</b>	<b>\$ 2,417,186</b>	<b>\$ 2,417,186</b>	<b>\$ 2,357,797</b>	<b>\$ 59,389</b>

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Detailed Budgetary Comparison Schedule – General Fund  
 For the Year Ended June 30, 2023

	Budget Amounts Original	Final	Total Available	Actual Amounts (Budgetary Basis)	Variance Favorable (Unfavorable)
<b>Capital Expenditures</b>					
Capital	\$ -	\$ -	\$ -	\$ 1,050,766	\$ (1,050,766)
<b>Total Capital</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,050,766</u>	<u>(1,050,766)</u>
<b>Debt Service</b>	<u>3,096,205</u>	<u>3,096,205</u>	<u>3,096,205</u>	<u>3,044,620</u>	<u>51,585</u>
<b>Education General Cost (Net)</b>	<u>13,780,322</u>	<u>13,780,322</u>	<u>13,780,322</u>	<u>13,780,322</u>	<u>-</u>
<b>Total Expenditures</b>	30,902,252	30,902,252	30,902,252	31,225,026	(322,774)
<b>Other Financing Sources/ (Uses):</b>					
Transfer out	-	-	-	-	-
<b>Total Other Financing Sources/(Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures and Other Financing Sources/ (Uses)</b>	<u>\$ 30,902,252</u>	<u>\$30,902,252</u>	<u>\$30,902,252</u>	<u>\$ 31,225,026</u>	<u>\$ (322,774)</u>

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

TOWN OF WARREN, RHODE ISLAND  
Notes to Budget and Actual Comparison  
*For the Year Ended June 30, 2023*

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**Budgetary Data**

The Town Council adopts an annual budget for the General Fund. The Town Council is authorized to transfer budgeted amounts within and among departments and to authorize emergency expenditures. Any revisions that alter total expenditures must be approved by the taxpayers to a vote at the Financial Town Meeting. Management cannot make any transfers without prior Council approval. The governing Council made no supplemental budgetary appropriation during the year. The budget for the General Fund is presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances- Budgeted and Actual. All annual appropriations lapse at year end unless specifically approved for carryover to the following year by the taxpayers by a vote at the Financial Town Meeting. The budget for the General Fund is appropriated at the individual account level, also known as the line-item level.

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

Encumbrance accounting, under which purchase order, contracts, and other commitments for the expenditures of funds are recorded in order to preserve that portion of the applicable appropriations, is employed in the General Fund Budget. Encumbrances do not constitute expenditures or liabilities.



TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Municipal Employees' Retirement System of Rhode Island  
Schedule of Changes in Net Pension Liability and Related Ratios MERS – General Employees  
Last Ten Years\*

Measurement period ending June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 194,691	\$ 195,464	\$ 187,223	\$ 185,422	\$ 185,072	\$ 170,491	\$ 153,923	\$ 148,875	\$ 165,795
Interest on the Total Pension Liability	603,978	592,187	561,835	538,825	523,026	512,158	500,166	488,988	478,136
Benefit Changes	-	-	-	-	-	-	-	103,895	-
Difference between expected and Actual Experience	(36,611)	(236,297)	121,598	(27,905)	(113,212)	(34,094)	(107,368)	(183,753)	-
Assumption Changes	-	-	(79,964)	-	-	347,514	-	-	(62,439)
Benefit payments	(391,676)	(373,371)	(349,066)	(387,981)	(350,747)	(369,921)	(420,292)	(402,697)	(453,981)
<b>Net change in total pension liability</b>	<b>370,382</b>	<b>177,983</b>	<b>441,626</b>	<b>308,361</b>	<b>244,139</b>	<b>626,148</b>	<b>126,429</b>	<b>155,308</b>	<b>127,511</b>
Total pension liability – beginning	8,726,749	8,548,766	8,107,140	7,798,779	7,554,640	6,928,492	6,802,063	6,646,755	6,519,244
Total pension liability – ending (a)	<u>\$9,097,131</u>	<u>\$8,726,749</u>	<u>\$8,548,766</u>	<u>\$8,107,140</u>	<u>\$7,798,779</u>	<u>\$7,554,640</u>	<u>\$6,928,492</u>	<u>\$6,802,063</u>	<u>\$6,646,755</u>
<b>Plan Fiduciary Net Position</b>									
Contributions – employer	\$ 288,582	\$ 274,364	\$ 265,003	\$ 272,398	\$ 267,090	\$ 244,089	\$ 240,331	\$ 255,456	\$ 270,622
Contributions – employee	73,107	76,052	74,120	72,339	68,765	66,363	61,437	40,020	40,521
Pension Plan Net Investment Income	(217,802)	1,737,550	230,935	384,617	440,043	581,317	(1,719)	118,361	671,865
Benefit Payments	(391,676)	(373,371)	(349,066)	(387,981)	(350,747)	(369,921)	(420,292)	(402,697)	(453,981)
Pension Plan Administrative Expense	(7,425)	(6,620)	(6,363)	(6,011)	(5,858)	(5,492)	(4,623)	(5,028)	(4,207)
Other Changes in Plan Fiduciary Net Position	-	-	(100,702)	(4,412)	(12,543)	6,273	25,640	1	(1)
<b>Net change in plan fiduciary net position</b>	<b>(255,214)</b>	<b>1,707,975</b>	<b>113,927</b>	<b>330,950</b>	<b>406,750</b>	<b>522,629</b>	<b>(99,226)</b>	<b>6,113</b>	<b>524,819</b>
Plan fiduciary net position – beginning	8,033,574	6,325,599	6,211,672	5,880,722	5,473,972	4,951,343	5,050,569	5,044,456	4,519,637
Plan fiduciary net position – ending (b)	<u>\$7,778,360</u>	<u>\$8,033,574</u>	<u>\$6,325,599</u>	<u>\$6,211,672</u>	<u>\$5,880,722</u>	<u>\$5,473,972</u>	<u>\$4,951,343</u>	<u>\$5,050,569</u>	<u>\$5,044,456</u>
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>1,318,771</b>	<b>693,175</b>	<b>2,223,167</b>	<b>1,895,468</b>	<b>1,918,057</b>	<b>2,080,668</b>	<b>1,977,149</b>	<b>1,751,494</b>	<b>1,602,299</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>85.50%</b>	<b>92.06%</b>	<b>73.99%</b>	<b>76.62%</b>	<b>75.41%</b>	<b>72.46%</b>	<b>71.46%</b>	<b>74.25%</b>	<b>75.89%</b>
<b>Covered Employee Payroll</b>	<b>\$2,696,554</b>	<b>\$2,648,568</b>	<b>\$2,492,987</b>	<b>\$2,389,457</b>	<b>\$2,299,037</b>	<b>\$2,149,952</b>	<b>\$1,890,947</b>	<b>\$1,906,207</b>	<b>\$1,999,936</b>
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	<b>48.91%</b>	<b>26.17%</b>	<b>89.18%</b>	<b>79.33%</b>	<b>83.43%</b>	<b>96.78%</b>	<b>104.56%</b>	<b>91.88%</b>	<b>80.12%</b>

\*Ninth year of implementation of GASB 68, therefore, only nine years of the ten required data is available

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

TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Municipal Employees' Retirement System of Rhode Island  
Schedule of Changes in Net Pension Liability and Related Ratios MERS – Police and Fire  
Last Ten Years\*

Measurement period ending June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service Cost	\$ 389,842	\$ 386,462	\$ 401,880	\$ 404,957	\$ 360,292	\$ 295,838	\$ 294,967	\$ 283,991	\$ 260,526
Interest on the Total Pension Liability	1,270,109	1,230,567	1,176,476	1,140,986	1,038,691	1,070,906	1,034,705	977,348	938,251
Benefit Changes	-	-	-	-	-	-	-	410,250	-
Difference between expected and Actual Experience	(246,433)	(180,203)	(68,516)	(274,933)	757,671	(1,023,113)	(205,745)	(275,870)	-
Assumption Changes	-	-	81,993	-	-	830,953	-	-	(84,529)
Benefit payments	(896,599)	(850,668)	(772,109)	(752,826)	(682,450)	(611,762)	(671,615)	(601,274)	(608,108)
<b>Net change in total pension liability</b>	516,919	586,158	819,724	518,184	1,474,204	562,822	452,312	794,445	506,140
Total pension liability – beginning	18,397,796	17,811,638	16,991,914	16,473,730	14,999,526	14,436,704	13,984,392	13,189,947	12,683,807
Total pension liability – ending (a)	<u>\$18,914,715</u>	<u>\$18,397,796</u>	<u>\$17,811,638</u>	<u>\$16,991,914</u>	<u>\$16,473,730</u>	<u>\$14,999,526</u>	<u>\$14,436,704</u>	<u>\$13,984,392</u>	<u>\$13,189,947</u>
<b>Plan Fiduciary Net Position</b>									
Contributions – employer	\$ 531,674	\$ 547,814	\$ 538,098	\$ 418,107	\$ 414,902	\$ 438,977	\$ 443,482	\$ 491,829	\$ 343,729
Contributions – employee	195,811	195,289	239,309	192,428	169,072	166,658	157,834	129,208	111,691
Pension Plan Net Investment Income	(417,786)	3,357,085	448,491	733,320	842,323	1,117,629	(3,271)	222,765	1,234,929
Benefit Payments	(896,599)	(850,668)	(772,109)	(752,826)	(682,450)	(611,762)	(671,615)	(601,274)	(608,108)
Pension Plan Administrative Expense	(14,242)	(12,791)	(12,357)	(11,460)	(11,213)	(10,559)	(8,799)	(8,939)	(7,733)
Other Changes in Plan Fiduciary Net Position	-	-	1	6,981	-	(25)	(1)	1	(1)
<b>Net change in plan fiduciary net position</b>	(601,142)	3,236,729	441,433	586,550	732,634	1,100,918	(82,370)	233,590	1,074,507
Plan fiduciary net position – beginning	15,521,502	12,284,773	11,843,340	11,256,790	10,524,156	9,423,238	9,505,608	9,272,018	8,197,511
Plan fiduciary net position – ending (b)	<u>\$14,920,360</u>	<u>\$15,521,502</u>	<u>\$12,284,773</u>	<u>\$11,843,340</u>	<u>\$11,256,790</u>	<u>\$10,524,156</u>	<u>\$ 9,423,238</u>	<u>\$ 9,505,608</u>	<u>\$ 9,272,018</u>
<b>Net Pension Liability/(Asset) - Ending (a) - (b)</b>	3,994,355	2,876,294	5,526,865	5,148,574	5,216,940	4,475,370	5,013,466	4,478,784	3,917,929
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	78.88%	84.37%	68.97%	69.70%	68.33%	70.16%	65.27%	67.97%	70.30%
<b>Covered Employee Payroll</b>	\$ 1,959,005	\$ 1,933,278	\$ 1,934,908	\$ 1,924,700	\$ 1,690,716	\$ 1,663,881	\$ 1,590,975	\$ 1,609,012	\$ 1,497,273
<b>Net Pension Liability as a Percentage of Covered Employee Payroll</b>	203.90%	148.78%	285.64%	267.50%	308.56%	268.97%	315.12%	278.36%	261.67%

\*Ninth year of implementation of GASB 68, therefore, only nine years of the ten required data is available

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Municipal Employees' Retirement System of Rhode Island  
 Schedule of Contributions – General Employees  
*Last Ten Years\**

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	<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>
Actuarially determined contribution	\$ 283,263	\$ 288,582	\$ 274,364	\$ 265,003	\$ 272,398	\$ 267,090	\$ 244,089	\$ 240,331	\$ 255,456
Contributions in relation to the actuarially determined contribution	<u>283,263</u>	<u>288,582</u>	<u>274,364</u>	<u>265,003</u>	<u>272,398</u>	<u>267,090</u>	<u>244,089</u>	<u>240,331</u>	<u>255,456</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Covered-employee payroll	\$ 2,777,451	\$ 2,696,554	\$ 2,648,568	\$ 2,492,987	\$2,389,457	\$ 2,299,037	\$ 2,149,952	\$ 1,890,947	\$ 1,906,207
Contributions as a percentage of covered-employee payroll	10.20%	10.70%	10.36%	10.63%	11.40%	11.62%	11.35%	12.71%	13.40%

**Notes:**

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.
- 3.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year end.

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

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Municipal Employees' Retirement System of Rhode Island  
 Schedule of Contributions – Police and Fire  
*Last Ten Years\**

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	<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>
Actuarially determined contribution	\$ 580,142	\$ 531,674	\$ 547,814	\$ 538,098	\$ 418,107	\$ 414,902	\$ 438,977	\$ 443,482	\$ 491,829
Contributions in relation to the actuarially determined contribution	<u>580,142</u>	<u>531,674</u>	<u>547,814</u>	<u>538,098</u>	<u>418,107</u>	<u>414,902</u>	<u>438,977</u>	<u>443,482</u>	<u>491,829</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Covered-employee payroll	\$ 2,017,775	\$ 1,959,005	\$ 1,933,278	\$ 1,934,908	\$ 1,924,700	\$ 1,690,716	\$ 1,663,881	\$ 1,590,975	\$ 1,609,012
Contributions as a percentage of covered-employee payroll	28.75%	27.14%	28.34%	27.81%	21.72%	24.54%	26.38%	27.87%	30.57%

**Notes:**

- 1.) Employers participating in the Municipal Employee's Retirement System are required by RI General Laws, Section 45-21-42, to contribute an actuarially determined contribution rate each year.
- 2.) Schedule is intended to show information for 10 years - additional years will be displayed as they become available.
- 3.) The amounts presented for each fiscal year were determined as of June 30 measurement date prior to the fiscal year end.

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

TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Employees' Retirement System of Rhode Island  
Notes to the Pension Schedule  
*For the Year Ended June 30, 2023*

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

***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, 2019 measurement date.

***June 30, 2021 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, 2021 measurement date compared to the June 30, 2019 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.

***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

TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Employees' Retirement System of Rhode Island  
Notes to the Pension Schedule  
*For the Year Ended June 30, 2023*

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- 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)
- 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.

TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Other Post-Employment Benefits  
Schedule of Changes in Net OPEB Liability and Related Ratios  
For the Last Ten Years\*

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
<b>Total OPEB liability</b>							
Service cost	\$ 256,777	\$ 274,673	\$ 185,086	\$ 163,730	\$ 160,657	\$ 160,194	\$ 219,675
Interest on net OPEB liability and service cost	295,269	157,508	174,213	202,806	218,985	205,673	170,401
Changes of benefit term	-	1,510,291	-	-	-	-	-
Differences between actual and expected experience	(467,780)	(173,610)	(52,483)	(290,981)	(375,597)	-	(351,830)
Changes of assumptions	266,464	(903,845)	645,306	259,573	(59,690)	(85,761)	(194,295)
Benefit payments, including refunds	(211,456)	(198,547)	(202,322)	(194,653)	(222,959)	(204,420)	(212,194)
Net change in total OPEB liability	139,274	666,470	749,800	140,475	(278,604)	75,686	(368,243)
Total OPEB liability - beginning	6,238,868	5,572,398	4,822,598	4,682,123	4,960,727	4,885,041	5,253,284
Total OPEB liability - ending	<u>\$ 6,378,142</u>	<u>\$ 6,238,868</u>	<u>\$ 5,572,398</u>	<u>\$ 4,822,598</u>	<u>\$ 4,682,123</u>	<u>\$ 4,960,727</u>	<u>\$ 4,885,041</u>
<b>OPEB fiduciary net position</b>							
Benefit payments, including refunds	\$ (211,456)	\$ (198,547)	\$ (202,322)	\$ (194,653)	\$ (222,959)	\$ (204,420)	\$ (212,194)
Trust administrative expenses	(3,117)	(3,364)	(3,083)	(2,221)	(2,057)	(2,007)	(1,740)
Contributions - employer	211,456	198,547	202,322	194,653	222,959	204,420	212,194
Contribution - Active employees	4,184	-	-	-	-	-	-
Net investment income	53,939	(132,021)	151,925	58,953	58,665	34,009	33,023
Net change in plan fiduciary net position	55,006	(135,385)	148,842	56,732	56,608	32,002	31,283
Plan fiduciary net position - beginning	939,534	1,074,919	926,077	869,345	812,737	780,735	749,452
Plan fiduciary net position - ending	<u>\$ 994,540</u>	<u>\$ 939,534</u>	<u>\$ 1,074,919</u>	<u>\$ 926,077</u>	<u>\$ 869,345</u>	<u>\$ 812,737</u>	<u>\$ 780,735</u>
Plan's net pension liability - ending	<u>\$ 5,383,602</u>	<u>\$ 5,299,334</u>	<u>\$ 4,497,479</u>	<u>\$ 3,896,521</u>	<u>\$ 3,812,778</u>	<u>\$ 4,147,990</u>	<u>\$ 4,104,306</u>

\*Seventh year of implementation of GASB 75, therefore only seven years of the ten required data is available.

Actuarial Valuation Date	Fiduciary Net Position	Total OPEB Liability (TOL)	Net OPEB Liability (NOL)	Funded Ratio	Covered Payroll	NOL as a % of Covered Payroll
6/30/2023	994,540	6,378,142	5,383,602	15.59%	4,612,471	116.72%
6/30/2022	939,534	6,238,868	5,299,334	15.06%	4,240,070	124.98%
6/30/2021	1,074,919	5,572,398	4,497,479	19.29%	4,188,983	107.36%
6/30/2020	926,077	4,822,598	3,896,521	19.20%	3,993,592	97.57%
6/30/2019	869,345	4,682,123	3,812,778	18.57%	3,858,543	98.81%
6/30/2018	812,737	4,960,727	4,147,990	16.38%	3,605,868	115.03%
6/30/2017	780,735	4,885,041	4,104,306	15.98%	3,483,930	117.81%

\* Seventh year of implementation of GASB 75, only seven years of the ten required data is available.

TOWN OF WARREN, RHODE ISLAND  
 Required Supplementary Information  
 Other Post-Employment Benefits  
 Schedule of Contributions and Investment Return  
*For the Last Ten Years\**

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	<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	\$ 635,915	\$ 447,330	\$ 386,416	\$ 379,815	\$ 392,994	\$ 366,102	\$ 341,832
Contributions in relation to the actuarially determined contribution	<u>211,456</u>	<u>198,547</u>	<u>202,322</u>	<u>194,653</u>	<u>222,959</u>	<u>204,420</u>	<u>212,194</u>
Contribution deficiency (excess)	<u>\$ 424,459</u>	<u>\$ 248,783</u>	<u>\$ 184,094</u>	<u>\$ 185,162</u>	<u>\$ 170,035</u>	<u>\$ 161,682</u>	<u>\$ 129,638</u>
Covered-employee payroll	\$ 4,612,471	\$ 4,240,070	\$ 4,188,983	\$ 3,993,592	\$ 3,858,543	\$ 3,605,868	\$ 3,483,930
Contributions as a percentage of covered-employee payroll	4.58%	4.68%	4.83%	4.87%	5.78%	5.67%	6.09%

\* Seventh year of implementation of GASB 75, only seven years of the ten required data is available.

	<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	5.72%	5.75%	5.00%	5.25%	5.50%	5.50%	3.50%

\* Seventh year of implementation of GASB 75, only seven years of the ten required data is available.



TOWN OF WARREN, RHODE ISLAND  
Required Supplementary Information  
Notes to Other Post-Employment Benefits  
*For the Year Ended June 30, 2022*

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**Notes to Required Supplementary Information:**

Valuation Date:	July 1, 2022 with results actuarially projected on a no gain/ no loss basis to get to the June 30, 2023 measurement date. Liabilities as of July 1, 2022 on an actuarial valuation date of July 1, 2022 with no adjustments
Cost Method:	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: <ul style="list-style-type: none"><li>•Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and</li><li>•Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to Payroll Growth.</li></ul>
Asset-Valuation Method:	Market Value of Assets as of the Measurement Date, June 30, 2023
Discount Rate	4.41%
Medical inflation	For medical/rx benefits, the trend rates have been reset to an initial rate of 7.50% decreasing by 0.50% annually to an ultimate rate of 4.50% These changes caused an increase in liabilities for the Town.
Inflation:	2.20% per year.
Salary Increases:	3.50% annually as of June 30, 2022 and for future periods.
Mortality	SOA Pub-2010 General Headcount Mortality Table fully generational using Scale M1

TOWN OF WARREN, RHODE ISLAND  
Supplementary Information

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**Non-Major Government Funds**

**Special Revenue Funds:**

**Road Duty:** accounts for monies received for sworn constables and off-duty police assignments and resulting wage disbursements.

**Gun Buy Back:** accounts for revenues and expenditures of periodic gun buy-back programs.

**RI DOT Highway Safety:** accounts for revenues and expenditures for RI DOT Highway safety programs.

**WPD RI Senatorial Grant:** accounts for grant revenues and expenditures for reconstruction expenditures due to accidents.

**Recycling Grant:** accounts for grant monies and expenditures related to recycling activities.

**Planning Challenge Grant:** accounts for revenue and expenditures related to the implementation of the State's official land use plan and the State's long-range transportation plan.

**Opioid Litigation:** accounts for revenues and expenditures related to the opioid litigation.

**Historical Cemetery Grant:** accounts for the grant revenues and expenditures to maintain historical cemetery.

**Community Gardens:** accounts for revenues and expenditures for the use of the Town's Open Space for community gardens. Townspeople pay rent for a plot of land to farm as they see fit.

**ACO Donations:** accounts for donations for ACO activities.

**Stop Grant:** accounts for revenue and expenditures related to the federally funded STOP Act Program.

**Dog Park:** accounts for funds for the dog park.

**Cops that Care:** accounts for revenues and expenditures related to activities for *Cops that Care* program

**Social Services Donation:** accounts for donations to be used for various social service activities.

**Marijuana Grant:** accounts for revenue and expenditures related to the activities preventing and reducing the use of marijuana and other drugs by youths.

**Beautification Donation:** accounts for activity related to the *Beautification Donation Program*.

**Drug Free Communities:** accounts for activity for Drug Free communities grant

**Election:** accounts for funds used for public purpose of planning and operationalizing safe and secure election administration.

**Senior Center:** accounts for revenues and expenditures related to activities at the Senior Center.

**Warren Animal Rescue:** accounts for revenues and expenditures related to activities at the Warren animal Rescue.

**Baker Street Museum:** accounts for revenues and expenditures related to operations of the Warren Fire Museum on Baker Street.

**Animal Spaying:** accounts for revenues and expenditures related to the spaying and neutering of animals

**Youth Mentoring Grant:** accounts for revenues and expenditures related to youth mentoring grant.

TOWN OF WARREN, RHODE ISLAND  
Supplementary Information

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**Non-Major Government Funds (continued)**

**Police Bike Patrol Grant:** Senate grant funds for revenues and expenses related to conducting bike path and street patrols.

**AFIS Live Scan Fed Grant:** accounts for revenues and expenditures related to the AFIS Live Scan Fed Grant.

**Memorial Tree Fund:** accounts for expenditures related to Memorial Tree.

**Burr's Hill Park Tennis Court:** accounts for revenues and expenditures for Burr's Hill Park Tennis Court.

**Stormwater Permitting:** accounts for revenues and expenditures related to the Phase II Stormwater requirements by DEM.

**Unclaimed Estate:** accounts for funds for unclaimed estates.

**Tourister Peer Review:** funds held for payment of engineering reviews related to the American Tourister Project.

**Recreational Trails Grant:** accounts for revenues and expenditures related to Recreation Trail Grants.

**Summer Concerts:** accounts for activity related to the Summer Concerts Program.

**REC Department Donation:** accounts for revenue from donations towards the recreation department activity.

**Water St. Subsurface infiltration:** accounts for revenue and expenditures for the Water St. Subsurface infiltration.

**Picnic Shelter:** accounts for activity related to the picnic shelter located in Jamiel's Park

**Take It Outside:** accounts for revenue and expenditures for the Take it Outside Grant.

**Jamiel's Park Substance Abuse:** accounts for State grant funding of substance abuse prevention program.

**Fire Inspections:** accounts for revenues and expenditures for periodic fire inspections.

**Jamiel's Park Grant DEM Grant:** accounts for revenues and expenditures related to \$300,000 State recreation grant awarded in 2006 for facility improvements at the Jamiel's Park Recreation Development (Town open space)

**Fire State Meds Plan:** accounts for revenues and expenditures Fire State Meds plan.

**RI Commerce** – Accounts for revenues and expenditures related to RI Commerce.

**FEMA Sandy Event Grant:** accounts for revenues and expenditures for the construction and maintenance of Honor Roll monument

**Community Development Block Grant:** accounts for revenues and expenditures related to federally funded CDBG programs.

**Veterans Honor Roll:** accounts for revenues and expenditures to the maintenance of Veteran's memorial.

**Government Center:** accounts for activity related to the operation of Government center.

**Holiday Committee:** Accounts for revenue and expenditures related to the holiday committee.

**Ship Shape:** accounts for revenues and expenditures related to the incentive to clean up storefront and the exteriors of homes.

**Narcotics:** accounts for revenues and expenditures for police participation with Narcotics Strike Force.

**Employee Charity Fund:** accounts for employees pay for Friday casual day participation.

**Affordable Housing:** accounts for funds used to ensure developers/ contractors develop according to affordable housing requirements.

TOWN OF WARREN, RHODE ISLAND  
Supplementary Information

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**Non-Major Government Funds (*continued*)**

***Performance Bond:*** accounts for funds held by the town while contractors perform duties.

***COVID Clinic:*** accounts for revenues and expenditures for COVID Clinic.

***Document Preservation:*** account for the revenues and expenditures to archive documents.

**Permanent Trust Funds:**

***Police Trust:*** accounts for revenues and expenditures of Police Trust, dedicated to public safety needs.

***Sara B. Burtis:*** accounts for revenues and expenditures of the Sara B. Burtis Trust

**Capital Project Funds:**

***RI Infrastructure Bank Bond:*** Accounts for revenues and expenditures related to RIIB Grants.

***\$20M RIIB Bond:*** Accounts for revenues and expenditures related to \$20M bond.

TOWN OF WARREN, RHODE ISLAND  
Non-Major Governmental Funds  
Combining Balance Sheet  
June 30, 2023

	<b>Special Revenue</b>	<b>Permanent Trust</b>	<b>Capital Projects</b>	<b>Total Non-Major Governmental Funds</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 766,229	\$ 25,195	\$ 243,977	\$ 1,035,401
Investments	-	10,414	-	10,414
Intergovernmental	676,532	-	565,485	1,242,017
Other accounts receivable	144	-	-	144
Total assets	<u>1,442,905</u>	<u>35,609</u>	<u>809,462</u>	<u>2,287,976</u>
<b>Deferred outflows of resources</b>				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	<u>1,442,905</u>	<u>35,609</u>	<u>809,462</u>	<u>2,287,976</u>
<b>Liabilities</b>				
Accounts payable	352	-	53,971	54,323
Due to other funds	622,762	-	-	622,762
Accrued liabilities	166,400	-	-	166,400
Total liabilities	<u>789,514</u>	<u>-</u>	<u>53,971</u>	<u>843,485</u>
<b>Deferred inflows of resources</b>				
Deferred revenue	618,476	-	-	618,476
Total deferred inflows of resources	<u>618,476</u>	<u>-</u>	<u>-</u>	<u>618,476</u>
<b>Fund Balance</b>				
Restricted	803,809	35,609	755,491	1,594,909
Unassigned	(768,894)	-	-	(768,894)
Total fund balance	<u>34,915</u>	<u>35,609</u>	<u>755,491</u>	<u>826,015</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,442,905</u>	<u>\$ 35,609</u>	<u>\$ 809,462</u>	<u>\$ 2,287,976</u>

TOWN OF WARREN, RHODE ISLAND  
 Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2023

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	<b>Special Revenue</b>	<b>Permanent Funds</b>	<b>Capital Projects</b>	<b>Total Non-Major Governmental Funds</b>
<b>Revenues</b>				
Intergovernmental	\$ 271,636	\$ -	\$ 565,485	\$ 837,121
Charges for services	-	11,762	-	11,762
Other revenue	367,383	-	-	367,383
Total revenues	639,019	11,762	565,485	1,216,266
<b>Expenditures</b>				
General government	716,544	10,253	-	726,797
Public safety	240,511	-	-	240,511
Fire safety	3,966	-	-	3,966
Capital and special appropriations	-	-	53,971	53,971
Total expenditures	961,021	10,253	53,971	1,025,245
Excess (deficiency) of revenues over expenditures	(322,002)	1,509	511,514	191,021
<b>Excess of revenue and other sources over expenditures and other uses</b>	(322,002)	1,509	511,514	191,021
Fund Balance, July 1, 2022	356,917	34,100	243,977	634,994
Fund Balance, June 30, 2023	\$ 34,915	\$ 35,609	\$ 755,491	\$ 826,014

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 2023

	Road Duty	Gun Buy Back	RIDOT Highway Safety	WPD RI Senatorial Grant	Recycling Grant	Planning Challenge Grant
<b>Assets</b>						
Cash and cash equivalents	\$ -	\$ 2,000	\$ 16,279	\$ 93	\$ 72	\$ -
Other accounts receivable	-	-	-	-	-	-
Federal and state grants receivable	-	-	-	-	-	5,213
Total assets	-	2,000	16,279	93	72	5,213
<b>Deferred outflows of resources</b>						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	2,000	16,279	93	72	5,213
<b>Liabilities</b>						
Accounts payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	2,920
Accrued liabilities	152,772	-	-	-	-	-
Total liabilities	152,772	-	-	-	-	2,920
<b>Deferred inflows of resources</b>						
Deferred revenue	-	-	-	-	-	4,120
Total deferred inflows of resources	-	-	-	-	-	4,120
<b>Fund Balance</b>						
Restricted	-	2,000	16,279	93	72	-
Committed	-	-	-	-	-	-
Unassigned	(152,772)	-	-	-	-	(1,827)
Total fund balance (deficits)	(152,772)	2,000	16,279	93	72	(1,827)
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 2,000	\$ 16,279	\$ 93	\$ 72	\$ 5,213

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 2023

	<b>Opioid Litigation</b>	<b>Historical Cemetery Fund</b>	<b>Community Gardens</b>	<b>ACO Donations</b>	<b>Stop Grant</b>	<b>Dog Park</b>	<b>Cops that Care</b>	<b>Social Services Donations</b>
<b>Assets</b>								
Cash and cash equivalents	\$ 11,654	\$ 400	\$ 7,317	\$ 66,295	\$ -	\$ 1,892	\$ 22	\$ 89,018
Other accounts receivable	-	-	-	-	-	-	-	-
Federal and state grants receivable	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>11,654</b>	<b>400</b>	<b>7,317</b>	<b>66,295</b>	<b>-</b>	<b>1,892</b>	<b>22</b>	<b>89,018</b>
<b>Deferred outflows of resources</b>								
None	-	-	-	-	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>11,654</b>	<b>400</b>	<b>7,317</b>	<b>66,295</b>	<b>-</b>	<b>1,892</b>	<b>22</b>	<b>89,018</b>
<b>Liabilities</b>								
Accounts payable	-	-	-	-	352	-	-	-
Due to other funds	-	-	-	-	14,450	-	-	-
Accrued liabilities	-	-	-	-	828	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,630</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources</b>								
Deferred revenue	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>								
Restricted	11,654	400	7,317	66,295	-	1,892	22	89,018
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(15,630)	-	-	-
<b>Total fund balance (deficits)</b>	<b>11,654</b>	<b>400</b>	<b>7,317</b>	<b>66,295</b>	<b>(15,630)</b>	<b>1,892</b>	<b>22</b>	<b>89,018</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 11,654</b>	<b>\$ 400</b>	<b>\$ 7,317</b>	<b>\$ 66,295</b>	<b>\$ -</b>	<b>\$ 1,892</b>	<b>\$ 22</b>	<b>\$ 89,018</b>

*See independent auditor's report*



TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 2023

	Marijuana Grant	Beautification Donation	Drug Free Communities	Election	Senior Center	Warren Animal Rescue	Baker Street Museum	Animal Spaying
<b>Assets</b>								
Cash and cash equivalents	\$ -	\$ 2,867		\$ -	\$ 87,682	\$ 89,190	\$ 1,475	\$ 2,160
Other accounts receivable	-	-	-	-	-	-	-	-
Federal and state grants receivable	5,082	-	3,000	-	-	-	-	-
<b>Total assets</b>	<b>5,082</b>	<b>2,867</b>	<b>3,000</b>	<b>-</b>	<b>87,682</b>	<b>89,190</b>	<b>1,475</b>	<b>2,160</b>
<b>Deferred outflows of resources</b>								
None	-	-	-	-	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>5,082</b>	<b>2,867</b>	<b>3,000</b>	<b>-</b>	<b>87,682</b>	<b>89,190</b>	<b>1,475</b>	<b>2,160</b>
<b>Liabilities</b>								
Accounts payable	-	-	-	-	-	-	-	-
Due to other funds	-	-	29,980	-	-	-	-	-
Accrued liabilities	-	-	1,780	-	204	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>31,760</b>	<b>-</b>	<b>204</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources</b>								
Deferred revenue	5,082	-	4,561	12,640	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>5,082</b>	<b>-</b>	<b>4,561</b>	<b>12,640</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance</b>								
Restricted	-	2,867	-	-	87,478	89,190	1,475	2,160
Committed	-	-	-	-	-	-	-	-
Unassigned	-	-	(33,321)	(12,640)	-	-	-	-
<b>Total fund balance (deficits)</b>	<b>-</b>	<b>2,867</b>	<b>(33,321)</b>	<b>(12,640)</b>	<b>87,478</b>	<b>89,190</b>	<b>1,475</b>	<b>2,160</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 5,082</b>	<b>\$ 2,867</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ 87,682</b>	<b>\$ 89,190</b>	<b>\$ 1,475</b>	<b>\$ 2,160</b>

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TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 2023

	Youth Mentoring Grant	Police Bicycle Patrol Grant	AFIS Live Scan Fed Grant	Memorial Tree Fund	Burr's Hill Park Tennis Courts	Stormwater Permitting
<b>Assets</b>						
Cash and cash equivalents	\$ -	\$ 2,751	\$ 250	\$ 401	\$ -	\$ -
Other accounts receivable	-	-	-	-	-	-
Federal and state grants receivable	-	-	-	-	16,010	20,000
<b>Total assets</b>	<b>-</b>	<b>2,751</b>	<b>250</b>	<b>401</b>	<b>16,010</b>	<b>20,000</b>
<b>Deferred outflows of resources</b>						
None	-	-	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>2,751</b>	<b>250</b>	<b>401</b>	<b>16,010</b>	<b>20,000</b>
<b>Liabilities</b>						
Accounts payable	-	-	-	-	-	-
Due to other funds	9,090	-	-	-	15,824	15,000
Accrued liabilities	704	-	-	-	-	-
<b>Total liabilities</b>	<b>9,794</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,824</b>	<b>15,000</b>
<b>Deferred inflows of resources</b>						
Deferred revenue	-	-	-	-	16,010	20,000
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,010</b>	<b>20,000</b>
<b>Fund Balance</b>						
Restricted	-	2,751	250	401	-	-
Committed	-	-	-	-	-	-
Unassigned	(9,794)	-	-	-	(15,824)	(15,000)
<b>Total fund balance (deficits)</b>	<b>(9,794)</b>	<b>2,751</b>	<b>250</b>	<b>401</b>	<b>(15,824)</b>	<b>(15,000)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ -</b>	<b>\$ 2,751</b>	<b>\$ 250</b>	<b>\$ 401</b>	<b>\$ 16,010</b>	<b>\$ 20,000</b>

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TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 2023

	Unclaimed Estate	Tourister Peer Review	Recreational Trails Grant	Summer Concerts	Rec Department Donation	Water St Subsurface Infiltration	Picnic Shelter
<b>Assets</b>							
Cash and cash equivalents	8,127	\$ -	\$ -	\$ 8,933	\$ 42,139	\$ -	\$ 2,101
Other accounts receivable	-	-	-	-	-	-	-
Federal and state grants receivable	-	-	16,874	-	-	228,000	67,755
Total assets	<u>8,127</u>	<u>-</u>	<u>16,874</u>	<u>8,933</u>	<u>42,139</u>	<u>228,000</u>	<u>69,856</u>
<b>Deferred outflows of resources</b>							
None	-	-	-	-	-	-	-
Total deferred outflows of resources	<u>8,127</u>	<u>-</u>	<u>16,874</u>	<u>8,933</u>	<u>42,139</u>	<u>228,000</u>	<u>69,856</u>
<b>Liabilities</b>							
Accounts payable	-	-	-	-	-	-	-
Due to other funds	-	47,939	359,668	-	-	13,908	-
Accrued liabilities	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>47,939</u>	<u>359,668</u>	<u>-</u>	<u>-</u>	<u>13,908</u>	<u>-</u>
<b>Deferred inflows of resources</b>							
Deferred revenue	-	-	-	-	-	228,000	67,755
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>228,000</u>	<u>67,755</u>
<b>Fund Balance</b>							
Restricted	8,127	-	-	8,933	42,139	-	2,101
Committed	-	-	-	-	-	-	-
Unassigned	-	(47,939)	(342,794)	-	-	(13,908)	-
Total fund balance (deficits)	<u>8,127</u>	<u>(47,939)</u>	<u>(342,794)</u>	<u>8,933</u>	<u>42,139</u>	<u>(13,908)</u>	<u>2,101</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,127</u>	<u>\$ -</u>	<u>\$ 16,874</u>	<u>\$ 8,933</u>	<u>\$ 42,139</u>	<u>\$ 228,000</u>	<u>\$ 69,856</u>

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TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Balance Sheet  
June 30, 2023

	Take it Outside	Jamiel's Park Substance Abuse	Fire Inspections	Jamiel's Park DEM Grant	Fire State Meds Plan	RI Commerce	FEMA Sandy Event	Community Development Block Grant
<b>Assets</b>								
Cash and cash equivalents		\$ 24,070	\$ 95,264		\$ 48,082	\$ -	\$ 3,030	\$ 6,654
Other accounts receivable	-	144	-	-	-	-	-	-
Federal and state grants receivable	9,980	-	-	187,774	-	-	38,730	72,534
<b>Total assets</b>	<b>9,980</b>	<b>24,214</b>	<b>95,264</b>	<b>187,774</b>	<b>48,082</b>	<b>-</b>	<b>41,760</b>	<b>79,188</b>
<b>Deferred outflows of resources</b>								
None	-	-	-	-	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>9,980</b>	<b>24,214</b>	<b>95,264</b>	<b>187,774</b>	<b>48,082</b>	<b>-</b>	<b>41,760</b>	<b>79,188</b>
<b>Liabilities</b>								
Accounts payable	-	-	-	-	-	-	-	-
Due to other funds	78,466	-	-	18,102	-	17,355	-	-
Accrued liabilities	50	-	-	-	-	-	-	1,760
<b>Total liabilities</b>	<b>78,516</b>	<b>-</b>	<b>-</b>	<b>18,102</b>	<b>-</b>	<b>17,355</b>	<b>-</b>	<b>1,760</b>
<b>Deferred inflows of resources</b>								
Deferred revenue	-	-	-	187,774	-	-	-	72,534
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187,774</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72,534</b>
<b>Fund Balance</b>								
Restricted	-	24,214	95,264	-	48,082	-	41,760	4,894
Committed	-	-	-	-	-	-	-	-
Unassigned	(68,536)	-	-	(18,102)	-	(17,355)	-	-
<b>Total fund balance (deficits)</b>	<b>(68,536)</b>	<b>24,214</b>	<b>95,264</b>	<b>(18,102)</b>	<b>48,082</b>	<b>(17,355)</b>	<b>41,760</b>	<b>4,894</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 9,980</b>	<b>\$ 24,214</b>	<b>\$ 95,264</b>	<b>\$ 187,774</b>	<b>\$ 48,082</b>	<b>\$ -</b>	<b>\$ 41,760</b>	<b>\$ 79,188</b>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Veterans' Honor Roll	Government Center	Holiday Committee	Ship Shape	Narcotics	Employee Charity Fund	Affordable Housing	Performance Bond	COVID Clinic	Total Special Revenue Funds
<b>Assets</b>										
Cash and cash equivalents	\$ 14,280	\$ 39	\$ 3,500	\$ 800	\$ 117,879	\$ 612	\$ 4,051	\$ 4,850		\$ 766,229
Other accounts receivable	-	-	-	-	-	-	-	-	-	144
Federal and state grants receivable	-	-	-	-	-	-	-	-	5,580	676,532
Total assets	14,280	39	3,500	800	117,879	612	4,051	4,850	5,580	1,442,905
<b>Deferred outflows of resources</b>										
None	-	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	14,280	39	3,500	800	117,879	612	4,051	4,850	5,580	1,442,905
<b>Liabilities</b>										
Accounts payable	-	-	-	-	-	-	-	-	-	352
Due to other funds	-	-	-	-	-	-	-	-	60	622,762
Accrued liabilities	-	-	-	-	-	-	-	8,302	-	166,400
Total liabilities	-	-	-	-	-	-	-	8,302	60	789,514
<b>Deferred inflows of resources</b>										
Deferred revenue	-	-	-	-	-	-	-	-	-	618,476
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	618,476
<b>Fund Balance</b>										
Restricted	14,280	39	3,500	800	117,879	612	4,051	-	5,520	803,809
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(3,452)	-	(768,894)
Total fund balance (deficits)	14,280	39	3,500	800	117,879	612	4,051	(3,452)	5,520	34,915
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,280	\$ 39	\$ 3,500	\$ 800	\$ 117,879	\$ 612	\$ 4,051	\$ 4,850	\$ 5,580	\$ 1,442,905

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	<u>Road Duty</u>	<u>Gun Buy Back</u>	<u>RIDOT Highway Safety</u>	<u>WPD RI Senatorial Grant</u>	<u>Recycling Grant</u>	<u>Planning Challenge Grant</u>
<b>Revenues</b>						
Intergovernmental	\$ -	\$ -	\$ 16,279	\$ -	\$ -	\$ -
Other income	194,398	-	-	4,000	-	-
Investment income	-	-	-	-	-	-
Total revenues	<u>194,398</u>	<u>-</u>	<u>16,279</u>	<u>4,000</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>						
General government	-	-	-	4,000	-	-
Public safety	225,551	-	-	-	-	-
Fire safety	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-
Total expenditures	<u>225,551</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenue over expenditures</b>	(31,153)	-	16,279	-	-	-
<b>Other financing sources (uses)</b>						
Transfers in/out	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	(31,153)	-	16,279	-	-	-
<b>Fund Balance, July 1, 2022</b>	<u>(121,619)</u>	<u>2,000</u>	<u>-</u>	<u>93</u>	<u>72</u>	<u>(1,827)</u>
<b>Fund Balance, June 30, 2023</b>	<u>\$ (152,772)</u>	<u>\$ 2,000</u>	<u>\$ 16,279</u>	<u>\$ 93</u>	<u>\$ 72</u>	<u>\$ (1,827)</u>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Opioid Litigation	Historical Cemetery Fund	Community Gardens	ACO Donations	Stop Grant	Dog Park	Cops that Care	Social Services Donations
<b>Revenues</b>								
Intergovernmental	\$ 13,650	\$ -	\$ -	\$ -	\$ 33,960	\$ -	\$ -	\$ -
Other income	-	-	-	1,554	-	1,650	-	8,853
Investment income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>13,650</b>	<b>-</b>	<b>-</b>	<b>1,554</b>	<b>33,960</b>	<b>1,650</b>	<b>-</b>	<b>8,853</b>
<b>Expenditures</b>								
General government	-	-	-	-	49,590	9,534	-	-
Public safety	1,996	-	-	-	-	-	-	-
Fire safety	-	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>1,996</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,590</b>	<b>9,534</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>11,654</b>	<b>-</b>	<b>-</b>	<b>1,554</b>	<b>(15,630)</b>	<b>(7,884)</b>	<b>-</b>	<b>8,853</b>
<b>Other financing sources (uses)</b>								
Transfers out	-	-	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	<b>11,654</b>	<b>-</b>	<b>-</b>	<b>1,554</b>	<b>(15,630)</b>	<b>(7,884)</b>	<b>-</b>	<b>8,853</b>
<b>Fund Balance, July 1, 2022</b>	<b>-</b>	<b>400</b>	<b>7,317</b>	<b>64,741</b>	<b>-</b>	<b>9,776</b>	<b>22</b>	<b>80,165</b>
<b>Fund Balance, June 30, 2023</b>	<b>\$ 11,654</b>	<b>\$ 400</b>	<b>\$ 7,317</b>	<b>\$ 66,295</b>	<b>\$ (15,630)</b>	<b>\$ 1,892</b>	<b>\$ 22</b>	<b>\$ 89,018</b>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Marijuana Grant	Beautification Donation	Drug Free Communities	Election	Senior Center	Warren Animal Rescue	Baker Street Museum	Animal Spaying
<b>Revenues</b>								
Intergovernmental	\$ -	\$ -	\$ 87,857	\$ -	\$ -	\$ -	\$ -	\$ 173
Other income	-	-	-	-	43,586	34,180	-	-
Investment income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>87,857</u>	<u>-</u>	<u>43,586</u>	<u>34,180</u>	<u>-</u>	<u>173</u>
<b>Expenditures</b>								
General government	-	-	121,178	-	43,546	-	-	-
Public safety	-	-	-	-	-	-	-	-
Fire safety	-	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>121,178</u>	<u>-</u>	<u>43,546</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenue over expenditures</b>	-	-	(33,321)	-	40	34,180	-	173
<b>Other financing sources (uses)</b>								
Transfers out	-	-	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	-	-	(33,321)	-	40	34,180	-	173
<b>Fund Balance, July 1, 2022</b>	<u>-</u>	<u>2,867</u>	<u>-</u>	<u>(12,640)</u>	<u>87,438</u>	<u>55,010</u>	<u>1,475</u>	<u>1,987</u>
<b>Fund Balance, June 30, 2023</b>	<u>\$ -</u>	<u>\$ 2,867</u>	<u>\$ (33,321)</u>	<u>\$ (12,640)</u>	<u>\$ 87,478</u>	<u>\$ 89,190</u>	<u>\$ 1,475</u>	<u>\$ 2,160</u>

*See independent auditor's report*



TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	<u>Youth Mentoring Grant</u>	<u>Police Bicycle Patrol Grant</u>	<u>AFIS Live Scan Fed Grant</u>	<u>Memorial Tree Fund</u>	<u>Burr's Hill Park Tennis Courts</u>	<u>Stormwater Permitting</u>
<b>Revenues</b>						
Intergovernmental	\$ 25,260	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Total revenues	<u>25,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>						
General government	35,054	-	-	-	-	-
Public safety	-	-	-	-	-	-
Fire safety	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-
Total expenditures	<u>35,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenue over expenditures</b>	(9,794)	-	-	-	-	-
<b>Other financing sources (uses)</b>						
Transfers out	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	(9,794)	-	-	-	-	-
<b>Fund Balance, July 1, 2022</b>	<u>-</u>	<u>2,751</u>	<u>250</u>	<u>401</u>	<u>(15,824)</u>	<u>(15,000)</u>
<b>Fund Balance, June 30, 2023</b>	<u>\$ (9,794)</u>	<u>\$ 2,751</u>	<u>\$ 250</u>	<u>\$ 401</u>	<u>\$ (15,824)</u>	<u>\$ (15,000)</u>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Unclaimed Estate	Tourister Peer Review	Recreational Trails Grant	Summer Concerts	Rec Department Donation	Water St Subsurface Infiltration	Picnic Shelter
<b>Revenues</b>							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 23,701	\$ -	\$ -
Other income	6,323	-	55,221	6,901	-	-	-
Investment income	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>6,323</b>	<b>-</b>	<b>55,221</b>	<b>6,901</b>	<b>23,701</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>							
General government	11,716	-	313,059	13,990	22,186	-	-
Public safety	-	-	-	-	-	-	-
Fire safety	-	-	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>11,716</b>	<b>-</b>	<b>313,059</b>	<b>13,990</b>	<b>22,186</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(5,393)</b>	<b>-</b>	<b>(257,838)</b>	<b>(7,089)</b>	<b>1,515</b>	<b>-</b>	<b>-</b>
<b>Other financing sources (uses)</b>							
Transfers out	-	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	<b>(5,393)</b>	<b>-</b>	<b>(257,838)</b>	<b>(7,089)</b>	<b>1,515</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, July 1, 2022</b>	<b>13,520</b>	<b>(47,939)</b>	<b>(84,956)</b>	<b>16,022</b>	<b>40,624</b>	<b>(13,908)</b>	<b>2,101</b>
<b>Fund Balance, June 30, 2023</b>	<b>\$ 8,127</b>	<b>\$ (47,939)</b>	<b>\$ (342,794)</b>	<b>\$ 8,933</b>	<b>\$ 42,139</b>	<b>\$ (13,908)</b>	<b>\$ 2,101</b>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Take it Outside	Jamiel's Park Substance Abuse	Fire Inspections	Jamiel's Park DEM Grant	Fire State Meds Plan	RI Commerce	FEMA Sandy Event	Community Development Block Grant
<b>Revenues</b>								
Intergovernmental	\$ -	\$ 13,900	\$ 20,619	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	-	-	-	-	-	-	5,080	-
Investment income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>13,900</b>	<b>20,619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,080</b>	<b>-</b>
<b>Expenditures</b>								
General government	68,536	-	-	-	-	17,355	-	-
Public safety	-	8,021	-	-	-	-	-	-
Fire safety	-	-	3,966	-	-	-	-	-
Capital and special appropriation	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>68,536</b>	<b>8,021</b>	<b>3,966</b>	<b>-</b>	<b>-</b>	<b>17,355</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(68,536)</b>	<b>5,879</b>	<b>16,653</b>	<b>-</b>	<b>-</b>	<b>(17,355)</b>	<b>5,080</b>	<b>-</b>
<b>Other financing sources (uses)</b>								
Transfers out	-	-	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	<b>(68,536)</b>	<b>5,879</b>	<b>16,653</b>	<b>-</b>	<b>-</b>	<b>(17,355)</b>	<b>5,080</b>	<b>-</b>
<b>Fund Balance, July 1, 2022</b>	<b>-</b>	<b>18,335</b>	<b>78,611</b>	<b>(18,102)</b>	<b>48,082</b>	<b>-</b>	<b>36,680</b>	<b>4,894</b>
<b>Fund Balance, June 30, 2023</b>	<b>\$ (68,536)</b>	<b>\$ 24,214</b>	<b>\$ 95,264</b>	<b>\$ (18,102)</b>	<b>\$ 48,082</b>	<b>\$ (17,355)</b>	<b>\$ 41,760</b>	<b>\$ 4,894</b>

TOWN OF WARREN, RHODE ISLAND  
Special Revenue Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2023

	Veterans' Honor Roll	Government Center	Holiday Committee	Ship Shape	Narcotics	Employee Charity Fund	Affordable Housing	Performance Bond	COVID Clinic	Total Special Revenue Funds
<b>Revenues</b>										
Intergovernmental	\$ -	\$ -	\$ 9,450	\$ -	\$ 26,787	\$ -	\$ -	\$ -	\$ -	271,636
Other income	-	-	-	-	-	52	-	5	5,580	367,383
Investment income	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>9,450</b>	<b>-</b>	<b>26,787</b>	<b>52</b>	<b>-</b>	<b>5</b>	<b>5,580</b>	<b>639,019</b>
<b>Expenditures</b>										
General government	850	-	5,950	-	-	-	-	-	-	716,544
Public safety	-	-	-	-	4,943	-	-	-	-	240,511
Fire safety	-	-	-	-	-	-	-	-	-	3,966
Capital and special appropriation	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>850</b>	<b>-</b>	<b>5,950</b>	<b>-</b>	<b>4,943</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>961,021</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>(850)</b>	<b>-</b>	<b>3,500</b>	<b>-</b>	<b>21,844</b>	<b>52</b>	<b>-</b>	<b>5</b>	<b>5,580</b>	<b>(322,002)</b>
<b>Other financing sources (uses)</b>										
Transfers out	-	-	-	-	-	-	-	-	-	-
<b>Excess (deficiency) or revenues and other sources over expenditures and other uses</b>	<b>(850)</b>	<b>-</b>	<b>3,500</b>	<b>-</b>	<b>21,844</b>	<b>52</b>	<b>-</b>	<b>5</b>	<b>5,580</b>	<b>(322,002)</b>
<b>Fund Balance, July 1, 2022</b>	<b>15,130</b>	<b>39</b>	<b>-</b>	<b>800</b>	<b>96,035</b>	<b>560</b>	<b>4,051</b>	<b>(3,457)</b>	<b>(60)</b>	<b>356,917</b>
<b>Fund Balance, June 30, 2023</b>	<b>\$ 14,280</b>	<b>\$ 39</b>	<b>\$ 3,500</b>	<b>\$ 800</b>	<b>\$ 117,879</b>	<b>\$ 612</b>	<b>\$ 4,051</b>	<b>\$ (3,452)</b>	<b>\$ 5,520</b>	<b>\$ 34,915</b>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
 Capital Projects Funds  
 Combining Balance Sheet  
 June 30, 2023

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	<b>RI Infrastructure</b>		
	<b>Bank Bond</b>	<b>20M RIIB Bond</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ -	\$ 243,977	\$ 243,977
Intergovernmental	565,485	-	565,485
Total assets	<u>565,485</u>	<u>243,977</u>	<u>809,462</u>
<b>Deferred outflows of resources</b>			
None	-	-	-
Total assets and deferred outflows of resources	<u>565,485</u>	<u>243,977</u>	<u>809,462</u>
<b>Liabilities</b>			
Accounts payable and accrued expenses	53,971	-	53,971
Total liabilities	<u>53,971</u>	<u>-</u>	<u>53,971</u>
<b>Deferred inflows of resources</b>			
None	-	-	-
<b>Fund Balances</b>			
Restricted	511,514	243,977	755,491
Unassigned	-	-	-
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 565,485</u>	<u>\$ 243,977</u>	<u>\$ 809,462</u>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
 Capital Projects Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2023

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	<b>RI Infrastructure Bank Bond</b>	<b>20MRIIB Bond</b>	<b>Total</b>
<b>Revenues</b>			
Federal and state grants	\$ 565,485	\$ -	\$ 565,485
Total revenues	565,485	-	565,485
<b>Expenditures</b>			
Capital and special appropriations	53,971	-	53,971
Total expenditures	53,971	-	53,971
<b>Excess (deficiency) of revenue over expenditures</b>	511,514	-	511,514
<b>Other financing sources (uses)</b>			
Transfer from (to) other funds	-	-	-
Total other financing sources (uses)	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	511,514	-	511,514
Fund Balance, July 1, 2022, Restated	-	243,977	243,977
Fund Balance, June 30, 2023	\$ 511,514	\$ 243,977	\$ 755,491

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
 Permanent Funds  
 Combining Balance Sheet  
 June 30, 2023

	<b>Document Preservation</b>	<b>Police Trust</b>	<b>Sara B Buris</b>	<b>Total Permanent Funds</b>
<b>Assets</b>				
Cash	\$ 22,237	\$ 2,958	\$ -	\$ 25,195
Investments	-	-	10,414	10,414
Total assets	<u>22,237</u>	<u>2,958</u>	<u>10,414</u>	<u>35,609</u>
<b>Deferred outflows of resources</b>				
Deferred outflows	-	-	-	-
Total assets and deferred outflows of resources	<u>22,237</u>	<u>2,958</u>	<u>10,414</u>	<u>35,609</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred inflows of resources</b>				
Deferred inflows	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficits), restricted	22,237	2,958	10,414	35,609
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 22,237</u>	<u>\$ 2,958</u>	<u>\$ 10,414</u>	<u>\$ 35,609</u>

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
 Permanent Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 For the Year Ended June 30, 2023

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	<b>Document Preservation</b>	<b>Police Trust</b>	<b>Sara B Buris</b>	<b>Total Permanent Funds</b>
<b>Revenues</b>				
Licenses, fees, permits and fines	\$ 11,741	\$ -	\$ 19	\$ 11,761
Investment income	-	-	-	-
Total revenues	11,741	-	19	11,761
<b>Expenditures</b>				
General government	10,147	-	104	10,252
Public safety	-	-	-	-
Total expenditures	10,147	-	104	10,252
Excess (deficiency) of revenues over expenditures	1,594	-	(85)	1,509
<b>Other financing sources (uses)</b>				
Transfers in/out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<b>Excess of revenue and other sources over expenditures and other uses</b>	1,594	-	(85)	1,509
Fund Balance, July 1, 2022	20,643	2,958	10,499	34,100
Fund Balance, June 30, 2023	\$ 22,237	\$ 2,958	\$ 10,414	\$ 35,609

*See independent auditor's report*



## FIDUCIARY FUNDS

TOWN OF WARREN, RHODE ISLAND  
Fiduciary Funds

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**Private Purpose Trust Funds**

These trust funds account for gifts and bequests restricted as to use for the benefit of parties outside of the Town and cannot be used at the Town's discretion or to support the Town's general operations. Certain trusts benefit local educational organizations, social benefit groups, and the other private parties.

**Custodial Funds**

These funds account for assets on behalf of other on a temporary basis.

**Other Post-Employment Benefits Trust Fund (OPEB)**

This fund is used to account for assets held that will fund the long-term liability associated with the Town's retiree's health benefits.

TOWN OF WARREN, RHODE ISLAND  
Private Purpose Trust Funds  
Combining Statement of Net Position  
June 30, 2023

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	<u>Samuel P. Colt Fund</u>	<u>Joseph Martin Fund</u>	<u>Abby A. Cole Fund</u>	<u>Alysum Farm Fund</u>	<u>Joseph W. Smith Fund</u>	<u>C. Richard Garnder Fund</u>	<u>Total</u>
<b>Assets</b>							
Investments	\$ 58,317	\$ 41,655	\$ 14,579	\$ 27,075	\$ 47,903	\$ 8,331	\$ 197,859
Total assets	<u>58,317</u>	<u>41,655</u>	<u>14,579</u>	<u>27,075</u>	<u>47,903</u>	<u>8,331</u>	<u>197,859</u>
<b>Liabilities</b>							
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>							
Restricted for other purposes	<u>58,317</u>	<u>41,655</u>	<u>14,579</u>	<u>27,075</u>	<u>47,903</u>	<u>8,331</u>	<u>197,859</u>
<b>Total liabilities and net position</b>	<u>\$ 58,317</u>	<u>\$ 41,655</u>	<u>\$ 14,579</u>	<u>\$ 27,075</u>	<u>\$ 47,903</u>	<u>\$ 8,331</u>	<u>\$ 197,859</u>

TOWN OF WARREN, RHODE ISLAND  
Private Purpose Trust Funds  
Combining Statement of Changes in Net Position  
For the Year Ended June 30, 2023

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	Samuel P. Colt Fund	Joseph Martin Fund	Abby A. Cole Fund	Alysum Farm Fund	Joseph W. Smith Fund	C. Richard Garnder Fund	Total
<b>Additions</b>							
Investment income	\$ 108	\$ 77	\$ 27	\$ 50	\$ 89	\$ 15	\$ 367
Total additions	<u>108</u>	<u>77</u>	<u>27</u>	<u>50</u>	<u>89</u>	<u>15</u>	<u>367</u>
<b>Deductions</b>							
Miscellaneous	584	417	146	271	480	83	1,983
Total Deductions	<u>584</u>	<u>417</u>	<u>146</u>	<u>271</u>	<u>480</u>	<u>83</u>	<u>1,983</u>
<b>Excess of Revenues and Other Sources over Expenditures and Other Uses</b>	(476)	(340)	(119)	(221)	(391)	(68)	(1,616)
Fund balance, July 1, 2022	<u>58,793</u>	<u>41,995</u>	<u>14,698</u>	<u>27,297</u>	<u>48,294</u>	<u>8,399</u>	<u>199,475</u>
Fund balance, June 30, 2023	<u>\$ 58,317</u>	<u>\$ 41,655</u>	<u>\$ 14,579</u>	<u>\$ 27,075</u>	<u>\$ 47,903</u>	<u>\$ 8,331</u>	<u>\$ 197,859</u>

TOWN OF WARREN, RHODE ISLAND  
 Supplementary Information  
 Tax Collector's Annual Report  
 For the Year Ended June 30, 2023

Tax Year	Balance July 1, 2022	Assessments December 31, 2021	Additions	Adjustments/ Abatements	Amount to be Collected	Current Year Collections	Balance June 30, 2023	July-August 2022 Collections Subject to 60-day FY22 Accrual	September-June 2023 Collections	Total FY23 Cash Collections	July-August 2023 Collections Subject to 60-day FY23 Accrual
2022	\$ -	\$ 25,268,227	\$ 6,761	\$ 227,842	\$ 25,502,831	\$ 25,172,629	\$ 330,202	\$ -	\$ 25,172,629	\$ 25,172,629	\$ 42,445
2021	228,889	-	-	28,425	257,314	220,689	36,625	149,469	71,220	220,689	1,475
2020	36,724	-	-	(9,624)	27,100	5,061	22,039	2,479	2,582	5,061	57
2019	24,665	-	-	(232)	24,433	2,865	21,568	800	2,065	2,865	143
2018	25,659	-	-	4,270	29,929	1,489	28,440	85	1,404	1,489	174
2017	30,520	-	-	-	30,520	1,798	28,722	339	1,459	1,798	218
2016	16,840	-	-	11,003	27,843	1,324	26,519	396	928	1,324	156
2015	26,471	-	-	2,535	29,006	1,079	27,927	76	1,003	1,079	-
2014	21,689	-	-	7,994	29,683	732	28,951	-	732	732	-
2013 and prior	264,839	-	-	(26,612)	238,227	1,475	236,752	516	959	1,475	-
	\$ 676,296	\$ 25,268,227	\$ 6,761	\$ 245,600	\$ 26,196,885	\$ 25,409,141	\$ 787,744	\$ 154,160	\$ 25,254,981	\$ 25,409,141	\$ 44,668
							Allowance for Uncollectible Accounts			423,297	
							Net Property Tax Receivable			\$ 364,442	

*See independent auditor's report*

TOWN OF WARREN, RHODE ISLAND  
 Supplementary Information  
 Tax Collector's Annual Report  
 For the Year Ended June 30, 2023

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**Schedule of Most Recent Net Assessed Property Value by Category**

Description of Property	Valuation	Levy
Real Property	\$ 1,399,433,679	\$ 25,203,801
Motor Vehicles	101,450,265	1,827,119
Tangible	<u>39,600,490</u>	<u>713,205</u>
Total	1,540,484,434	27,744,125
Exemptions	<u>76,027,535</u>	<u>2,475,899</u>
<b>Net assessed value</b>	<u><u>\$ 1,464,456,899</u></u>	<u><u>\$ 25,268,227</u></u>

**Reconciliation of Current Year Property Tax Revenue**

Current year collection	\$ 25,409,141
Add: Revenue collected 60 days subsequent to fiscal year ending June 30, 2023	44,668
Less: Revenue collected 60 days subsequent to fiscal year ending June 30, 2022	<u>154,160</u>
<b>Current year property tax revenue</b>	<u><u>\$ 25,299,649</u></u>

TOWN OF WARREN, RHODE ISLAND  
Other Supplementary Information  
Annual Supplemental Transparency Portal (MTP2)  
*For the Year Ended June 30, 2023*

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OTHER SUPPLEMENTAY 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 WARREN, RHODE ISLAND  
 Other Supplementary Information  
 Annual Supplemental Transparency Portal (MTP2)  
 For the Year Ended June 30, 2023

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<u>REVENUE</u>	<u>Municipal</u>
Current Year Levy Tax Collection	\$ 25,186,409
Last Year's Levy Tax Collection	72,695
Prior Years Property Tax Collection	11,883
Interest & Penalty	87,652
PILOT & Tax Treaty (excluded from levy) Collection	-
Other Local Property Taxes	-
Licenses and Permits	311,256
Fines and Forfeitures	26,729
Investment Income	103,812
Departmental	671,109
Rescue Run Revenue	791,238
Police & Fire Detail	194,398
Other Local Non-Property Tax Revenues	174,084
Tuition	-
Impact Aid	-
Medicaid	-
Federal Stabilization Funds	-
Federal Food Service Reimbursement	-
CDBG	-
COPS Grants	-
SAFER Grants	-
Other Federal Aid Funds	-
COVID - ESSER	-
COVID - CRF	-
COVID - CDBG	-
COVID - FEMA	5,080
COVID - Other	5,580
COVID - ARPA	636,347
MV Excise Tax Reimbursement	94,349
State PILOT Program	-
Distressed Community Relief Fund	-
Library Resource Aid	-
Library Construction Aid	-
Public Service Corporation Tax	-
Meals & Beverage Tax / Hotel Tax	420,328
LEA Aid	-
Group Home	-
Housing Aid Capital Projects	-
Housing Aid Bonded Debt	-
State Food Service Revenue	-
Incentive Aid	-
Property Revaluation Reimbursement	32,068
Other State Revenue	4,778
Motor Vehicle Phase Out	1,996,562
Other Revenue	-
Local Appropriation for Education	-
Regional Appropriation for Education	-
Supplemental Appropriation for Education	-
Regional Supplemental Appropriation for Education	-
Other Education Appropriation	-
Rounding	-
<b>Total Revenue</b>	<u><u>\$ 30,826,357</u></u>
Financing Sources: Transfer from Capital Funds	\$ -
Financing Sources: Transfer from Other Funds	2,000,000
Financing Sources: Debt Proceeds	-
Financing Sources: Other	-
Rounding	-
<b>Total Other Financing Sources</b>	<u><u>\$ 2,000,000</u></u>

*See independent auditor's report*

*See accompanying notes to supplementary information*



TOWN OF WARREN, RHODE ISLAND  
 Other Supplementary Information  
 Annual Supplemental Transparency Portal (MTP2)  
 For the Year Ended June 30, 2023

<u>EXPENDITURES</u>	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal
Compensation - Group A	\$ 146,961	\$ 286,260	\$ 100,202	\$ -	\$ -	\$ -	\$ 5,132,083
Compensation - Group B	43,390	-	-	-	-	-	43,390
Compensation - Group C	-	-	-	-	-	-	-
Compensation -Volunteer	350,104	-	-	-	-	-	350,104
Overtime - Group A	-	26,761	1,788	-	-	-	407,298
Overtime - Group B	-	-	-	-	-	-	-
Overtime - Group C	-	-	-	-	-	-	-
Police & Fire Detail	5,213	-	-	-	-	-	294,163
Active Medical Insurance - Group A	30,329	75,823	15,165	-	-	-	1,152,507
Active Medical Insurance- Group B	15,165	-	-	-	-	-	15,165
Active Medical Insurance- Group C	-	-	-	-	-	-	-
Active Dental insurance- Group A	1,561	3,903	781	-	-	-	59,327
Active Dental Insurance- Group B	781	-	-	-	-	-	781
Active Dental Insurance- Group C	-	-	-	-	-	-	-
Payroll Taxes	14,385	23,651	7,743	-	-	-	434,658
Life Insurance	531	885	177	-	-	-	13,632
State Defined Contribution- Group A	-	2,628	526	-	-	-	24,700
State Defined Contribution - Group B	526	-	-	-	-	-	526
State Defined Contribution - Group C	-	-	-	-	-	-	-
Other Benefits - Group A	-	-	-	-	-	-	158,345
Other Benefits- Group B	-	-	-	-	-	-	-
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	37,534	30,081	6,016	-	-	-	827,007
State Defined Benefit Pension - Group B	6,016	-	-	-	-	-	6,016
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	2,500	-	-	-	-	-	12,500
Purchased Services	72,043	3,000	1,154	-	-	-	353,961
Materials/Supplies	127,566	-	27,940	-	-	-	420,995
Software Licenses	-	-	-	-	-	-	28,340
Capital Outlays	161,696	-	-	-	-	-	2,202,209
Insurance	-	-	-	-	-	-	618,941
Maintenance	18,000	-	12,638	-	-	-	176,303
Vehicle Operations	146,548	-	-	-	-	-	391,028
Utilities	32,549	5,457	2,099	-	-	-	148,218
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	184,717
Revaluation	-	-	-	-	-	-	28,760
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	112,486
Trash Removal & Recycling	-	-	-	-	-	-	460,967
Claims & Settlements	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	89,095
Other Operation Expenditures	26,000	-	-	-	-	-	501,892
Tipping Fees	-	-	-	-	-	-	221,136
Local Appropriation for Education	-	-	-	13,270,075	-	-	13,270,075
Regional Appropriation for Education	-	-	-	-	-	-	-
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	2,309,841	-	2,309,841
Municipal Debt- Interest	-	-	-	-	964,655	-	964,655
School Debt- Principal	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	192,406	192,406
Retiree Dental Insurance- Total	-	-	-	-	-	6,140	6,140
OPEB Contribution- Total	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 1,239,398</b>	<b>\$ 458,450</b>	<b>\$ 176,228</b>	<b>\$ 13,270,075</b>	<b>\$ 3,274,496</b>	<b>\$ 198,547</b>	<b>\$ 31,614,369</b>

*See independent auditor's report*

*See accompanying notes to supplementary information*

TOWN OF WARREN, RHODE ISLAND  
Other Supplementary Information  
Annual Supplemental Transparency Portal (MTP2)  
For the Year Ended June 30, 2023

EXPENDITURES	Fire Department	Centralized Dispatch	Public Safety Other	Education Appropriation	Debt	OPEB	Total Municipal
Compensation- Group A	\$ 120,189	\$ 288,497	\$ 100,239	\$ -	\$ -	\$ -	\$ 4,730,374
Compensation - Group B	80,215	-	-	-	-	-	478,573
Compensation - Group C	-	-	-	-	-	-	-
Compensation -Volunteer	523,533	-	-	-	-	-	523,533
Overtime- Group A	-	26,761	1,788	-	-	-	362,405
Overtime - Group B	-	-	-	-	-	-	48,040
Overtime - Group C	-	-	-	-	-	-	-
Police & Fire Detail	7,515	-	-	-	-	-	233,066
Active Medical Insurance - Group A	47,856	119,640	23,928	-	-	-	1,770,677
Active Medical Insurance- Group B	23,928	-	-	-	-	-	23,928
Active Medical Insurance- Group C	-	-	-	-	-	-	-
Active Dental insurance- Group A	1,672	4,181	836	-	-	-	61,879
Active Dental Insurance- Group B	836	-	-	-	-	-	836
Active Dental Insurance- Group C	-	-	-	-	-	-	-
Payroll Taxes	15,149	23,815	7,745	-	-	-	403,229
Life Insurance	644	1,074	215	-	-	-	16,103
State Defined Contribution- Group A	-	5,546	1,109	-	-	-	49,913
State Defined Contribution - Group B	1,109	-	-	-	-	-	1,109
State Defined Contribution - Group C	-	-	-	-	-	-	-
Other Benefits- Group A	-	-	-	-	-	-	157,291
Other Benefits- Group B	-	-	-	-	-	-	-
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	38,560	29,424	5,885	-	-	-	823,942
State Defined Benefit Pension - Group B	5,885	-	-	-	-	-	5,885
State Defined Benefit Pension - Group C	-	-	-	-	-	-	-
Other Defined Benefit / Contribution	6,500	-	-	-	-	-	57,858
Purchased Services	74,257	3,000	1,154	-	-	-	312,439
Materials/Supplies	121,880	-	27,940	-	-	-	433,512
Software Licenses	-	-	-	-	-	-	44,760
Capital Outlays	54,000	-	-	-	-	-	1,576,303
Insurance	-	-	-	-	-	-	626,135
Maintenance	18,584	-	12,638	-	-	-	143,669
Vehicle Operations	92,485	-	-	-	-	-	361,416
Utilities	33,648	5,457	2,099	-	-	-	153,114
Contingency	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	190,950
Revaluation	-	-	-	-	-	-	43,500
Snow Removal-Raw Material & External Contracts	-	-	-	-	-	-	20,987
Trash Removal & Recycling	-	-	-	-	-	-	497,853
Claims & Settlements	-	-	-	-	-	-	-
Community Support	-	-	-	-	-	-	58,909
Other Operation Expenditures	26,000	-	-	-	-	-	897,442
Tipping Fees	-	-	-	-	-	-	223,752
Local Appropriation for Education	-	-	-	-	-	-	-
Regional Appropriation for Education	-	-	-	13,270,075	-	-	13,270,075
Supplemental Appropriation for Education	-	-	-	-	-	-	-
Regional Supplemental Appropriation for Education	-	-	-	-	-	-	-
Other Education Appropriation	-	-	-	-	-	-	-
Municipal Debt- Principal	-	-	-	-	2,457,947	-	2,457,947
Municipal Debt- Interest	-	-	-	-	586,672	-	586,672
School Debt- Principal	-	-	-	-	-	-	-
School Debt- Interest	-	-	-	-	-	-	-
Retiree Medical Insurance- Total	-	-	-	-	-	205,112	205,112
Retiree Dental Insurance- Total	-	-	-	-	-	6,344	6,344
OPEB Contribution- Total	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 1,294,447</b>	<b>\$ 507,395</b>	<b>\$ 185,575</b>	<b>\$ 13,270,075</b>	<b>\$ 3,044,620</b>	<b>\$ 211,456</b>	<b>\$ 31,859,531</b>

*See independent auditor's report*

*See accompanying notes to supplementary information*

TOWN OF WARREN, RHODE ISLAND  
 Other Supplementary Information  
 Annual Supplemental Transparency Portal (MTP2)  
 For the Year Ended June 30, 2023

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Financing Uses: Transfer to Capital Funds	\$ -
Financing Uses: Transfer to Other Funds	
Financing Uses: Payment to Bond Escrow Agent	-
Financing Uses: Other	-
<b>Total Other Financing Uses</b>	<u>\$ -</u>
<b>Net Change in Fund Balance<sup>1</sup></b>	966,826
<b>Fund Balance<sup>1</sup> - beginning of year</b>	\$7,875,859
Funds removed from Reportable Government Services (RGS)	-
Funds added to Reportable Government Services (RGS)	-
Prior period adjustments	-
Misc. Adjustment	(2)
<b>Fund Balance<sup>1</sup> - beginning of year adjusted</b>	<u>7,875,857</u>
Rounding	
<b>Fund Balance<sup>1</sup> - end of year</b>	<u><u>\$ 8,842,683</u></u>

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

*See independent auditor's report*

*See accompanying notes to supplementary information*

TOWN OF WARREN, RHODE ISLAND  
 Other Supplementary Information  
 Annual Supplemental Transparency Portal (MTP2)  
 For the 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 <sup>1</sup>	Beginning Fund Fund Balance <sup>1</sup> (Deficit)	Prior Period Adjustment	Restated Beginning Fund Balance <sup>1</sup> (Deficit)	Ending Fund Balance <sup>1</sup> (Deficit)
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2022 adjusted</b>						\$ 7,875,859		\$ 7,875,859	
<i>No funds removed from RGS for fiscal 2022</i>						-	-	-	
<i>No funds added to RGS for Fiscal 2022</i>						-	-	-	
<i>Miscellaneous adjustments made for fiscal 2022</i>						(2)	-	(2)	
<b>Fund Balance<sup>1</sup> - per MTP-2 at June 30, 2023 adjusted</b>						<u>\$ 7,875,857</u>	-	<u>\$ 7,875,857</u>	
General Fund	\$ 29,984,952	\$ 2,225,000	\$ 31,225,026	\$ -	\$ 984,926	\$ 7,959,689	\$ -	\$ 7,959,689	\$ 8,944,615
Road Duty	194,398	-	225,551	-	(31,153)	(121,619)	-	(121,619)	(152,772)
COVID ARPA	636,347	-	408,954	225,000	2,393	1,167	-	1,167	3,560
COVID Other-Vaccine Clinics	5,580	-	-	-	5,580	(60)	-	(60)	5,520
COVID FEMA	5,080	-	-	-	5,080	36,680	-	36,680	41,760
<b>Totals per audited financial statements</b>	<u>\$ 30,826,357</u>	<u>\$ 2,225,000</u>	<u>\$ 31,859,531</u>	<u>\$ 225,000</u>	<u>\$ 966,826</u>	<u>\$ 7,875,857</u>	<u>\$ -</u>	<u>\$ 7,875,857</u>	<u>\$ 8,842,683</u>
<b>Reconciliation from financial statements to MTP2</b>									
Elimination of the transfer from the APRA fund to the General Fund	\$ -	\$ (225,000)	\$ -	\$ (225,000)	\$ -	\$ -	\$ -	\$ -	\$ -
Rounding	-	-	-	-	-	-	-	-	-
<b>Totals Per MTP2</b>	<u>\$ 30,826,357</u>	<u>\$ 2,000,000</u>	<u>\$ 31,859,531</u>	<u>\$ -</u>	<u>\$ 966,826</u>	<u>\$ 7,875,857</u>	<u>\$ -</u>	<u>\$ 7,875,857</u>	<u>\$ 8,842,683</u>

*See independent auditor's report*

*See accompanying notes to supplementary information*

TOWN OF WARREN, RHODE ISLAND  
Supplementary Information  
Notes to Annual Supplemental Transparency Portal (MTP2)  
*For the Year Ended June 30, 2023*

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**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
- Remaining Departments- All employees’ compensation and benefits are reported under Group A

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

*See independent auditor’s report*

*See accompanying notes to supplementary information*

TOWN OF WARREN, RHODE ISLAND  
Supplementary Information  
Notes to Annual Supplemental Transparency Portal (MTP2)  
*For the Year Ended June 30, 2023*

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**NOTE 4- EMPLOYEE GROUPS – COMPENSATION AND BENEFIT COSTS** *(continued)*

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 EXPENDITURE**

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

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

*See independent auditor's report*

*See accompanying notes to supplementary information*

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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 Town Council  
Town of Warren  
Warren, 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 Warren, Rhode Island, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Town of Warren's basic financial statements, and have issued our report thereon dated April 17, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Town of Warren, Rhode Island's internal control over financial reporting (internal control) as a basis for designing 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 Town of Warren's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Warren'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 or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Town of Warren, Rhode Island'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 financial statements. 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., CPAs, P.C.*

Fall River, Massachusetts

April 17, 2024